

Far Eastern New Century Corporation

**Financial Statements for the
Years Ended December 31, 2012 and 2011 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") as of December 31, 2012 and 2011 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, 2012 and 2011. 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 4.16% (NT\$7,737,955 thousand) and 1.30% (NT\$2,363,491 thousand) of the Company's total assets as of December 31, 2012 and 2011, respectively. As shown in the accompanying statements of income, the Company's equity in net gain of NT\$242,656 thousand and gain of NT\$244,939 thousand of the foregoing investees were 2.81% and 2.06%, respectively, of the Company's income before income tax in 2012 and 2011, 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, 2012 and 2011 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.

As disclosed in Note 23(7) of the financial statement, concerning the nullification by the Department of Commerce of the Ministry of Economic Affairs (“DOC”) of capital increase registrations in of Pacific Liu Tung Investment Corporation (“PLT”) by Far Eastern New Century Corporation and its subsidiaries, the Taipei High Administrative Court, on November 29, 2012, (Court Reference Number: Year 99 Letter Su No. 1258 verdict) revoked DOC’s decision to nullify the aforesaid capital registrations and subsequent rejection (by Executive Yuan) of an administrative review. However, DOC did not agree with the decision of Taipei High Administrative Court and filed an appeal against the aforesaid court decision at the Highest Administrative Court on December 25, 2012. Therefore, final impact of this case on the Company’s controlling interest and several capital injections by the Company and its subsidiaries in PLT is pending court decision.

As disclosed in Note 23 (8) of the financial statement, on May 11, 2012, pursuant to referencing Letter Kan No. 92 verdict, Taipei District Court assigned Min-Qiu Jian, Kung Wang, Chen-Chuan Chiu, Chin-Yu Wu and Cheng-Xiong Chen as the interim administrators of PLT. Taipei High Court has ruled to abolish the aforesaid decision on December 27, 2012.

We have also audited the consolidated financial statements of Far Eastern New Century Corporation and subsidiaries for the years ended December 31, 2012 and 2011 (not presented herewith) and have expressed a modified unqualified opinion thereon in our report dated March 27, 2013 on the basis of our audits and the reports of the other auditors.

March 27, 2013

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

BALANCE SHEETS

DECEMBER 31, 2012 AND 2011

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

ASSETS	2012		2011		LIABILITIES AND STOCKHOLDERS' EQUITY	2012		2011	
	Amount	%	Amount	%		Amount	%	Amount	%
CURRENT ASSETS					CURRENT LIABILITIES				
Cash and cash equivalents (Notes 2 and 4)	\$ 4,381,262	2	\$ 2,444,308	2	Short-term bank loans (Notes 13 and 22)	\$ 6,116,442	3	\$ 5,472,199	3
Financial assets at fair value through profit or loss - current (Notes 2 and 5)	25,345	-	48,308	-	Financial liabilities at fair value through profit or loss - current (Notes 2, 5 and 14)	619	-	4,708	-
Notes receivable (Notes 2 and 3)	395,553	-	302,778	-	Notes payable	1,900	-	2,338	-
Accounts receivable - less allowance for bad debts of \$55,619 thousand in 2012 and 2011 (Notes 2 and 3)	8,320,555	5	9,776,610	6	Accounts payable	3,447,897	2	3,967,737	2
Notes and accounts receivable from affiliates (Note 21)	789,766	1	470,140	-	Accounts payable to affiliates (Note 21)	933,977	1	1,108,388	1
Other receivables	255,918	-	216,389	-	Accrued expenses (Note 21)	3,688,991	2	3,344,427	2
Other receivables from affiliates (Note 21)	338,194	-	282,919	-	Receipts in advance	374,931	-	364,251	-
Inventories, net (Notes 2 and 6)	6,363,829	3	7,597,423	4	Current portion of long-term liabilities (Notes 2, 14 and 22)	2,380,000	1	1,878,631	1
Prepayments	275,259	-	226,754	-	Other current liabilities	686,264	-	702,340	-
Other current assets	188,733	-	404,662	-					
Total current assets	21,334,414	11	21,770,291	12	Total current liabilities	17,631,021	9	16,845,019	9
FUNDS AND INVESTMENTS (Notes 2, 7, 8, 9, 21 and 22)					LONG-TERM LIABILITIES, NET OF CURRENT PORTION				
Available-for-sale financial assets - noncurrent	804,484	-	737,481	-	Bonds payable (Notes 2, 14 and 22)	32,343,579	18	21,344,014	12
Financial assets carried at cost - noncurrent	53,667	-	53,667	-	Long-term debts (Notes 14 and 22)	22,860,463	12	28,450,000	15
Investments accounted for by the equity method	142,335,329	77	138,817,863	77	Total long-term liabilities	55,204,042	30	49,794,014	27
Total funds and investments	143,193,480	77	139,609,011	77	RESERVE FOR LAND VALUE INCREMENT TAX (Note 10)	1,519,896	1	1,519,896	1
PROPERTIES (Notes 2, 3, 10, 21 and 22)					OTHER LIABILITIES				
Cost					Accrued pension liabilities (Notes 2 and 20)	764,899	1	994,021	1
Land	1,450,261	1	1,428,688	1	Deferred income tax liability - noncurrent (Notes 2 and 17)	322,820	-	457,960	-
Buildings and equipment	6,677,784	3	6,174,103	3	Deferred income (Notes 2, 9 and 21)	117,876	-	55,886	-
Machinery and equipment	42,807,329	23	42,621,822	23	Guarantee deposits received	2,259	-	615	-
Furniture and miscellaneous equipment	2,974,340	2	2,756,634	2	Total other liabilities	1,207,854	1	1,508,482	1
Total cost	53,909,714	29	52,981,247	29	Total liabilities	75,562,813	41	69,667,411	38
Revaluation increment	5,070,727	3	5,074,773	3	STOCKHOLDERS' EQUITY				
Total cost and revaluation increment	58,980,441	32	58,056,020	32	Capital stock - NT\$10.00 par value				
Less: Accumulated depreciation	41,806,373	23	43,243,644	24	Authorized - 6,000,000 thousand shares; issued and outstanding - 5,044,134 thousand shares in 2012 and 4,897,217 thousand shares in 2011	50,441,338	27	48,972,173	27
Accumulated impairment losses	213,602	-	159,253	-	Capital surplus				
	16,960,466	9	14,653,123	8	Premium on capital stock	932,814	-	932,814	1
Constructions in progress	2,574,881	2	3,866,778	2	From long-term investments	9,138,169	5	9,421,242	5
Prepayments for equipment	298,135	-	505,097	1	Others	8,884	-	7,672	-
Net properties	19,833,482	11	19,024,998	11	Total capital surplus	10,079,867	5	10,361,728	6
INTANGIBLE ASSETS					Retained earnings				
Other intangible assets (Note 2)	20,332	-	21,965	-	Legal reserve	11,820,720	6	10,710,699	6
OTHER ASSETS					Special reserve	3,152,365	2	3,152,529	2
Nonoperating properties, net (Notes 2, 10, 11 and 22)	906,338	1	230,300	-	Unappropriated earnings	11,472,883	6	13,709,450	7
Restricted assets - noncurrent (Note 22)	34,381	-	34,381	-	Total retained earnings	26,445,968	14	27,572,678	15
Farmland (Note 12)	276,661	-	276,661	-	Other stockholders' equity				
Miscellaneous (Notes 2 and 21)	314,603	-	250,467	-	Unrealized gain on financial instruments	4,221,652	2	2,716,548	1
Total other assets	1,531,983	1	791,809	-	Cumulative translation adjustments	186,739	-	2,915,415	2
					Unrealized revaluation increment	19,166,737	11	19,167,218	11
					Net loss not recognized as pension cost	(166,360)	-	(130,034)	-
					Treasury stock - 734 thousand shares in 2012 and 713 thousand shares 2011	(25,063)	-	(25,063)	-
					Total other stockholders' equity	23,383,705	13	24,644,084	14
					Net stockholders' equity	110,350,878	59	111,550,663	62
TOTAL	\$ 185,913,691	100	\$ 181,218,074	100	TOTAL	\$ 185,913,691	100	\$ 181,218,074	100

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

(With Deloitte & Touche audit report dated March 27, 2013)

FAR EASTERN NEW CENTURY CORPORATION

STATEMENTS OF INCOME

YEARS ENDED DECEMBER 31, 2012 AND 2011

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2012		2011	
	Amount	%	Amount	%
REVENUES				
Sales (Notes 2 and 21)	\$ 61,240,995	101	\$ 62,251,658	101
Less: Sales returns and allowances	<u>571,148</u>	<u>1</u>	<u>710,427</u>	<u>1</u>
Net sales	60,669,847	100	61,541,231	100
Processing service income	<u>12,648</u>	<u>-</u>	<u>15,714</u>	<u>-</u>
Total revenues	<u>60,682,495</u>	<u>100</u>	<u>61,556,945</u>	<u>100</u>
OPERATING COSTS				
Cost of sales (Notes 3, 6, 18 and 21)	55,721,985	92	56,368,998	91
Cost of processing services	<u>10,312</u>	<u>-</u>	<u>13,881</u>	<u>-</u>
Total operating costs	<u>55,732,297</u>	<u>92</u>	<u>56,382,879</u>	<u>91</u>
GROSS PROFIT	<u>4,950,198</u>	<u>8</u>	<u>5,174,066</u>	<u>9</u>
OPERATING EXPENSES (Notes 3, 18 and 21)				
Selling expenses	3,050,506	5	2,749,466	5
General and administrative expenses	1,259,449	2	1,323,447	2
Research and development expenses	<u>623,635</u>	<u>1</u>	<u>653,897</u>	<u>1</u>
Total operating expenses	<u>4,933,590</u>	<u>8</u>	<u>4,726,810</u>	<u>8</u>
OPERATING INCOME	<u>16,608</u>	<u>-</u>	<u>447,256</u>	<u>1</u>
NONOPERATING INCOME AND GAINS				
Interest income	8,828	-	12,345	-
Investment income recognized under the equity method (Note 2)	9,733,484	16	12,239,808	20
Dividend income	19,549	-	19,142	-
Gain on disposal of properties, net (Note 21)	31,680	-	3,963	-
Gain on disposal of investments, net (Notes 9 and 21)	86,185	-	-	-
Rental income (Note 21)	11,820	-	11,380	-
Valuation gain on financial assets, net (Notes 2 and 5)	7,418	-	32,516	-
Valuation gain on financial liabilities, net (Notes 2 and 5)	71,310	-	35,081	-
Other (Note 21)	<u>232,823</u>	<u>1</u>	<u>195,347</u>	<u>-</u>
Total nonoperating income and gains	<u>10,203,097</u>	<u>17</u>	<u>12,549,582</u>	<u>20</u>

(Continued)

FAR EASTERN NEW CENTURY CORPORATION

STATEMENTS OF INCOME

YEARS ENDED DECEMBER 31, 2012 AND 2011

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2012		2011	
	Amount	%	Amount	%
NONOPERATING EXPENSES AND LOSSES				
Interest expense (Note 10)	\$ 801,151	1	\$ 645,270	1
Loss on disposal of investment, net (Note 21)	-	-	383	-
Exchange loss, net (Note 2)	281,737	1	34,523	-
Impairment loss on assets (Note 2)	164,960	-	269,133	1
Other (Notes 11 and 21)	<u>340,250</u>	<u>1</u>	<u>185,927</u>	<u>-</u>
Total nonoperating expenses and losses	<u>1,588,098</u>	<u>3</u>	<u>1,135,236</u>	<u>2</u>
INCOME BEFORE INCOME TAX	8,631,607	14	11,861,602	19
INCOME TAX BENEFIT (EXPENSE) (Notes 2 and 17)	<u>81,570</u>	<u>-</u>	<u>(774,106)</u>	<u>(1)</u>
NET INCOME	<u>\$ 8,713,177</u>	<u>14</u>	<u>\$ 11,087,496</u>	<u>18</u>
	2012		2011	
	Before Income Tax	After Income Tax	Before Income Tax	After Income Tax
EARNINGS PER SHARE (Notes 3 and 19)				
Basic	<u>\$ 1.71</u>	<u>\$ 1.73</u>	<u>\$ 2.35</u>	<u>\$ 2.20</u>
Diluted	<u>\$ 1.71</u>	<u>\$ 1.72</u>	<u>\$ 2.34</u>	<u>\$ 2.19</u>

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

(With Deloitte & Touche audit report dated March 27, 2013)

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2012 AND 2011
(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					
	Shares in Thousands	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Unrealized Gain (Loss) on Financial Instruments (Note 2)	Cumulative Translation Adjustments (Note 2)	Unrealized Revaluation Increment (Notes 2 and 10)	Net Loss not Recognized as Pension Cost (Note 2)	Treasury Stock (Notes 2 and 16)	Net Stockholders' Equity
BALANCE, JANUARY 1, 2011	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)	-	-	-	-	-	-	-
Cash dividends - NT\$2.0 per share	-	-	-	-	-	(9,509,160)	(9,509,160)	-	-	-	-	-	(9,509,160)
Stock dividends - NT\$0.3 per share	142,637	1,426,374	-	-	-	(1,426,374)	(1,426,374)	-	-	-	-	-	-
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 stockholders' equity due to exchangeable bonds	-	-	(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
Appropriation of the 2011 earnings													
Legal reserve	-	-	-	1,110,021	-	(1,110,021)	-	-	-	-	-	-	-
Cash dividends - NT\$1.7 per share	-	-	-	-	-	(8,325,270)	(8,325,270)	-	-	-	-	-	(8,325,270)
Stock dividends - NT\$0.3 per share	146,917	1,469,165	-	-	-	(1,469,165)	(1,469,165)	-	-	-	-	-	-
Net income in 2012	-	-	-	-	-	8,713,177	8,713,177	-	-	-	-	-	8,713,177
Adjustments due to changes in investees' equity in long-term investments	-	-	(262,703)	-	(1)	(45,639)	(45,640)	1,438,925	(1,589,068)	704	(36,418)	-	(494,200)
Translation adjustments on foreign-currency equity-method investments	-	-	-	-	-	-	-	-	(1,135,115)	-	-	-	(1,135,115)
Change in unrealized gain (loss) on available-for-sale financial assets	-	-	-	-	-	-	-	67,003	-	-	-	-	67,003
Adjustments on stockholders' equity due to the disposal of long-term equity investments	-	-	(20,370)	-	(163)	351	188	(824)	(4,493)	(1,185)	92	-	(26,592)
Subsidiaries' cash dividend distributed by the Company	-	-	1,212	-	-	-	-	-	-	-	-	-	1,212
BALANCE, DECEMBER 31, 2012	5,044,134	50,441,338	10,079,867	11,820,720	3,152,365	11,472,883	26,445,968	4,221,652	186,739	19,166,737	(166,360)	(25,063)	110,350,878

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

(With Deloitte & Touche audit report dated March 27, 2013)

FAR EASTERN NEW CENTURY CORPORATION

STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2012 AND 2011 (In Thousands of New Taiwan Dollars)

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 8,713,177	\$ 11,087,496
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	1,368,615	1,271,767
Amortization	56,965	61,386
Provision (reversal of provision) for losses on inventories	(195,166)	239,781
Amortization on discount of exchangeable bonds	33,434	36,586
Gain on exchange of exchangeable bonds	-	(219)
Investment income recognized under the equity method	(9,733,484)	(12,239,808)
Cash dividends received from equity-method investments	7,360,865	8,607,428
Reversal of allowance for bad debts	-	(44,480)
Accrued pension liabilities	(229,122)	(44,839)
Gain on disposal of properties, net	(31,680)	(3,963)
Impairment loss on assets	164,960	269,133
Casualty loss	9,350	-
Loss (gain) on disposal of investments, net	(86,185)	383
Deferred income tax	(135,140)	724,408
Net changes in operating assets and liabilities		
Financial assets held for trading	22,963	(30,892)
Financial liabilities held for trading	(4,089)	263
Notes receivable	(92,775)	399,763
Accounts receivable	1,456,055	(2,759,334)
Notes and accounts receivable from affiliates	(319,626)	(148,315)
Other receivables	5,238	50,829
Other receivables from affiliates	(55,275)	155,810
Inventories	1,428,760	(2,197,036)
Prepayments	(48,505)	(102,014)
Other current assets	215,929	(120,639)
Notes payable	(438)	(667)
Accounts payable	(519,840)	190,714
Accounts payable to affiliates	(174,411)	(181,626)
Accrued expenses	344,564	181,590
Receipts in advance	10,680	64,572
Other current liabilities	(11,927)	67,404
Net cash provided by operating activities	<u>9,553,892</u>	<u>5,535,481</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds of disposal of investments accounted for by equity method	235,491	-
Capital return of investments accounted for by the equity method	616,092	-
Acquisition on investments accounted for by the equity method	(3,547,717)	(3,314,964)
Acquisition of properties	(3,036,686)	(3,797,894)
Proceeds of the disposal of properties	48,335	5,301
Increase in other intangible assets	(7,277)	(5,082)
Increase in restricted assets	-	(34,381)

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FAR EASTERN NEW CENTURY CORPORATION

STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2012 AND 2011 (In Thousands of New Taiwan Dollars)

	2012	2011
(Increase) decrease in refundable deposits	\$ (13,998)	\$ 4,789
Increase in other assets	<u>(109,794)</u>	<u>(118,603)</u>
Net cash used in investing activities	<u>(5,815,554)</u>	<u>(7,260,834)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term bank loans	644,243	1,020,357
Payments of cash dividends	(8,325,234)	(9,509,160)
(Decrease) increase in long-term debts	(5,589,537)	1,740,717
Increase in bonds payable	11,467,500	2,725,000
Increase in guarantee deposits	<u>1,644</u>	<u>-</u>
Net cash used in financing activities	<u>(1,801,384)</u>	<u>(4,023,086)</u>
NET INCREASE (DECREASE) IN CASH	1,936,954	(5,748,439)
CASH, BEGINNING OF YEAR	<u>2,444,308</u>	<u>8,192,747</u>
CASH, END OF YEAR	<u>\$ 4,381,262</u>	<u>\$ 2,444,308</u>
SUPPLEMENTARY CASH FLOW INFORMATION		
Interest paid	\$ 714,134	\$ 653,500
Deduct: Capitalized interest	<u>40,118</u>	<u>43,921</u>
Interest paid (excluding capitalized interest)	<u>\$ 674,016</u>	<u>\$ 609,579</u>
Income tax paid	<u>\$ 25,092</u>	<u>\$ 34,494</u>
CASH PAID FOR THE ACQUISITION OF PROPERTIES		
Increase in properties	\$ 4,531,360	\$ 2,210,381
Add:		
Payables for acquisition of properties, beginning of year	4,975	84
Prepayment to suppliers of machine and equipment, end of year	298,135	505,097
Constructions in progress, end of year	2,574,881	3,866,778
Deduct:		
Prepayment to suppliers of machine and equipment, beginning of year	(505,097)	(218,769)
Constructions in progress, beginning of year	(3,866,778)	(2,560,702)
Payables for acquisition of properties, end of year	<u>(790)</u>	<u>(4,975)</u>
Cash paid for acquisition of properties	<u>\$ 3,036,686</u>	<u>\$ 3,797,894</u>
NONCASH FINANCING ACTIVITIES		
Current portion of long-term liabilities	<u>\$ 2,380,000</u>	<u>\$ 1,878,631</u>
Total incremental value of land revaluation	\$ -	\$ 2,058,078
Deduct: Reserve for land value increment tax	<u>-</u>	<u>(500,997)</u>
Unrealized revaluation increment	<u>\$ -</u>	<u>\$ 1,557,081</u>

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

(With Deloitte & Touche audit report dated March 27, 2013)

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2012 AND 2011

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

1. ORGANIZATION AND OPERATIONS

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

The Company’s stock is listed on the Taiwan Stock Exchange. On October 19, 1999, the Company issued global depository 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 4,906 and 4,847 employees as of December 31, 2012 and 2011, 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.

Cash Equivalents

Commercial paper and bonds purchased under resell agreements with maturities of up to three months from the date of purchase are classified as cash equivalents. Their carrying values approximate their fair values.

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

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; or
- 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 share in the 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 have been calculated by the Company using the straight-line method since 2011. Depreciation expenses are computed using 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 Assets - 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.

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 AND CASH EQUIVALENTS

	<u>December 31</u>	
	<u>2012</u>	<u>2011</u>
Cash on hand	\$ 5,635	\$ 5,410
Checking accounts	522,730	624,313
Savings accounts	1,876,720	1,007,219
Time deposits: 0.718% interest in 2012 and 0.6%-1.314% interest in 2011	<u>637,670</u>	<u>807,366</u>
	<u>3,042,755</u>	<u>2,444,308</u>
Cash equivalents		
Commercial paper purchased under recall agreements: Yield of 0.6930%-0.6931%	<u>1,338,507</u>	<u>-</u>
	<u>\$ 4,381,262</u>	<u>\$ 2,444,308</u>

As of December 31, 2012 and 2011, the demand deposits in banks in the U.S.A. (New York) were NT\$261 thousand (US\$9 thousand) and NT\$259 thousand (US\$9 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:

	December 31	
	2012	2011
<u>Financial assets held for trading</u>		
Cotton futures contracts	\$ 25,345	\$ 53,644
Adjustment of valuation	-	(7,435)
	<u>25,345</u>	<u>46,209</u>
Forward exchange contracts	-	<u>2,099</u>
	<u>\$ 25,345</u>	<u>\$ 48,308</u>
<u>Financial liabilities held for trading</u>		
Forward exchange contracts	\$ 619	\$ -
Exchange rights on exchangeable bonds	-	<u>4,708</u>
	<u>\$ 619</u>	<u>\$ 4,708</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 2012 and 2011. 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 had no outstanding cotton futures contracts as of December 31, 2012. The 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 2012 and 2011.

The Company had no outstanding option contracts as of December 31, 2012 and 2011.

The outstanding forward exchange contracts as of December 31, 2012 and 2011 were as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>December 31, 2012</u>			
Sell	EUR/USD	2013.01.30-2013.02.26	EUR4,000/USD5,235
Sell	USD/NTD	2013.01.28-2013.02.26	USD14,620/NTD424,992
Sell	JPY/USD	2013.01.30	JPY342,185/USD4,000
<u>December 31, 2011</u>			
Sell	EUR/USD	2012.01.30-2012.02.24	EUR9,000/USD11,702
Sell	USD/NTD	2012.01.11-2012.01.30	USD9,280/NTD280,967

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 exchangeable bonds was fully repaid in September 2012.

The Company's net gains on financial assets were NT\$7,418 thousand in 2012 and NNT\$32,516 thousand in 2011. The net gains on financial liabilities were NT\$71,310 thousand in 2012 and NT\$35,081 thousand in 2011.

6. INVENTORIES, NET

	<u>December 31</u>	
	<u>2012</u>	<u>2011</u>
Finished goods	\$ 1,513,533	\$ 1,648,951
Work in process	1,420,280	1,866,723
Materials in transit	657,692	1,062,303
Raw materials	2,495,141	2,687,168
Supplies	<u>277,183</u>	<u>332,278</u>
	<u>\$ 6,363,829</u>	<u>\$ 7,597,423</u>

As of December 31, 2012 and 2011, the allowances for inventory devaluation were NT\$273,275 thousand and NT\$468,441 thousand, respectively.

The costs of inventories recognized as cost of goods sold were NT\$55,721,985 thousand in 2012 and NT\$56,368,998 thousand in 2011. The costs of goods sold due to the reversal of write-downs of inventories in 2012 were NT\$195,166 thousand. Previous write-downs had been reversed as a result of increased selling prices in certain markets. The costs of inventories recognized as cost of goods sold in 2011 due to write-downs of inventories were NT\$239,781 thousand.

7. AVAILABLE-FOR-SALE FINANCIAL ASSET

	<u>December 31</u>	
	<u>2012</u>	<u>2011</u>
Domestic quoted stock		
Far Eastern International Bank	<u>\$ 804,484</u>	<u>\$ 737,481</u>

8. FINANCIAL ASSET CARRIED AT COST - NONCURRENT

	<u>December 31</u>			
	<u>2012</u>		<u>2011</u>	
	<u>Carrying Value</u>	<u>% of Owner-ship</u>	<u>Carrying Value</u>	<u>% of Owner-ship</u>
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			
	2012		2011	
	Carrying Value	% of Ownership	Carrying Value	% of Ownership
Listed companies				
Asia Cement Corp.	\$ 12,603,614	22.33	\$ 13,350,359	22.33
Far Eastern Department Stores Co., Ltd.	4,453,740	16.80	4,335,657	16.80
Oriental Union Chemical Corp.	1,338,094	9.17	1,392,750	9.17
Everest Textile Co., Ltd.	<u>1,355</u>	0.03	<u>1,187</u>	0.03
	<u>18,396,803</u>		<u>19,079,953</u>	
Unlisted companies				
Yuan Ding Investment Co., Ltd.	37,225,967	99.40	37,010,889	99.70
Far Eastern Resources Development Co.	25,625,265	100.00	25,394,827	100.00
Far Eastern Polytex (Holding) Ltd.	7,842,893	100.00	6,828,759	100.00
Far Eastern Polychem Industries Ltd.	7,391,951	73.04	7,152,582	69.11
Yuan Tong Investment Co., Ltd.	7,306,639	100.00	6,964,232	100.00
Kai Yuan International Investment Co., Ltd.	6,476,761	100.00	4,500,772	100.00
Far Eastern Investment (Holding) Ltd.	6,265,463	100.00	6,215,601	100.00
PET Far Eastern (Holding) Ltd.	4,927,478	86.73	5,126,250	85.27
Oriental Petrochemical (Taiwan) Co., Ltd.	4,580,834	75.56	6,079,717	75.56
Far Eastern Construction Co., Ltd.	3,271,758	65.11	2,794,220	65.11
Yuan Ding Co., Ltd.	3,217,231	37.13	3,161,497	37.13
An Ho Garment Co., Ltd.	2,868,964	100.00	1,564,092	100.00
Ding Yuan International Investment Co.	2,515,059	100.00	2,516,093	100.00
Oriental Securities Co., Ltd.	1,994,891	19.65	1,958,653	19.65
Pacific Liu Tong Investment Corporation	1,710,017	16.83	1,591,918	16.83
FEDP (Holding) Ltd.	566,154	50.43	724,900	50.43
Fu Kwok Garment Manufacturing Co., Ltd.	143,519	99.99	133,620	99.99
Ding Ding Hotel Co., Ltd.	6,538	19.00	18,312	19.00
Far Eastern Textile Ltd.	<u>1,144</u>	100.00	<u>976</u>	100.00
	<u>123,938,526</u>		<u>119,737,910</u>	
	<u>\$ 142,335,329</u>		<u>\$ 138,817,863</u>	

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. (DDH) in 2012 and 2011 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 March 2012, the Company sold 5,502 thousand common shares of Yuan Ding Investment Co., Ltd. to Da Ju Fiber Co., Ltd. for NT\$235,491 thousand; thus, the Company's equity interest decreased from 99.7% to 99.4%. The NT\$62,026 thousand investment income was from a downstream transaction and were recognized based on percentage of ownership, 41.86%.

In October 2011, the Company bought 63,950 thousand common shares newly issued by Far Eastern Polychem Industries Ltd. (FEPI) for NT\$614,300 thousand; thus, the Company's equity interest in FEPI increased from 67.15% to 69.11%. In the first half of 2012, the Company bought 156,588 thousand common shares newly issued by FEPI for NT\$1,473,309 thousand; thus, the Company's equity interest in FEPI increased from 69.11% to 73.04%. In addition, in December 2012, FEPI reduced its capital to offset its accumulated loss; thus, the Company decreased 67,928 thousand common shares for NT\$616,092 thousand.

In September 2012, the Company bought 26 thousand common shares newly issued by PET Far Eastern (Holding) Ltd. (PETH) for NT\$592,750 thousand; thus the Company's equity interest in PETH increased from 85.27% to 86.73%.

In December 2012 and 2011, the Company bought 25 thousand and 44 thousand common shares newly issued by Far Eastern Polytex (Holding) Ltd., for NT\$1,481,658 thousand in 2012 and NT\$2,699,664 thousand in 2011, respectively.

On December 28, 2011, the Company invested NT\$1,000 thousand to establish Far Eastern Textile Ltd., with 100% equity interest.

The market values of equity-method investments in listed companies were NT\$36,708,620 thousand and NT\$34,518,125 thousand as of December 31, 2012 and 2011, 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, 2012 and 2011, the balances of goodwill for both dates were NT\$99,821 thousand, and this amount remained the same in 2012 and 2011.

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, 2012 and 2011. 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., Fu Kwok Garment Manufacturing Co., Ltd. and Far Eastern Textile 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.

	December 31	
	2012	2011
Cost	<u>\$ 53,909,714</u>	<u>\$ 52,981,247</u>
Appreciation		
Land	4,705,160	4,705,160
Buildings and equipment	199,946	198,964
Machinery and equipment	160,748	165,664
Furniture and miscellaneous equipment	<u>4,873</u>	<u>4,985</u>
	<u>5,070,727</u>	<u>5,074,773</u>
Total cost and appreciation	<u>58,980,441</u>	<u>58,056,020</u>

(Continued)

	December 31	
	2012	2011
Accumulated depreciation		
Cost		
Buildings and equipment	\$ 3,962,126	\$ 3,762,403
Machinery and equipment	35,088,901	36,759,351
Furniture and miscellaneous equipment	<u>2,433,567</u>	<u>2,400,970</u>
	<u>41,484,594</u>	<u>42,922,724</u>
Appreciation		
Buildings and equipment	156,158	150,272
Machinery and equipment	160,748	165,663
Furniture and miscellaneous equipment	<u>4,873</u>	<u>4,985</u>
	<u>321,779</u>	<u>320,920</u>
Total accumulated depreciation	<u>41,806,373</u>	<u>43,243,644</u>
Accumulated impairment losses		
Cost		
Buildings and equipment	7,240	-
Machinery and equipment	205,973	158,639
Furniture and miscellaneous equipment	<u>389</u>	<u>614</u>
Total accumulated impairment losses	<u>213,602</u>	<u>159,253</u>
	16,960,466	14,653,123
Construction in progress	2,574,881	3,866,778
Prepayments for equipment	<u>298,135</u>	<u>505,097</u>
Net properties	<u>\$ 19,833,482</u>	<u>\$ 19,024,998</u>
		(Concluded)

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\$1,348,859 thousand in 2012 and NT\$1,242,356 thousand in 2011.

b. Capitalized interest on properties was as follows:

	2012	2011
Total interest expense	\$ 841,269	\$ 689,191
Interest capitalized (included in construction in progress)	40,118	43,921
Interest rate	1.28-1.36%	1.29-1.36%

11. NONOPERATING PROPERTIES, NET

		December 31, 2012				
	Cost	Appreciation (Note 10)	<u>Accumulated Depreciation</u>		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	-	42,435	-	-	45,909
Machinery and equipment	55,253	-	40,245	-	-	15,008
Furniture and miscellaneous equipment	3,984	-	3,984	-	-	-
	<u>152,916</u>	<u>26,736</u>	<u>86,664</u>	<u>-</u>	<u>-</u>	<u>92,988</u>
<u>Idle properties</u>						
Land	479,609	38,378	-	-	-	517,987
Building and equipment	1,147,055	55,989	766,108	45,572	208,958	182,406
Machinery and equipment	7,454,194	1,530	6,871,983	1,530	469,258	112,953
Furniture and miscellaneous equipment	43,285	1,303	43,041	1,303	240	4
	<u>9,124,143</u>	<u>97,200</u>	<u>7,681,132</u>	<u>48,405</u>	<u>678,456</u>	<u>813,350</u>
	<u>\$ 9,277,059</u>	<u>\$ 123,936</u>	<u>\$ 7,767,796</u>	<u>\$ 48,405</u>	<u>\$ 678,456</u>	<u>\$ 906,338</u>
		December 31, 2011				
	Cost	Appreciation (Note 10)	<u>Accumulated Depreciation</u>		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>

Depreciation on properties leased to others (recognized as miscellaneous expenses) amounted to NT\$3,110 thousand in 2012 and NT\$2,808 thousand in 2011. Depreciation on idle properties (recognized as miscellaneous expenses) amounted to NT\$12,721 thousand in 2012 and NT\$36,005 thousand in 2011.

12. FARMLAND

	December 31	
	2012	2011
Cost	\$ 232,121	\$ 232,121
Appreciation	<u>44,540</u>	<u>44,540</u>
Total cost and appreciation	<u>\$ 276,661</u>	<u>\$ 276,661</u>

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

13. SHORT-TERM BANK LOANS

	<u>December 31</u>	
	<u>2012</u>	<u>2011</u>
Unsecured loans: Interest - 0.7499%-1.52% and the balance included US\$210,297 thousand in 2012; interest - 0.7172%-1.8288% and the balance included US\$180,452 thousand in 2011.	<u>\$ 6,116,442</u>	<u>\$ 5,472,199</u>

14. LONG-TERM LIABILITIES

	Current	Long-term	Total
<u>December 31, 2012</u>			
Long-term debts			
Bank loans	\$ <u> -</u>	\$ <u>22,860,463</u>	\$ <u>22,860,463</u>
Bonds			
Nonconvertible bonds	2,380,000	32,400,000	34,780,000
Nonconvertible bond discount	<u> -</u>	<u>(56,421)</u>	<u>(56,421)</u>
	<u>2,380,000</u>	<u>32,343,579</u>	<u>34,723,579</u>
	<u>\$ 2,380,000</u>	<u>\$ 55,204,042</u>	<u>\$ 57,584,042</u>
<u>December 31, 2011</u>			
Long-term debts			
Bank loans	\$ <u> -</u>	\$ <u>28,450,000</u>	\$ <u>28,450,000</u>
Bonds			
Nonconvertible bonds	660,000	21,380,000	22,040,000
Nonconvertible bond discount	<u> -</u>	<u>(35,986)</u>	<u>(35,986)</u>
	<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	<u>(20,369)</u>	<u> -</u>	<u>(20,369)</u>
	<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>

Bank Loans

The foregoing loans are repayable interest monthly and in lump sum on maturity in New Taiwan dollars and US dollars. Under a revolving credit agreement, in 2012, the Company was allowed to make loans within the credit line limit between January 2014 and December 2015. In 2011, the Company was allowed to make loans within the credit line limit between January 2013 and May 2014. Bank interest rates were 0.916% to 1.5% in 2012 and 0.895% to 1.87% in 2011.

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 2012 and 2011 showed that the Company was in compliance with the above ratio requirements.

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\$600,000 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\$720,000 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.

On February 15, 2012, the Company issued five-year unsecured bonds (the 3rd 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 1.36% 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 June 7, 2012, the Company issued five-year unsecured bonds (the 1st tranche) amounting to NT\$3,200,000 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 1.35% 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 November 26, 2012, the Company issued five-year unsecured bonds (the 2nd tranche) amounting to NT\$4,200,000 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 1.3% 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 depositary 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%.

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. As of September 14, 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 September 2012, the Company redeemed its exchangeable bonds.

15. STOCKHOLDERS' EQUITY

The capital surplus from shares issued in excess of par (additional paid-in capital from issuance of common shares, conversion of bonds and treasury stock transactions) and donations may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to capital (limited to a certain percentage of the Company's paid-in capital and once a year).

The capital surplus from long-term investments may not be used for any purpose.

Under 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\$325,428 thousand in 2012 and NT\$421,266 thousand in 2011, and the remuneration to directors and supervisors was NT\$244,071 thousand in 2012 and NT\$315,950 thousand in 2011. 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.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Company's paid-in capital. Legal reserve may be used to offset deficit. If the Company has no deficit and 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 2011 and 2010 earnings were approved at the stockholders' meetings on June 28, 2012 and June 24, 2011, respectively. The appropriations and dividends per share were as follows:

	2011		2010	
	Appropriation and Distribution	Dividend Per Share (Dollars)	Appropriation and Distribution	Dividend Per Share (Dollars)
Legal reserve	\$ 1,110,021		\$ 1,297,328	
Cash dividends	8,325,270	\$1.7	9,509,160	\$2.0
Stock dividends	<u>1,469,165</u>	0.3	<u>1,426,374</u>	0.3
	<u>\$ 10,904,456</u>		<u>\$ 12,232,862</u>	

Of the appropriation and distribution of the 2011 earnings as stock dividends, a capital increase of NT\$1,469,165 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 28, 2012 as the effective date of this distribution and completed the distribution registration on September 19, 2012.

The bonus to employees and the remuneration to directors and supervisors for 2011 and 2010 approved in the stockholders' meetings on June 28, 2012 and June 24, 2011, respectively, were as follows:

	Years Ended December 31			
	2011		2010	
	Bonus to Employee Bonus	Remuneration to Directors and Supervisors	Bonus to Employee Bonus	Remuneration to Directors and Supervisors
Amounts approved in stockholders' meetings	<u>\$ 421,266</u>	<u>\$ 315,950</u>	<u>\$ 470,346</u>	<u>\$ 352,759</u>
Amounts recognized in financial statements	<u>\$ 421,266</u>	<u>\$ 315,950</u>	<u>\$ 470,346</u>	<u>\$ 352,759</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, 2012 and 2011. The Company settled the bonus to employees by cash.

The appropriations and distribution of the 2012 earnings had been proposed by the board of directors on March 27, 2013. The appropriations and dividends per share were as follows:

	Appropriation and Distribution	Dividends Per Share (NT\$)
Legal reserve	\$ 866,789	
Cash dividends	6,557,374	\$1.3
Stock dividends	1,008,827	0.2

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 25, 2013.

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

Purpose of Treasury Stock	(Shares in Thousands)			
	Number of Shares, Beginning of Year	Addition During the Year	Reduction During the Year	Number of Shares, End of Year
<u>2012</u>				
Company's shares held by its subsidiaries	<u>713</u>	<u>21</u>	<u>-</u>	<u>734</u>
<u>2011</u>				
Company's shares held by its subsidiaries	<u>-</u>	<u>713</u>	<u>-</u>	<u>713</u>

The Company consolidated its subsidiary, Yuan Din Co., Ltd. (Note 9), on December 28, 2011. As of December 31, 2011, the Company's shares held by Yuan Din Co., Ltd. had a carrying value of NT\$25,063 thousand. On December 31, 2012, the Company had 734 thousand treasury shares valued at NT\$24,309 thousand.

The Company's share held by subsidiaries are treated as treasury stock. The subsidiaries holding treasury stock, however, retain stockholders' rights, except the rights to participate in any share issuance for cash and to vote.

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:

	2012	2011
Income tax expense at statutory rate	\$ 1,467,373	\$ 2,016,472
Tax effect of adjusting items:		
Permanent differences	(1,674,544)	(1,701,677)
Temporary differences	207,171	(272,140)
Additional 10% income tax on unappropriated earnings	18,431	73,339
Additional tax effects of the linked-tax system for filing returns with subsidiaries	482	24,391
Investment tax credits used	<u>(18,913)</u>	<u>(101,269)</u>
Current income tax expense	<u>\$ -</u>	<u>\$ 39,116</u>

Income tax expense components:

	2012	2011
Current income tax expense	\$ -	\$ 39,116
Effect of the linked tax system for tax filing	(482)	(24,391)
Adjustments for prior years' tax	54,052	34,973
Deferred income tax expense		
Income tax (benefit) expense	<u>(135,140)</u>	<u>724,408</u>
	<u>\$ (81,570)</u>	<u>\$ 774,106</u>

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.

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

	December 31	
	2012	2011
Current		
Deferred income tax assets		
Investment tax credits	\$ 54,550	\$ 70,817
Allowance for loss on inventory	46,457	-
Unrealized exchange losses	29,966	-
Loss on purchase contracts	439	7,615
Unrealized loss on cotton futures contracts	<u>-</u>	<u>1,264</u>
	131,412	79,696
Less: Valuation allowance	<u>131,412</u>	<u>79,093</u>
	-	603
Deferred income tax liabilities		
Unrealized exchange gain	<u>-</u>	<u>(603)</u>
Deferred income tax assets - current, net	<u>\$ -</u>	<u>\$ -</u>

(Continued)

	December 31	
	2012	2011
Noncurrent		
Deferred income tax assets		
Allowance for losses on properties	\$ 257,926	\$ 239,326
Accrued pension cost	176,800	215,751
Realized losses on long-term investments	33,828	33,828
Investment tax credits	<u>-</u>	<u>54,550</u>
	468,554	543,455
Less: Valuation allowance	<u>295,773</u>	<u>378,499</u>
	<u>172,781</u>	<u>164,956</u>
Deferred income tax liabilities		
Investment income recognized on equity-method investments	<u>(495,601)</u>	<u>(622,916)</u>
Deferred income tax liabilities - noncurrent, net	<u>\$ (322,820)</u>	<u>\$ (457,960)</u>
		(Concluded)

c. Unused investment tax credits as of December 31, 2012:

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	51,722	51,722	2013
	Personnel training	<u>2,090</u>	<u>2,090</u>	2013
		<u>\$ 54,550</u>	<u>\$ 54,550</u>	

The tax returns through 2007 have been assessed and cleared by the tax authorities.

d. Information on integrated income tax is as follows:

	Year Ended Balance of Imputation Credit Account
December 31, 2012	<u>\$ 259,904</u>
December 31, 2011	<u>\$ 256,961</u>

The expected ratio of imputation tax credits to undistributed earnings as of December 31, 2012 and the actual ratio of imputation credits as of December 31, 2011 were 2.31% and 9.08%, respectively.

e. Information on unappropriated earnings:

	December 31	
	2012	2011
Unappropriated earnings generated before January 1, 1998	\$ 236,793	\$ 236,793
Unappropriated earnings generated on and after January 1, 1998	<u>11,236,090</u>	<u>13,472,657</u>
	<u>\$ 11,472,883</u>	<u>\$ 13,709,450</u>

18. PERSONNEL, DEPRECIATION AND AMORTIZATION EXPENSES

	2012			2011		
	Operating Cost	Operating Expense	Total	Operating Cost	Operating Expense	Total
Employee expenses						
Salaries	\$ 2,805,964	\$ 1,229,400	\$ 4,035,364	\$ 2,800,062	\$ 1,225,751	\$ 4,025,813
Insurance	221,974	70,963	292,937	209,460	64,274	273,734
Pension	8,200	13,041	21,241	89,458	41,326	130,784
Miscellaneous	97,518	52,403	149,921	96,594	51,710	148,304
	<u>\$ 3,133,656</u>	<u>\$ 1,365,807</u>	<u>\$ 4,499,463</u>	<u>\$ 3,195,574</u>	<u>\$ 1,383,061</u>	<u>\$ 4,578,635</u>
Depreciation	\$ 1,250,604	\$ 98,255	\$ 1,348,859	\$ 1,124,083	\$ 118,273	\$ 1,242,356
Amortization	\$ 48,440	\$ 8,525	\$ 56,965	\$ 53,015	\$ 8,371	\$ 61,386

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>2012</u>					
Basic EPS					
Income for the year	\$ 8,631,607	\$ 8,713,177	5,044,134		
The effect of FENC's treasury stock hold by subsidiaries	-	-	(734)		
			5,043,400	<u>\$ 1.71</u>	<u>\$ 1.73</u>
Add: Effect of dilutive potential common stock - bonus to employees	-	-	17,725		
Diluted EPS					
Income for the year attributable to common stockholders plus effect of potential dilutive common stock	<u>\$ 8,631,607</u>	<u>\$ 8,713,177</u>	<u>5,061,125</u>	<u>\$ 1.71</u>	<u>\$ 1.72</u>
<u>2011</u>					
Basic EPS					
Income for the year	\$ 11,861,602	\$ 11,087,496	5,044,134	<u>\$ 2.35</u>	<u>\$ 2.20</u>
Add: Effect of dilutive potential common stock - bonus to employees			18,401		
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>5,062,535</u>	<u>\$ 2.34</u>	<u>\$ 2.19</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.

The weighted average number of shares outstanding for EPS calculation has been retroactively adjusted for the stock dividends. This adjustment caused the basic and diluted after income tax EPS for the years ended December 31, 2011 to decrease from NT\$2.26 to NT\$2.26 and from NT\$2.20 to NT\$2.19, respectively.

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.

If the Company's shares held by Yuan Ding accounts been treated as investment rather than treasury stock in 2012, the pro forma basic and dilutive 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>2012</u>					
Basic EPS					
Income for the year	\$ 8,631,607	\$ 8,713,177	5,044,134	<u>\$ 1.71</u>	<u>\$ 1.73</u>
Add: Effect of dilutive potential common stock - bonus to employees	-	-	<u>17,275</u>		
Diluted EPS					
Income for the year attributable to common stockholders plus effect of potential dilutive common stock	<u>\$ 8,631,607</u>	<u>\$ 8,713,177</u>	<u>5,061,409</u>	<u>\$ 1.71</u>	<u>\$ 1.72</u>

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\$96,175 thousand for 2012 and NT\$88,135 thousand for 2011.

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(\$74,967) thousand in 2012 and NT\$42,735 thousand in 2011 were recognized by the Company, including pension costs charged to the related parties were NT\$86 thousand in 2011.

Other information on the defined benefit plan is as follows:

a. Components of net periodic pension cost

	2012	2011
Service cost	\$ 76,521	\$ 84,321
Interest cost	95,847	107,902
Projected return on plan assets	(224,886)	(249,214)
Amortization	<u>(22,449)</u>	<u>99,726</u>
Net periodic pension (benefit) cost	<u>\$ (74,967)</u>	<u>\$ 42,735</u>

b. Reconciliation of the funded status of the plan and accrued pension cost

	December 31	
	2012	2011
Benefit obligation:		
Vested benefit obligation	\$ 3,153,692	\$ 2,751,124
Non-vested benefit obligation	<u>1,655,183</u>	<u>1,645,008</u>
Accumulated benefit obligation	4,808,875	4,396,132
Additional benefits based on future salaries	<u>971,276</u>	<u>523,179</u>
Projected benefit obligation	5,780,151	4,919,311
Fair value of plan assets	<u>(4,213,181)</u>	<u>(3,830,633)</u>
Funded status	1,566,970	1,088,678
Unamortized balance in prior service costs	210,455	232,903
Unrecognized pension gains	<u>(1,012,526)</u>	<u>(327,560)</u>
Accrued pension cost	<u>\$ 764,899</u>	<u>\$ 994,021</u>

	December 31	
	2012	2011
c. Vested benefit	<u>\$ 3,808,920</u>	<u>\$ 3,478,254</u>

	2012	2011
d. Actuarial assumptions		
Discount rate used in determining present value	1.75%	2.00%
Future salary increasing rate	2.00%	1.50%
Expected rate of return on plan assets	6.00%	6.00%

e. Changes in pension fund

Contributions	<u>\$ 153,961</u>	<u>\$ 87,574</u>
Payments	<u>\$ 149,003</u>	<u>\$ 111,430</u>

21. RELATED-PARTY TRANSACTIONS

The Company had significant transactions with related parties. These transactions in 2012 and the related balances as of the balance sheet dates are summarized in the accompanying Schedules A, B, and C.

22. MORTGAGED OR PLEDGED ASSETS

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

	<u>December 31</u>	
	<u>2012</u>	<u>2011</u>
Pledged time deposits - current	\$ 34,381	\$ 34,381
Mutual funds and investments	347,689	379,338
Properties, net	7,026,055	6,638,061
Nonoperating properties, net	<u>57,513</u>	<u>76,131</u>
	<u>\$ 7,465,638</u>	<u>\$ 7,127,911</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\$1,397,528 thousand;
- b. Unpaid building construction and equipment installation contracts amounting to approximately NT\$69,262 thousand;
- c. Undelivered cotton futures contracts amounting to NT\$648,929 thousand; and, the loss on purchasing contract payable amounting to NT 2,581 thousand estimated by the year-ended market price;
- d. Endorsements and guarantees provided to the related parties, as shown in Schedule E (attached).
- e. 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 27, 2013, the date of the accompanying auditors' report, the lawsuit was pending before Taipei district court.
- f. 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. The Supreme Court did not adjudicate this case and remanded the case to the Taiwan High Court for reexamination and As of March 27, 2013, the date of the accompanying auditors' report, the lawsuit was pending before Taipei High court.

- g. 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 (THPO), Department of Commerce (DOC) 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 THPO and pleaded for the revocation of the letter sent to the 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 DOC 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 June 15, 2010, referencing Article of 4-1 of the Administrative Procedure Law, FEDS filed a suit against the DOC with the Taipei High Administrative Court. On November 29, 2012, Taipei High Administrative Court (Court Referencing Number: Year 2010 Letter Su No. 1258 verdict) ruled in favor of FEDS and the capital increase registrations referencing letter shang No. 09901000210 nullified by DOC was invalidated and revoked subsequent rejection of an administrative review. However, the DOC did not conform the decision and filed a lawsuit with Supreme Administrative Court on December 25, 2012.

On February 24, 2010, Far Eastern Department Stores (FEDS, an equity-method investee of the Company) filed an administrative appeal with the DOC 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 DOC with the Taipei High Administrative Court.

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.

- h. 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 a special stockholders' on August 1, 2011 and appointed Shu-ton Hsu, Mao-te Huang (representative of Far Eastern Department Store Asia Pacific Development Co., Ltd.) and Shih-ching Lo (representative of Far Eastern Department Store New Century Development Co., Ltd.) as members of the Board of Directors and Sze-ching Du (representative of Da Ju Fiber Co., Ltd.) as a supervisor. However, when the Company registered the change of representatives of Board of Directors and Supervisors, both the Taipei City Government and DOC did not claimed that neither of them should approve the PLT's registration change. After negotiations, the Executive Yuan instructed the DOC 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 foregoing five representatives of the Board of Directors of PSDS appointed the new representatives of the Board of PLT.

On August 1, 2011, PLT held a special 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 and disagreed with Lee's decision to replace the representatives to the board of directors and supervisors. This dispute was awaiting resolution under civil litigation process.

The former chairman of PLT, Heng-lung Lee claimed that PLT had not conformed to the letter of 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 according to Lee's claim, did not have legitimacy to carry out their board functions; and Lee claimed this situation may cause damage to 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 Store 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.

On May 11, 2012, referencing the Year 2012 No. 92 verdict, the TDC revoked the previous decision on interim administrators and reappointed Min-Qiu Jian, Kung Wang, Chen-Chuan Chiu, Chin-Yu Wu and Cheng-Xiong Chen as the interim administrators of PLT. Based on this new decision, TDC rejected the withdrawal appeal of FEDS and other interested parties of PLT. DOC accepted the newly-appointed PLT's interim administrators on May 18, 2012. However, FEDS and other interested parties of PLT did not agree with the TDC's decision and filed an appeal suit against TDC's decision with the Taiwan High Court on May 24, 2012. On December 27, 2012, referencing the Year 2012 No. 72 and Year 2012 No. 73 verdicts, the Taipei High Court revoked TDC's decision shown in the Year 2012 No. 92 verdict and Year 2011 No. 333 verdict. In addition, based on the fact that the decision on interim administrators of PLT had been nullified, there was no need to file an appeal to dismiss Min-Qiu Jian and Kung Wang for their incompetence as interim administrators, FEDC withdrew on January 11, 2013 the appeal filed with the TDC.

24. SUBSEQUENT EVENT

On March 27, 2013, the Company decided to issue unsecured bonds with an aggregate face value less than NT\$8,000,000 thousand (or equivalent foreign currency), with each unit having a face value of NT\$1,000 thousand (face value of foreign currency undecided) and a maturity of less than 10 years.

25. FINANCIAL INSTRUMENTS

a. Fair values of financial instruments

	December 31			
	2012		2011	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<u>Nonderivative financial instruments</u>				
Financial assets				
Cash	\$ 4,381,262	\$ 4,381,262	\$ 2,444,308	\$ 2,444,308
Notes receivable	395,553	395,553	302,778	302,778
Accounts receivable, net	8,320,555	8,320,555	9,776,610	9,776,610
Notes and accounts receivable from affiliates	789,766	789,766	470,140	470,140
Other receivables	255,918	255,918	216,389	216,389
Other receivables from affiliates	338,194	338,194	282,919	282,919
Restricted assets - current	34,381	34,381	34,381	34,381
Available-for-sale financial assets - noncurrent	804,484	804,484	737,481	737,481
Financial assets carried at cost - noncurrent	53,667	-	53,667	-
Refundable deposits (under "other assets - others")	67,515	67,515	53,517	53,517
Financial liabilities				
Short-term bank loans	6,116,442	6,116,442	5,472,199	5,472,199
Notes payable	1,900	1,900	2,338	2,338
Accounts payable	3,447,897	3,447,897	3,967,737	3,967,737
Accounts payable to affiliates	933,977	933,977	1,108,388	1,108,388
Accrued expense	3,688,991	3,688,991	3,344,427	3,344,427
Long-term loans (including current portion)	22,860,463	22,860,463	28,450,000	28,450,000
Bonds payable (including current portion)	34,723,579	35,008,757	23,222,645	23,444,065
Guarantee deposits received	2,259	2,259	615	615
<u>Derivative financial assets (liabilities)</u>				
Financial assets at fair value through profit or loss - current	25,345	25,345	48,308	48,308
Financial liabilities at fair value through profit or loss - current	(619)	(619)	(4,708)	(4,708)

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:

	Quoted Price		Estimated Price	
	December 31	December 31	December 31	December 31
	2012	2011	2012	2011
<u>Derivative financial instruments</u>				
Assets				
Financial assets at fair value through profit or loss	\$ 1,029,806	\$ 905,963	\$ 28,713	\$ 48,908
Hedging derivative financial assets - current	-	-	21,962	1,500
Available-for-sale financial assets - current	2,272,149	3,496,456	-	-
Available-for-sale financial assets - noncurrent	4,489,491	2,791,718	-	1,240,329
Liabilities				
Financial liabilities at fair value through profit or loss	-	-	(619)	(4,708)
Hedging derivative financial liabilities - current	-	-	-	(2,667)
Hedging derivative financial liabilities - noncurrent	-	-	(287,522)	-

- d. As of December 31, 2012 and 2011, financial assets exposed to fair value interest rate risk amounted to NT\$2,010,558 thousand and NT\$841,747 thousand, respectively; financial liabilities exposed to fair value interest rate risk amounted to NT\$62,454,567 thousand and NT\$53,311,115 thousand, respectively; financial assets exposed to cash flow interest rate risk amounted to NT\$1,876,720 thousand and NT\$1,007,219 thousand, respectively; and financial liabilities exposed to cash flow interest rate risk amounted to NT\$1,245,917 thousand and NT\$1,833,729 thousand, respectively.
- e. As of December 31, 2012 and 2011, on financial assets or liabilities other than those at FVTPL, total interest income were NT\$8,828 thousand and NT\$12,345 thousand, respectively, and interest expenses were NT\$801,151 thousand and NT\$645,270 thousand, respectively.
- f. Financial risks

1) Market risk

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, 2012 and 2011.

For the outstanding forward contracts as of December 31, 2012 and 2011, 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 2012 and 2011.

FEIH had no outstanding forward contracts as of December 31, 2012.

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 forward contracts	USD/CAD	2012.01.20	USD1,000/CAD1,018

On its derivative financial transactions, FEIH had net gains of NT\$1,379 thousand in 2012 and NT\$12,069 thousand in 2011.

A subsidiary, Oriental Petrochemical (Taiwan) Co., Ltd. (OPTC), used forward exchange transactions in 2012 and 2011 and entered into combined foreign exchange option in 2011 to hedge against foreign exchange risks on foreign currency-denominated assets and liabilities.

As December 31, 2012, OPTC had outstanding forward exchange contracts as follows:

	Currency	Maturity Date	Contract Amount (In Thousands)
<u>December 31, 2012</u>			
Sell forward contracts	NTD/USD	2013.01.07-2013.03.08	NTD1,188,275/USD40,913

OPTC had no outstanding combined foreign exchange options contracts as December 31, 2012; OPTC had no outstanding forward exchange contracts as December 31, 2011.

On its derivative financial transactions, OPTC had net gains of NT\$13,358 thousand in 2012 and NT\$1,714 thousand in 2011.

A subsidiary, Far Eastern Fibertech Co., Ltd. (FEFC), had forward exchange transactions in 2012 and 2011 to hedge against foreign exchange risks on foreign currency-denominated assets and liabilities.

FEFC had no outstanding contracts as of December 31, 2012.

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 forward contracts	USD/NTD	2012.01.03	USD1,500/NTD45,428

On its derivative financial transactions, FEFC had net losses of NT\$90 thousand in 2012 and NT\$476 thousand in 2011.

A subsidiary, Far Eastern Industries Polychem Industries Ltd. (FEPI), had forward exchange transactions in 2012 and 2011 to hedge against foreign exchange risks on foreign currency-denominated assets and liabilities.

FEPI had no outstanding forward contracts as of December 31, 2012.

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 forward contracts	USD/RMB	2012.02.21-2012.04.05	USD10,000/RMB63,888

On its derivative financial transactions, FEPI had net gain of NT\$3,752 thousand in 2012 and NT\$670 thousand in 2011.

A subsidiary, PET Far Eastern (Holding) Ltd. (PETH), used forward exchange transactions in 2012 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 2012.

On its derivative financial transactions, PETH had net losses of NT\$3,370 thousand in 2012.

A subsidiary, Pet Far Eastern (M) Sdn Bhd. (PFEM), used forward exchange transactions in 2012 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 2012.

On its derivative financial transactions, PFEM had net losses of NT\$2,238 thousand in 2012.

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

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.

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 2012 and 2011. 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.

An FENC subsidiary, New Century InfoComm Tech Co., Ltd. (NCIC), entered into cross-currency swap contracts to hedge against the adverse effects of exchange rate fluctuations on foreign currency-denominated assets in 2012 and 2011. 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.

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. However, as of December 31, 2012, the restrictions on holding period and trading volume are no longer exist. As a result, liquidity risk on these securities is expected to be immaterial.

The subsidiaries of Far EasTone used cross-currency swap contracts in 2012 and 2011, 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 2012 and 2011, which resulted in simultaneous cash inflows and outflows upon maturity; thus, the cash demand is not expected to be significant.

The subsidiaries of Far Eastern Electronic Toll Collection Co., Ltd. used interest rate swap contracts in 2012, 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 subsidiaries of Far EasTone 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 future cash flows will fluctuate.

The subsidiaries of Far Eastern Electronic Toll Collection Co., Ltd. had 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 future cash flows will fluctuate.

g. Cash flow hedge

A subsidiary, 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 in 2012 and 2011.

A subsidiary, NCIC, used forward exchange contracts to hedge against adverse cash flow fluctuations on its foreign currency-denominated assets in 2012 and 2011.

A subsidiaries, Far Eastern Electronic Toll Collection Co., Ltd. (FEETC) had floating rate long-term debts denominated liabilities which may cause material cash flow risks because these instruments have floating interest rates; thus, FETC used interest rate swaps to hedge against adverse cash flow fluctuations on its floating rate long-term debts denominated liabilities in 2012.

Hedged Items	Instruments	Designated Hedging Instruments		Expected Period of Cash Flows	Expected Period for Realization of Gains or Losses
		Fair Value			
		December 31 2012	2011		
Foreign-currency denominated assets	Cross-currency swap FET	\$ 4,650	\$ (75)	2013	2013
Foreign-currency denominated assets	Forward exchange contract NCIC	17,312	1,500	2013	2013
	Forward exchange contract NCIC	-	(2,592)	2013	2013
Floating rate long-term debts	Interest rate swap FEETC	(287,522)	-	2025	2025

26. OTHER

The Company's significant foreign currency-denominated assets and liabilities as of December 31, 2012 and 2011 were as follows:

(In Thousands, Except Exchange Rate)

	December 31					
	2012			2011		
	Foreign Currencies	Exchange Rate	New Taiwan Dollars	Foreign Currencies	Exchange Rate	New Taiwan Dollars
<u>Financial assets</u>						
Monetary items						
USD	\$ 265,711	28.985	\$ 7,701,633	\$ 292,282	30.225	\$ 8,834,223
EUR	15,805	38.275	604,652	28,304	38.988	1,103,503
JPY	3,117,636	0.3342	1,041,914	1,359,319	0.388	527,144
Equity-method investments						
USD	677,935	29.035	19,601,988	628,077	30.275	18,895,510
HKD	1,973,292	3.746	7,391,951	1,836,118	3.897	7,152,582
<u>Monetary liabilities</u>						
Monetary items						
USD	273,931	29.085	7,967,283	241,251	30.325	7,315,949

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, 2012 and 2011.

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, 2012 and 2011.

SCHEDULE A**FAR EASTERN NEW CENTURY CORPORATION****RELATED PARTIES
DECEMBER 31, 2012**

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	Far EasTron (Holding) Ltd.	a
35	Q-Ware Communication Corp.	a
36	New Century InfoComm Tech Co., Ltd.	a
37	Digital United (Cayman) Ltd.	a
38	Information Security Service Digital United Inc.	A
39	Simple InfoComm Co., Ltd.	a

(Continued)

No.	Related Party	Relationship with Far Eastern New Century Corporation (the "Company")
40	New Diligent Co., Ltd.	a
41	Digital United Information Technology Co., Ltd. (Shanghai)	a
42	Sino Lead Enterprise Limited	a
43	Data Express Infotech Co., Ltd.	a
44	Linkwell Tech. Co., Ltd.	a
45	Homet Master Technology Co., Ltd.	a
46	Jing Yuan Technology Co., Ltd.	a
47	O-Music Co., Ltd.	a
48	Far East New Diligent Company Ltd.	a
49	Far Eastern New Century Information Technology (Beijing) Limited	a
50	Oriental Textile (Holding) Ltd.	a
51	Far Eastern Apparel (Suzhou) Ltd.	a
52	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	a
53	Far Eastern Industries (Wuxi) Ltd.	a
54	Yuan Tong Investment Co., Ltd.	a
55	Kai Yuan International Investment Co., Ltd.	a
56	Ding Yuan International Investment Corp.	a
57	Far Eastern Polytex (Holding) Limited	a
58	Far Eastern Investment (Holding) Ltd.	a
59	Far Eastern Fibertech Co., Ltd.	a
60	Oriental Petrochemical (Taiwan) Co., Ltd.	a
61	Far Eastern Apparel (Vietnam) Ltd.	a
62	Yuan Faun Ltd.	a
63	Far Eastern Apparel (Holding) Ltd.	a
64	Sino Belgium (Holding) Limited	a
65	PET Far Eastern (Holding) Ltd.	a
66	Martens Beers Trading (Shanghai) Co.	a
67	Sugian Far Easter Apparel Co., Ltd.	a
68	Far Eastern Industries (Yangzhou) Ltd.	a
69	YDT Technology International Co., Ltd.	a
70	Far Eastern Technical Consultants 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 Integrated Information Service Inc.	a
76	Speedy (Shanghai) Digital Tech. Co., Ltd.	a
77	Far Eastern Textile Ltd.	a
78	Far Eastern Yihua Petrochemical (Yangzhou) 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	Far Eastern Union Petrochemical (Yangzhou) Corporation	a
84	Oriental Securities Corp.	b
85	Everest Textile Co., Ltd.	b
86	Asia Cement Corporation	b and c

(Continued)

No.	Related Party	Relationship with Far Eastern New Century Corporation (the "Company")
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	U-Ming Marine Transport Corporation	c
95	Fu Ming Transportation Co., Ltd.	d
96	Ya Tung Ready Mixed Concrete Co., Ltd.	d
97	Pacific SOGO Department Stores Co., Ltd.	e
98	Air Liquide Far Eastern Co., Ltd.	f
99	Freudenberg Far Eastern Spunweb Co., Ltd.	f
100	Yue Ding Industry Co., Ltd.	f
101	Far Eastern International Leasing Co.	f
102	Da Ju Fiber Co., Ltd.	f
103	Everest Textile (Shanghai) Ltd.	g
104	FuDa Transport Co., Ltd.	h
105	Far Eastern International Bank	i
106	Far Eastern Grant Co., Ltd.	j
107	TECO Electric & Machinery Co., Ltd.	k
108	Ding Ding Management Consulting Ltd.	l
109	Yuan Cing Infocomm Tech Co., Ltd.	n
110	Employees Welfare Committee of Far Eastern New Century Corporation	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. Subsidiary of Everest Textile Co., Ltd.
- h. Subsidiary of Fu Ming Transport Corporation.
- i. The vice-chairman is the chairman of FENC.
- j. Subsidiary of Far Eastern Department Stores Ltd.
- k. Corporate director of Far Eastern Electronic Toll Collection Co., Ltd.

(Continued)

- l. The chairman is the general manager of FENC.
- m. The related party's chairman is a relative of FENC chairman to the second degree of consanguinity.
- n. A subsidiary of Far EasTone Telecommunications Co., Ltd. (dissolved on its merger with Far EasTone Telecommunication Co., Ltd. on March 1, 2011).
- o. The chairman of the related party is FENC's vice chief auditor.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION

**RELATED-PARTY TRANSACTIONS
YEARS ENDED DECEMBER 31, 2012 AND 2011
(In Thousands of New Taiwan Dollars)**

	Notes	2012		2011	
		Amount	%	Amount	%
Sales					
Worldwide Polychem (HK) Ltd.		\$ 1,391,577	2	\$ 154,054	-
Freundenberg Far Eastern Spunweb Co., Ltd.		385,755	1	489,119	1
Others	b.	<u>1,308,828</u>	<u>2</u>	<u>1,098,559</u>	<u>2</u>
		<u>\$ 3,086,160</u>	<u>5</u>	<u>\$ 1,741,732</u>	<u>3</u>
Cost of goods sold and expenses					
Purchases					
Oriental Petrochemical (Taiwan) Co., Ltd.		\$ 10,011,338	23	\$ 10,105,219	21
Others	b.	<u>1,909,845</u>	<u>4</u>	<u>2,248,696</u>	<u>6</u>
		<u>\$ 11,921,183</u>	<u>27</u>	<u>\$ 12,353,915</u>	<u>27</u>
Manufacturing overhead - processing					
Far Eastern Apparel (Suzhou) Ltd.		\$ 609,883	35	\$ 1,184,595	47
Far Eastern Apparel (Vietnam) Ltd.		<u>388,003</u>	<u>23</u>	<u>416,378</u>	<u>16</u>
		<u>\$ 997,886</u>	<u>58</u>	<u>\$ 1,600,973</u>	<u>63</u>
Contract costs					
Ding Ding Management Consulting Ltd.		\$ 95,028	31	\$ 78,037	33
Yuan Cheng Human Resources Consultant Corp.		16,370	5	18,581	8
Asia Cement Corporation		14,282	5	12,786	5
Fu Da Transport Co., Ltd.		14,033	5	-	-
Others	b.	<u>1,195</u>	<u>-</u>	<u>2,594</u>	<u>1</u>
		<u>\$ 140,908</u>	<u>46</u>	<u>\$ 111,998</u>	<u>47</u>
Computer processing expenses					
Ding Ding Management Consulting Co.		\$ 59,394	60	\$ 58,287	62
Others	b.	<u>98</u>	<u>-</u>	<u>117</u>	<u>-</u>
		<u>\$ 59,492</u>	<u>60</u>	<u>\$ 58,404</u>	<u>62</u>
Rent expenses					
Yuan Ding Co., Ltd.	f.	\$ 164,408	77	\$ 156,911	70
Far Eastern Resources Development Co.	f.	14,445	7	30,027	13
Others	b.	<u>20,330</u>	<u>9</u>	<u>20,088</u>	<u>10</u>
		<u>\$ 199,183</u>	<u>93</u>	<u>\$ 207,026</u>	<u>93</u>

(Continued)

	Notes	2012		2011	
		Amount	%	Amount	%
Nonoperating revenues					
Rent revenues					
Yuan Ze University	e.	\$ 3,391	29	\$ 3,380	30
Far EasTone Telecommunications Co., Ltd.	e.	3,400	29	3,317	29
Oriental Resources Development Ltd.	e.	2,571	22	2,103	18
Fu Ming Transport Co., Ltd.	e.	2,133	18	2,126	19
Others	b.	<u>114</u>	<u>-</u>	<u>114</u>	<u>1</u>
		<u>\$ 11,609</u>	<u>98</u>	<u>\$ 11,040</u>	<u>97</u>
Other revenue - endorsement guarantee revenue					
Yuan Ding Investment Co., Ltd.		<u>\$ 3,073</u>	<u>1</u>	<u>\$ 10,815</u>	<u>6</u>
Other revenue - commission revenue					
Fu Kwork Garment Manufacturing Co., Ltd.		<u>\$ 102,025</u>	<u>44</u>	<u>\$ 36,358</u>	<u>19</u>
Nonoperating expenses					
Other expenses					
Others	b., d.	<u>\$ 2,713</u>	<u>1</u>	<u>\$ 7,012</u>	<u>4</u>
Endorsement/guarantee expense					
Far Eastern Resources Development Co.		\$ 16,615	5	\$ 21,885	12
Yuan Ding Investment Co., Ltd.		<u>800</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>\$ 17,415</u>	<u>5</u>	<u>\$ 21,885</u>	<u>12</u>

Note:

- 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. The terms of FENC's sales to and purchases from the related parties were based on agreements.
- d. FENC donated NT\$1,773 thousand to Yuan Ze University in 2012 and NT\$1,773 thousand to the Far Eastern Memorial Foundation in 2011.
- e. FENC leased the lands, factories and equipment in Sinpu, Neili and Hukou to Yuan Ze University, Far EasTone Communication Co., Ltd., Fu-Ming Transportation Co., Ltd., 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.
- f. 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. Compensation of directors, supervisors and executives:

	2012	2011
Salary and bonus (including employees' bonus)	\$ 150,659	\$ 127,747
Remunerations of directors and supervisors	244,071	315,950
Operating fees - directors and supervisors	<u>3,090</u>	<u>2,052</u>
	<u>\$ 397,820</u>	<u>\$ 445,749</u>

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION

**RELATED-PARTY TRANSACTIONS
YEARS ENDED DECEMBER 31, 2012 AND 2011
(In Thousands of New Taiwan Dollars)**

	Notes	December 31			
		2012		2011	
		Amount	%	Amount	%
Notes receivable					
Everest Textile Co., Ltd.		\$ 63,287	8	\$ 27,783	6
Freundenberg Far Eastern Spunweb Co., Ltd.		-	-	29,602	6
Others	b.	<u>20,543</u>	<u>3</u>	<u>10,043</u>	<u>2</u>
		<u>\$ 83,830</u>	<u>11</u>	<u>\$ 67,428</u>	<u>14</u>
Accounts receivable					
Worldwide Polychem (HK) Limited		\$ 441,496	56	154,054	33
Oriental Union Chemical Corporation		79,808	10	-	-
Far Eastern Industries (Shanghai) Ltd.		51,593	7	26,625	6
Freundenberg Far Eastern Spunweb Co., Ltd.		44,804	6	53,747	11
Far Eastern Apparel (Suzhou) Ltd.		39,431	5	32,737	7
Far Eastern Industries (Wuxi) Ltd.		38,974	5	36,238	8
Pet Far Eastern (M) Sdn. Bhd.		-	-	53,243	11
Far Eastern Apparel (Vietnam)		-	-	22,888	5
Others	b.	<u>9,830</u>	<u>-</u>	<u>23,180</u>	<u>5</u>
		<u>\$ 705,936</u>	<u>89</u>	<u>\$ 402,712</u>	<u>86</u>
Other receivables					
Far Eastern Apparel (Suzhou) Ltd.		\$ 164,800	49	\$ 147,243	52
Fu Kwork Garment Manufacturing Co., Ltd.		69,838	20	22,690	8
Far Eastern Department Stores Co., Ltd.		16,521	5	13,036	5
Far Eastone Telecommunications Co., Ltd.		14,095	4	14,163	5
Far Eastern Fibertech Co., Ltd.		8,708	3	15,019	5
Far Eastern Resources Development Co.		1,086	-	24,694	9
Others	b.	<u>63,146</u>	<u>19</u>	<u>46,074</u>	<u>16</u>
		<u>\$ 338,194</u>	<u>100</u>	<u>\$ 282,919</u>	<u>100</u>
Refundable deposits (recognized as other assets - miscellaneous)					
Yuan Ding Co., Ltd.		\$ 33,251	49	\$ 33,251	62
Da Ju Fiber Co., Ltd.		8,000	12	8,000	15
Others	b.	<u>896</u>	<u>1</u>	<u>851</u>	<u>2</u>
		<u>\$ 42,147</u>	<u>62</u>	<u>\$ 42,102</u>	<u>79</u>

(Continued)

	Notes	December 31			
		2012		2011	
		Amount	%	Amount	%
Accounts payable					
		\$ 859,511	92	\$ 931,831	84
		3,823	-	88,497	8
	b.	<u>70,643</u>	<u>8</u>	<u>88,060</u>	<u>8</u>
		<u>\$ 933,977</u>	<u>100</u>	<u>\$ 1,108,388</u>	<u>100</u>
Accrued expenses					
		\$ 368,631	10	\$ 257,041	8
	b.	<u>79,763</u>	<u>2</u>	<u>64,254</u>	<u>2</u>
		<u>\$ 448,394</u>	<u>12</u>	<u>\$ 321,295</u>	<u>10</u>
Deferred income					
Sale of securities					
	c.	\$ 62,026	53	\$ -	-
	c.	35,229	30	35,445	63
	d.	3,293	3	3,113	6
	e.	2,579	2	2,579	5
Sale of land					
	f.	<u>14,749</u>	<u>12</u>	<u>14,749</u>	<u>26</u>
		<u>\$ 117,876</u>	<u>100</u>	<u>\$ 55,886</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. In March 2012, FENC recognized NT\$216 thousand as gain on sale of investment when YDI sold Nan Shan Life Insurance Co., Ltd.'s shares to a third party. In March 2012, FENC had sold the shares of Yuan Ding Investment Co., Ltd. (YDI) to Da Ju Fiber Co., Ltd. and recognized \$62,026 thousand as deferred gain based on percentage of ownership.
- d. The deferred income was made by selling the stock of NCIC to YCIC in 2010 (dissolved on its merger with Far EasTone Telecommunication Co., Ltd. on March 1, 2011). The amortization is according to the difference of NCIC's net assets between fair value and book value and durable service life on the selling day, the realized amortizing loss is NT\$180 thousand and NT\$383 thousand in 2012 and 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 2012, machinery and equipment were sold to Pet Far Eastern (M) Sdn. Bhd, for NT\$1,365 thousand, with a gain of NT\$256 thousand. As of December 31, 2012, the receivable of this sale had not received, and recognized as other receivable from affiliates. 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.
- 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.
- i. The terms of sales to and purchases from the related parties were based on agreements.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION

FINANCING PROVIDED

YEAR ENDED DECEMBER 31, 2012

(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.	Ding Yuan International Investment Co., Ltd.	Receivables from related parties	\$ 300,000	\$ -	\$ -	-	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 1,890,250 (Note B)	\$ 18,902,503 (Note E)
	Da Ju Fiber Co., Ltd.	"	400,000	400,000	245,000	1.72%	2	-	For revolving fund	-	Promissory note	-	1,890,250 (Note B)	18,902,503 (Note E)
Far Eastern Investment (Holding) Ltd.	FEDP (Holding) Ltd.	Receivables from affiliates	US\$ 20,000	US\$ 20,000	US\$ 16,700	1.73214-1.805%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	27,587,720 (Note I)
	Oriental Petrochemical (Shanghai) Corp.	"	US\$ 30,000	US\$ 30,000	US\$ -	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	27,587,720 (Note I)
	Waldorf Services B.V.	"	US\$ 5,000	US\$ -	US\$ -	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	27,587,720 (Note I)
	F.E.T.G. Investment Antilles N.V.	"	US\$ 1,000	US\$ -	US\$ -	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	27,587,720 (Note I)
	Oriental Textile (Holding) Ltd.	"	US\$ 80,000	US\$ 80,000	US\$ 72,982	1.73214-1.805%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	27,587,720 (Note I)
	Pet Far Eastern (Holding) Ltd.	"	US\$ 20,000	US\$ 20,000	US\$ 17,450	1.73214-1.805%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	27,587,720 (Note I)
	Malaysia Garment Manufactures Pte. Ltd.	"	US\$ 10,000	US\$ 10,000	US\$ 3,068	0-1.805%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	27,587,720 (Note I)
	PET Far Eastern (M) Sdn. Bhd.	"	US\$ 10,000	US\$ 10,000	MYR 29,388	1.73214-1.805%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	27,587,720 (Note I)
	Far Eastern Polytex (Holding) Ltd.	"	US\$ 20,000	US\$ 20,000	US\$ -	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	27,587,720 (Note I)
	Far Eastern Apparel (Vietnam) Ltd.	"	US\$ 9,000	US\$ 9,000	US\$ 5,500	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	27,587,720 (Note I)
	Far Eastern Polychem Industries Ltd.	"	US\$ 80,000	US\$ 80,000	US\$ 14,160	1.73214-1.805%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	27,587,720 (Note I)
	Sino Belgium (Holding) Ltd.	"	US\$ 20,000	US\$ 20,000	US\$ 14,780	1.73214%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	27,587,720 (Note I)
	Far Eastern Apparel (Holding) Ltd.	"	US\$ 50,000	US\$ 50,000	US\$ -	1.73214-1.805%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	27,587,720 (Note I)
Ding Yuan International Investment Co., Ltd.	Da Ju Fiber Co., Ltd.	Receivables from related parties	100,000	100,000	100,000	1.19-1.20%	2	-	For revolving fund	-	Promissory note	-	125,756 (Note B)	1,257,565 (Note E)
	Yuan Tong Investment Co., Ltd.	"	100,000	100,000	100,000	1.19-1.20%	2	-	For revolving fund	-	Promissory note	-	125,756 (Note B)	1,257,565 (Note E)
	Yue Ding Industry Co., Ltd.	"	50,000	50,000	50,000	1.19-1.20%	2	-	For revolving fund	-	Promissory note	-	125,756 (Note B)	1,257,565 (Note E)
	Kai Yuan International Investment Co., Ltd.	"	130,000	-	-	1.17-1.18%	2	-	For revolving fund	-	Promissory note	-	125,756 (Note B)	1,257,565 (Note E)
	Yuan Ding Investment Co., Ltd.	"	100,000	100,000	100,000	1.17-1.20%	2	-	For revolving fund	-	Promissory note	-	125,756 (Note B)	1,257,565 (Note E)
	An Ho Garment Co., Ltd.	"	130,000	-	-	1.18%	2	-	For revolving fund	-	Promissory note	-	125,756 (Note B)	1,257,565 (Note E)
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	-	5,517,544 (Note G)	16,552,632 (Note H)
	Far Eastern Industries (Shanghai) Ltd.	"	US\$ 66,000	US\$ 66,000	US\$ 7,000	-	1	HK 1,269,924	For business sale	-	Promissory note	-	4,757,135 (Note J)	4,757,135 (Note J)

(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 Apparel (Holding) Ltd.	Far Eastern Industries (Suzhou) Ltd.	"	US\$ 10,000	US\$ 10,000	US\$ 8,000	-	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 5,517,544 (Note G)	\$ 16,552,632 (Note H)
	Oriental Petrochemical (Shanghai) Corp.	"	US\$ 4,000	US\$ 4,000	US\$ -	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
	Far Eastern Ishizuka Green Pet	"	JPY 1,600,000	JPY 1,600,000	JPY -	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	Receivables from affiliates	US\$ 100,000	US\$ 100,000	US\$ 2,800	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
	Far Eastern Apparel (Suzhou) Ltd.	"	US\$ 30,000	US\$ 30,000	US\$ 18,000	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
	Far Eastern Investment (Holding) Ltd.	"	US\$ 20,000	US\$ 20,000	US\$ -	1.73214%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
F.E.T.G Investment Antilles N.V.	Waldorf Services B.V.	Receivables from affiliates	US\$ 1,000	US\$ 1,000	US\$ -	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
Far Eastern Apparel (Suzhou) Ltd.	Far Eastern Industries (WuXi) Ltd.	Other receivables - loans to affiliates	RMB 150,000	RMB 150,000	RMB -	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
	Far Eastern Industries (Suzhou) Ltd.	"	RMB 180,000	RMB 150,000	RMB 26,742	3.58676-4.59%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
	Oriental Industries (Suzhou) Ltd.	"	RMB 350,000	RMB 300,000	RMB 165,915	3.57332-4.59%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
	Sino Belgium (Suzhou) Limited	"	RMB 54,000	RMB 50,000	RMB 27,692	3.57332-4.59%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	"	RMB 80,000	RMB 80,000	RMB 41,763	3.57332-3.92271%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	Far Eastern Apparel (Suzhou) Ltd.	Other receivables - loans to affiliates	RMB 80,000	RMB 80,000	RMB -	3.0197-3.1659%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)
Waldorf Services B.V.	Malaysia Garment Manufactures Pte. Ltd.	Receivables from affiliates	US\$ 5,000	US\$ 5,000	US\$ 4,600	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
	Chuang Yuan Co., Ltd.	Other receivables	US\$ 10,000	US\$ 10,000	US\$ 6,380	1.73214-1.805%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
	Far Eastern Investment (Holding) Ltd.	Receivables from affiliates	US\$ 5,000	US\$ 5,000	US\$ 3,490	1.73214-1.805%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
Oriental Textile (Holding) Ltd.	Far Eastern Industries (WuXi) Ltd.	Receivables from affiliates	US\$ 64,900	US\$ 64,900	US\$ 17,000	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
	Oriental Industries (Suzhou) Ltd.	"	US\$ 138,000	US\$ 138,000	US\$ 78,000	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
	Far Eastern Polychem Industries Ltd.	"	US\$ 25,000	US\$ 25,000	US\$ -	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
	Far Eastern Apparel (Holding) Ltd.	"	US\$ 20,000	US\$ 20,000	US\$ -	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (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	-	5,517,544 (Note G)	16,552,632 (Note H)
FEDP (Holding) Ltd.	Far Eastern Industries (Suzhou) Ltd.	Receivables from affiliates	US\$ 42,800	US\$ 42,800	US\$ 24,600	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
Far Eastern Resources Development Co.	An Ho Garment Co., Ltd.	Receivables from related parties	870,000	-	-	1.17-1.44%	2	-	For revolving fund	-	Promissory note	-	1,294,953 (Note B)	12,949,534 (Note E)
	Da Ju Fiber Co., Ltd.	"	380,000	-	-	1.18-1.20%	2	-	For revolving fund	-	Promissory note	-	1,294,953 (Note B)	12,949,534 (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		
	Yue Ding Industry Co., Ltd.	"	\$ 200,000	\$ -	\$ -	-	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 1,294,953 (Note B)	\$ 12,949,534 (Note E)
	Kai Yuan International Investment Co., Ltd.	"	500,000	-	-	1.18-1.44%	2	-	For revolving fund	-	Promissory note	-	1,294,953 (Note B)	12,949,534 (Note E)
	Ding Yuan International Investment Co., Ltd.	"	200,000	200,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,294,953 (Note B)	12,949,534 (Note E)
Far Eastern Industries (WuXi) Ltd.	Far Eastern Apparel (Suzhou) Ltd.	Other receivables - loans to affiliates	RMB 150,000	RMB 150,000	RMB 102,665	2.52744-3.67899%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
Far Eastern Industries (Suzhou) Ltd.	Far Eastern Apparel (Suzhou) Ltd.	Other receivables - loans to affiliates	RMB 150,000	RMB 150,000	RMB -	2.52744-3.67899%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
Oriental Industries (Suzhou) Ltd.	Far Eastern Apparel (Suzhou) Ltd.	Other receivables - loans to affiliates	RMB 300,000	RMB 300,000	RMB -	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
Sino Belgium (Suzhou) Limited	Far Eastern Apparel (Suzhou) Ltd.	Other receivables - loans to affiliates	RMB 50,000	RMB 50,000	RMB -	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (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	-	5,517,544 (Note G)	16,552,632 (Note H)
	FEDP (Holding) Ltd.	"	US\$ 20,000	US\$ 20,000	US\$ -	1.73214-1.805%	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
	Martens Beers Trading (Shanghai) Ltd.	"	US\$ 3,600	US\$ 3,600	US\$ -	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
Far Eastern Polytex (Holding) Ltd.	Wu Han Far Eastern New Material Ltd.	Receivables from affiliates	US\$ 12,000	US\$ 12,000	US\$ 5,000	-	2	-	For revolving fund	-	Promissory note	-	5,517,544 (Note G)	16,552,632 (Note H)
Yuan Tong Investment Co., Ltd.	Da Ju Fiber Co., Ltd.	Receivables from related parties	360,000	-	-	1.38-1.44%	2	-	For revolving fund	-	Promissory note	-	383,915 (Note B)	3,839,153 (Note E)
	Far Eastern Resources Development Co.	"	360,000	200,000	-	-	2	-	For revolving fund	-	Promissory note	-	383,915 (Note B)	3,839,153 (Note E)
	Far Eastern New Century Corporation	"	360,000	-	-	-	2	-	For revolving fund	-	Promissory note	-	383,915 (Note B)	3,839,153 (Note E)
	Yue Ding Industry Co., Ltd.	"	200,000	200,000	-	-	2	-	For revolving fund	-	Promissory note	-	383,915 (Note B)	3,839,153 (Note E)
Kai Yuan International Investment Co., Ltd.	Da Ju Fiber Co., Ltd.	Receivables from related parties	200,000	200,000	200,000	1.19-1.43%	2	-	For revolving fund	-	Promissory note	-	323,847 (Note B)	3,238,470 (Note E)
	Yue Ding Industry Co., Ltd.	"	100,000	-	-	1.19-1.43%	2	-	For revolving fund	-	Promissory note	-	323,847 (Note B)	3,238,470 (Note E)
	Yuan Tong Investment Co., Ltd.	"	200,000	200,000	200,000	1.19-1.43%	2	-	For revolving fund	-	Promissory note	-	323,847 (Note B)	3,238,470 (Note E)
	Yuan Ding Investment Co., Ltd.	"	150,000	150,000	150,000	1.19-1.43%	2	-	For revolving fund	-	Promissory note	-	323,847 (Note B)	3,238,470 (Note E)
	Ding Yuan International Investment Co., Ltd.	"	100,000	100,000	100,000	1.20%	2	-	For revolving fund	-	Promissory note	-	323,847 (Note B)	3,238,470 (Note E)
An Ho Garment Co., Ltd.	Da Ju Fiber Co., Ltd.	Receivables from related parties	80,000	80,000	80,000	1.19-1.44%	2	-	For revolving fund	-	Promissory note	-	146,897 (Note B)	1,468,971 (Note E)
	Yuan Ding Investment Co., Ltd.	"	80,000	-	-	1.19-1.44%	2	-	For revolving fund	-	Promissory note	-	146,897 (Note B)	1,468,971 (Note E)
	Yuan Tong Investment Co., Ltd.	"	50,000	50,000	50,000	1.19-1.44%	2	-	For revolving fund	-	Promissory note	-	146,897 (Note B)	1,468,971 (Note E)
	Yue Ding Industry Co., Ltd.	Receivables from related parties	80,000	80,000	80,000	1.20%	2	-	For revolving fund	-	Promissory note	-	146,897 (Note B)	1,468,971 (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		
Yuan Faun Ltd.	Yuan Cheng Human Resources Consultant Corp.	Receivables from related parties	\$ 10,000	\$ -	\$ -	1.50%	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 16,685 (Note D)	\$ 55,616 (Note F)
Far Eastern Tech-info Ltd. (Shanghai)	Far Eastern New Century Information Technology (Beijing) Ltd.	Other receivables - related parties	59,677	58,175	58,175	6.56-7%	2	-	For revolving fund	-	-	-	58,531 (Note L)	73,163 (Note M)
Yuan Ding Co., Ltd.	YDT Technology International Co., Ltd.	Receivables from related parties	50,000	50,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,785,836 (Note C)	4,464,591 (Note K)
	Far Eastern Technical Consultants Co., Ltd.	"	50,000	50,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,785,836 (Note C)	4,464,591 (Note K)
	FET Consulting Engineers Co., Ltd.	"	50,000	50,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,785,836 (Note C)	4,464,591 (Note K)
	Ding Ding Integrated Marketing Co., Ltd.	"	50,000	50,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,785,836 (Note C)	4,464,591 (Note K)
	Far Eastern Electronic Commerce Co., Ltd.	"	100,000	100,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,785,836 (Note C)	4,464,591 (Note K)
	Yuan Ding Integrated Information Service (Shanghai) Inc.	"	115,940	115,940	-	-	2	-	For revolving fund	-	Promissory note	-	1,785,836 (Note C)	4,464,591 (Note K)
YDT Technology International Co., Ltd.	Yuan Ding Co., Ltd.	Receivables from related parties	45,000	45,000	45,000	1.17%-1.31%	2	-	For revolving fund	-	Promissory note	-	67,474 (Note C)	168,686 (Note K)
Far Eastern Technical Consultants Co., Ltd.	Yuan Ding Co., Ltd.	Receivables from related parties	12,000	12,000	-	-	2	-	For revolving fund	-	Promissory note	-	14,975 (Note C)	37,438 (Note K)
FET Consulting Engineers Co., Ltd.	Yuan Ding Co., Ltd.	Receivables from related parties	150,000	150,000	-	-	2	-	For revolving fund	-	Promissory note	-	54,410 (Note C)	136,025 (Note K)
Oriental Petrochemical (Shanghai) Corp.	Wu Han Far Eastern New Material Ltd.	Other receivables - related parties	RMB 10,000	RMB 10,000	-	-	2	-	For revolving fund	-	Promissory note	-	RMB 104,158 (Note B)	RMB 312,473 (Note D)
	Far Eastern Industries (Shanghai) Ltd.	"	RMB 20,000	RMB 20,000	-	-	2	-	For revolving fund	-	Promissory note	-	RMB 104,158 (Note B)	RMB 312,473 (Note D)
Far Eastern Industries (Shanghai) Ltd.	Oriental Petrochemical (Shanghai) Corp.	Other receivables - related parties	RMB 20,000	RMB 20,000	-	-	2	-	For revolving fund	-	Promissory note	-	RMB 83,130 (Note B)	RMB 249,391 (Note D)
Wu Han Far Eastern New Material Ltd.	Oriental Petrochemical (Shanghai) Corp.	Other receivables - related parties	RMB 10,000	RMB 10,000	-	-	2	-	For revolving fund	-	Promissory note	-	US\$ 2,702 (Note N)	US\$ 2,702 (Note N)

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, 2012.

C. The limit is equal to 20% of the net value of the financier (based on audited financial statements) as of December 31, 2012.

D. The limit is equal to 15% of the net value of the financier (based on audited financial statements) as of December 31, 2012.

E. The limit is equal to 50% of the net value of the financier (based on audited financial statements) as of December 31, 2012. If necessary for short-term financing, the limit is equivalent to 15%.

F. The limit is equal to 50% of the net value of the financier (based on audited financial statements) as of December 31, 2012. If necessary for short-term financing, the limit is equivalent to 30%.

(Continued)

- G. The limit is equal to 5% of the net value of FENC (based on audited financial statements) as of December 31, 2012.
- H. The limit is equal to 15% of the net value of FENC (based on audited financial statements) as of December 31, 2012.
- I. The limit is equal to 25% of the net value of FENC (based on audited financial statements) as of December 31, 2012.
- 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, 2012.
- K. The limit is equal to 40% of the net value of the financier (based on audited financial statements) as of December 31, 2012. If necessary for short-term financing, the limit is equivalent to 40%.
- L. The limit is equal to 40% of the net value of the financier (based on audited financial statements) as of December 31, 2012.
- M. The limit is equal to 50% of the net value of the financier (based on audited financial statements) as of December 31, 2012.
- N. The limit is equal to 1% of the net value of Far Eastern Polytex (Holding) Ltd. (based on audited financial statements) as of December 31, 2012.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION

ENDORSEMENT/GUARANTEE PROVIDED
YEAR ENDED DECEMBER 31, 2012
(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)	\$ 55,175,439 (Note G)	\$ 10,721,125	\$ 9,958,825	\$ 995,000	\$ -	9.02	\$ 110,350,878 (Note H)
Yuan Ding Investment Co., Ltd.	Far Eastern New Century Corporation	(Note D)	18,902,503 (Note G)	1,100,000	1,100,000	800,000	-	2.91	37,805,006 (Note H)
	Da Ju Fiber Co., Ltd.	(Note B)	18,902,503 (Note G)	354,000	354,000	242,000	-	0.94	37,805,006 (Note H)
	Oriental Resources Development Ltd.	(Note A)	18,902,503 (Note G)	219,000	219,000	-	-	0.58	37,805,006 (Note H)
	Far Eastern Apparel Co., Ltd.	(Note A)	18,902,503 (Note G)	135,000	135,000	30,000	-	0.36	37,805,006 (Note H)
	Oriental Textile (Holding) Ltd.	(Note A)	18,902,503 (Note G)	3,881,600	3,490,200	872,550	-	9.23	37,805,006 (Note H)
	Far Eastern Apparel (Holding) Ltd.	(Note A)	18,902,503 (Note G)	2,045,780	1,745,100	515,968	-	4.62	37,805,006 (Note H)
	FEDP (Holding) Ltd.	(Note C)	18,902,503 (Note G)	303,250	290,850	-	-	0.77	37,805,006 (Note H)
	Far Eastern Polychem Industries Ltd.	(Note B)	18,902,503 (Note G)	7,038,570	7,038,570	660,230	-	18.62	37,805,006 (Note H)
	Oriental Industries (Suzhou) Ltd.	(Note A)	18,902,503 (Note G)	639,443	464,287	464,287	-	1.23	37,805,006 (Note H)
	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note A)	18,902,503 (Note G)	303,250	290,850	290,850	-	0.77	37,805,006 (Note H)
	Far Eastern Industries (WuXi) Ltd.	(Note A)	18,902,503 (Note G)	439,275	436,275	218,138	-	1.15	37,805,006 (Note H)
	PET Far Eastern (Holding) Ltd.	(Note C)	18,902,503 (Note G)	599,800	581,700	-	-	1.54	37,805,006 (Note H)
Far Eastern Construction Co., Ltd.	Far Eastern General Contractor Co., Ltd.	(Note A)	15,334,449 (Note L)	1,063,150	300,000	-	-	5.87	15,334,449 (Note L)
Far Eastern Apparel (Holding) Ltd.	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note A)	55,175,439 (Note O)	US\$ 10,000	-	-	-	-	110,350,878 (Note M)
	Far Eastern Apparel (Suzhou) Ltd.	(Note C)	55,175,439 (Note O)	US\$ 10,000	-	-	-	-	110,350,878 (Note M)
Yuan Tong Investment Co., Ltd.	Sino Belgium (Holding) Ltd.	(Note A)	55,175,439 (Note K)	1,010,732	484,847	484,847	-	0.44	110,350,878 (Note I)
Far EasTone Telecommunications Co., Ltd.	Q-Ware Communication Corp.	(Note A)	36,461,440 (Note G)	199,287	161,020	161,020	-	0.22	72,922,879 (Note H)
	KGEx.com Co., Ltd.	(Note A)	36,461,440 (Note G)	45,000	45,000	7,202	-	0.06	72,922,879 (Note H)
Far Eastern Industries (Shanghai) Ltd.	Wu Han Far Eastern New Material Ltd.	(Note C)	RMB 1,662,609 (Note H)	RMB 80,000	RMB 80,000	-	-	0.34	RMB 3,325,218 (Note F)
	Everest Textile (Shanghai) Ltd.	(Note E)	RMB 1,662,609 (Note H)	RMB 45,000	-	-	-	-	RMB 3,325,218 (Note F)
Oriental Textile (Holding) Ltd.	Far Eastern Industries (WuXi) Ltd.	(Note A)	55,175,439 (Note O)	US\$ 5,000	US\$ 5,000	-	-	0.38	110,350,878 (Note M)
	Oriental Industries (Suzhou) Ltd.	(Note A)	55,175,439 (Note O)	US\$ 20,000	US\$ 10,000	US\$ 4,771	-	1.38	110,350,878 (Note M)
				RMB 50,000	RMB 50,000	-	-		
Far Eastern Resources Development Co.	Far Eastern New Century Corporation	(Note D)	55,175,439 (Note K)	9,421,448	7,721,448	7,276,391	7,721,448	7.00	110,350,878 (Note I)
FEDP (Holding) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note A)	55,175,439 (Note O)	RMB 50,000	RMB 50,000	-	-	0.21	110,350,878 (Note M)
Sino Belgium (Holding) Ltd.	Sino Belgium (Suzhou) Limited	(Note A)	55,175,439 (Note O)	US\$ 3,000	-	-	-	-	110,350,878 (Note M)
Wu Han Far Eastern New Material Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note C)	US\$ 54,048 (Note J)	RMB 100,000	RMB 100,000	RMB 34,609	-	0.42	US\$ 54,048 (Note J)
Oriental Industries (Suzhou) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note C)	55,175,439 (Note O)	RMB 180,000	RMB 160,000	RMB 1,850	-	1.96	110,350,878 (Note M)
Yuan Ding Co., Ltd.	Ding Ding Hotel Corporation	(Note A)	4,464,591 (Note G)	453,000	453,000	75,000	-	0.41	8,929,182 (Note H)
	Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	4,464,591 (Note G)	49,640	-	-	-	-	8,929,182 (Note H)

(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, 2012.
 - 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, 2012.
 - H. Limit is calculated using the net value of the guarantor (based on audited financial statements) as of December 31, 2012.
 - I. Limit is computed using the net value of parent company (based on audited financial statements) as of December 31, 2012.
 - J. The amount of the collateral/guarantee is equal to 20% of the net value of parent company (based on audited financial statements) as of December 31, 2012.
 - K. The amount of the collateral/guarantee is equal to 50% of the net value of parent company (based on audited financial statements) as of December 31, 2012.
 - 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, 2012.
 - M. The amount of the collateral/guarantee is equal to the net value of FENC (based on audited financial statements) as of December 31, 2012.
 - 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, 2012.
 - P. The tariff guarantee maximum amounts allowed for FENC during the period was NT\$160,000 thousand, and the actual appropriation as of period end was NT\$160,000 thousand.
 - Q. The tariff guarantee maximum amounts allowed for a subsidiary in Mainland China for the period and the actual appropriation as of period end are as follows:
 - 1) Far Eastern Apparel (Suzhou) Ltd.: RMB300 thousand (NT\$1,396 thousand) and the actual appropriation RMB300 thousand (NT\$1,396 thousand).
 - 2) Oriental Petrochemical (Shanghai) Co., Ltd.: RMB30,000 thousand (NT\$138,823 thousand) and the actual appropriation RMB30,000 thousand (NT\$138,823 thousand).
 - 3) Far Eastern Industries (WuXi) Ltd.: RMB6,382 thousand (NT\$29,521 thousand) and the actual appropriation RMB6,382 thousand (NT\$29,521 thousand).

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION

MARKETABLE SECURITIES AND INVESTMENTS IN SHARES OF STOCK HELD
DECEMBER 31, 2012
(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, 2012				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	721,368	\$ 12,603,614	22.33	\$ 26,943,095	19,900 thousand shares pledged or mortgaged as collaterals for loans
	Far Eastern Department Stores Co., Ltd.	(Note A)	Equity-method investments	230,125	4,453,740	16.80	6,938,269	
	Oriental Union Chemical Corporation	(Note A)	Equity-method investments	81,216	1,338,094	9.17	2,826,317	
	Everest Textile Co., Ltd.	(Note A)	Equity-method investments	129	1,355	0.03	939	
	Yuan Ding Investment Co., Ltd.	(Note A)	Equity-method investments	1,822,821	37,225,967	99.40	37,578,177	
	Far Eastern Resources Development Co.	(Note A)	Equity-method investments	557,354	25,625,265	100.00	25,899,069	
	Yuan Tong Investment Co., Ltd.	(Note A)	Equity-method investments	705,147	7,306,639	100.00	7,678,306	
	Far Eastern Polychem Industries Ltd.	(Note A)	Equity-method investments	830,815	7,391,951	73.04	7,391,951	
	Oriental Petrochemical (Taiwan) Co., Ltd.	(Note A)	Equity-method investments	578,846	4,580,834	75.56	4,567,795	
	Far Eastern Investment (Holding) Ltd.	(Note A)	Equity-method investments	1,700	6,265,463	100.00	6,265,463	
	PET Far Eastern (Holding) Ltd.	(Note A)	Equity-method investments	228	4,927,478	86.73	5,009,345	
	Kai Yuan International Investment Co., Ltd.	(Note A)	Equity-method investments	302,844	6,476,761	100.00	6,476,941	
	Far Eastern Polytex (Holding) Ltd.	(Note A)	Equity-method investments	115	7,842,893	100.00	7,842,893	
	Yuan Ding Company Ltd.	(Note A)	Equity-method investments	186,926	3,217,231	37.13	3,315,405	
	Far Eastern Construction Co., Ltd.	(Note A)	Equity-method investments	188,875	3,271,758	65.11	3,328,086	
	Ding Yuan International Investment Co., Ltd.	(Note A)	Equity-method investments	205,000	2,515,059	100.00	2,515,129	
	Oriental Securities Corp.	(Note A)	Equity-method investments	140,278	1,994,891	19.65	1,988,449	
	An Ho Garment Co., Ltd.	(Note A)	Equity-method investments	66,346	2,868,964	100.00	2,937,942	
	Pacific Liu Tung Investment Corp. (Note G)	(Note A)	Equity-method investments	67,500	1,710,017	16.83	1,617,927	
	FEDP (Holding) Ltd.	(Note A)	Equity-method investments	244	566,154	50.43	566,154	
	Fu Kwok Garment Manufacturing Co., Ltd.	(Note A)	Equity-method investments	3,999	143,519	99.99	146,679	
	Ding Ding Hotel Co., Ltd.	(Note A)	Equity-method investments	5,386	6,538	19.00	6,338	
	Far Eastern Textile Ltd.	(Note A)	Equity-method investments	100	1,144	100.00	1,144	
Hantech Venture Capital Corp.	-	Financial assets carried at cost	4,939	53,667	3.73	56,358		
Far Eastern International Bank	(Note C)	Available-for-sale financial assets - noncurrent	69,054	804,484	3.08	804,484		
Yuan Ding Investment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Equity-method investments	1,066,658	23,822,248	32.73	79,039,358	43,145 thousand shares pledged or mortgaged as collaterals for loans
	Oriental Union Chemical Corporation	(Note A)	Equity-method investments	81,900	1,453,974	9.25	2,850,120	
	Everest Textile Co., Ltd.	(Note A)	Equity-method investments	118,869	1,000,701	25.23	865,366	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Equity-method investments	5,430	146,328	0.40	163,715	
	Asia Cement Corporation	(Note A)	Equity-method investments	15,029	399,315	0.47	561,333	
	Oriental Textile (Holding) Ltd.	(Note A)	Equity-method investments	86	5,615,708	100.00	5,615,708	
	Far Eastern Polychem Industries Ltd.	(Note A)	Equity-method investments	306,644	2,728,464	26.96	2,728,464	
	Oriental Securities Corp.	(Note A)	Equity-method investments	185,247	2,740,560	25.96	2,626,978	
	Far Eastern Apparel (Holding) Ltd.	(Note A)	Equity-method investments	111	2,262,686	100.00	2,262,686	
	Pacific Liu Tung Investment Corp. (Note G)	(Note A)	Equity-method investments	59,827	1,429,261	14.92	1,434,312	
	Yuan Ding Company Ltd.	(Note A)	Equity-method investments	64,759	1,121,382	12.86	1,148,293	
	Air Liquide Far Eastern Ltd.	(Note A)	Equity-method investments	69,114	1,253,686	35.00	1,252,451	
	Far Eastern International Leasing Corp.	(Note A)	Equity-method investments	75,269	1,182,811	16.87	1,194,336	
	Far Eastern Fibertech Co., Ltd.	(Note A)	Equity-method investments	79,241	872,474	100.00	862,510	
	Da Ju Fiber Co., Ltd.	(Note A)	Equity-method investments	17,869	556,145	41.86	565,784	
	Oriental Petrochemical (Taiwan) Co., Ltd.	(Note A)	Equity-method investments	39,806	307,557	5.20	314,353	
	Yuan Ding Leasing Corp.	(Note A)	Equity-method investments	36,706	428,460	46.20	430,080	
Far Eastern Apparel Co., Ltd.	(Note A)	Equity-method investments	24,736	378,605	100.00	378,502		

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2012				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note A)	Equity-method investments	13,053	\$ 351,586	29.80	\$ 351,312	
	Oriental Resources Development Co., Ltd.	(Note A)	Equity-method investments	34,242	345,574	70.00	349,470	
	Yuan Faun Co., Ltd.	(Note A)	Equity-method investments	5,000	113,256	100.00	111,233	
	Yue Ming Co., Ltd.	(Note A)	Equity-method investments	1,280	70,238	45.50	72,266	
	Far Eastern General Contractor Co., Ltd.	(Note A)	Equity-method investments	1,270	19,144	1.00	17,804	
	Yue Yuan Investment Co., Ltd.	(Note A)	Equity-method investments	98,198	931,295	18.96	1,994,034	
	Chung Nan Textile Co., Ltd.	-	Financial assets carried at cost	2,985	81,405	5.27	117,220	
	Hantech Venture Capital Corp.	-	Financial assets carried at cost	4,688	56,019	3.54	53,487	
	Taiwan Stock Exchange Corp.	-	Financial assets carried at cost	956	22,493	0.16	55,332	
	Universal Venture Capital Investment Corp.	-	Financial assets carried at cost	1,400	14,000	1.16	13,330	
	Overseas Investment and Development Co., Ltd.	-	Financial assets carried at cost	1,000	10,000	1.11	9,434	
	China Investment and Development Co., Ltd.	-	Financial assets carried at cost	1,287	8,250	0.80	12,658	
	Oriental Securities Investment Consultant Co., Ltd.	-	Financial assets carried at cost	1	10	-	11	
	Gallery Management Limited	-	Financial assets carried at cost	914	6,597	9.81	2,705	
	Dah Chung Bills Finance Corp.	-	Financial assets carried at cost	2,165	30,669	0.50	32,097	
	DFE DWS Global Multi-asset Income Plus FOF	-	Available-for-sale financial assets - current	5,000	55,300	0.83	55,300	
	U-Ming Marine Transport Corporation	(Note B)	Available-for-sale financial assets - noncurrent	5,281	245,303	0.62	245,303	
	Far Eastern International Bank	(Note C)	Available-for-sale financial assets - noncurrent	93,946	1,094,466	4.19	1,094,466	
	Financial assets under asset management contracts (Note E)							
	Cheng Shin Rubber Ind., Co., Ltd.	-	Financial assets at fair value through profit or loss - current	338	25,485	-	25,485	
	Chunghwa Telecom Co., Ltd.	-	Financial assets at fair value through profit or loss - current	380	35,910	-	35,910	
	Visual Photonics Epitaxy Co., Ltd.	-	Financial assets at fair value through profit or loss - current	867	30,865	-	30,865	
	Stark Technology, Inc.	-	Financial assets at fair value through profit or loss - current	127	3,232	-	3,232	
	Rechi Precision Co., Ltd.	-	Financial assets at fair value through profit or loss - current	165	4,158	-	4,158	
	Sercomm Corp.	-	Financial assets at fair value through profit or loss - current	1,072	45,346	-	45,346	
	TAIFLEX Scientific Co., Ltd.	-	Financial assets at fair value through profit or loss - current	1,084	39,566	-	39,566	
Far Eastern Investment (Holding) Ltd.	FETG Investment Antilles N.V.	(Note A)	Equity-method investments	6	US\$ 18,915	100.00	US\$ 18,915	
	Filsyn Corporation	(Note A)	Equity-method investments	45,066	US\$ -	21.85	PESO (114,307)	
	PET Far Eastern (M) Sdn. Bhd.	(Note A)	Equity-method investments	5,000	US\$ 4,555	50.00	US\$ 4,555	
	Com2B	(Note A)	Equity-method investments	9,000	US\$ 770	20.00	US\$ 770	
	Far Eastern Apparel (Vietnam) Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 9,555	100.00	US\$ 9,555	
	Worldwide Polychem (HK) Ltd.	(Note A)	Equity-method investments	2,700	US\$ 3,517	100.00	US\$ 3,517	
	Opas Fund Segregated Portfolio Company	(Note A)	Equity-method investments	-	US\$ 52	34.00	US\$ 52	
Ding Yuan International Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Equity-method investments	12,708	379,869	0.39	474,644	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Equity-method investments	2,487	65,051	0.18	74,983	
	Everest Textile Co., Ltd.	(Note A)	Equity-method investments	8,908	66,166	1.89	64,850	
	Oriental Union Chemical Corporation	(Note A)	Equity-method investments	16,183	418,769	1.83	563,168	
	Far EastTone Telecommunications Co., Ltd.	(Note A)	Equity-method investments	920	41,267	0.03	68,172	
	Pacific Liu Tung Investment Corp. (Note G)	(Note A)	Equity-method investments	9,000	209,765	2.24	215,339	
	Yue Ding Industry Co., Ltd.	(Note A)	Equity-method investments	8,512	211,479	13.20	129,455	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - noncurrent	69,809	813,273	3.11	813,273	
	Ya Li Transportation Co., Ltd.	-	Financial assets carried at cost	1,000	16,240	10.00	46,958	

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2012				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
Kai Yuan International Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Equity-method investments	25,150	\$ 668,719	0.78	\$ 939,353	31,168 thousand shares pledged or mortgaged as collaterals for loans
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Equity-method investments	32,899	887,605	1.01	2,437,816	
	Oriental Union Chemical Corporation	(Note A)	Equity-method investments	27,976	530,801	3.16	973,565	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Equity-method investments	18,609	515,331	1.36	561,061	
	Kowloon Cement Co., Ltd.	(Note A)	Equity-method investments	1,127	361,010	49.00	361,010	
	Far Eastern International Leasing Corp.	(Note A)	Equity-method investments	74,970	1,182,854	16.80	1,189,381	
	Pacific Liu Tung Investment Corp. (Note G)	(Note A)	Equity-method investments	9,000	209,966	2.24	215,339	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - noncurrent	84,751	987,347	3.78	987,347	
Far Eastern Polychem Industries Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Equity-method investments	(Note H)	HK\$ 1,800,405	87.64	RMB 1,457,110	
	PET Far Eastern (Holding) Ltd.	(Note A)	Equity-method investments	35	HK\$ 198,060	13.27	US\$ 26,397	
	FEDP (Holding) Ltd.	(Note A)	Equity-method investments	240	HK\$ 149,499	49.57	US\$ 19,166	
	Far Eastern Industries (Yangzhou) Ltd.	(Note A)	Equity-method investments	(Note H)	HK\$ 263,432	100.00	RMB 213,202	
	Nippon Parison Co., Ltd.	-	Financial assets carried at cost	4	HK\$ 16,941	10.00	-	
Far Eastern Construction Co., Ltd.	Far Eastern General Contractor Co., Ltd.	(Note A)	Equity-method investments	125,639	1,719,576	98.95	1,761,683	
	Asia Cement Corporation	(Note A)	Equity-method investments	17,038	447,856	0.53	636,369	
	U-Ming Marine Transport Corporation	(Note F)	Available-for-sale financial assets - current	1,590	73,846	0.19	73,846	
Far Eastern Apparel (Holding) Ltd.	Far Eastern Apparel (Suzhou) Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 16,764	38.46	RMB 105,160	
	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 68,073	100.00	RMB 427,030	
Far Eastern Apparel Co., Ltd.	Ming Ding Co.	(Note A)	Equity-method investments	448	7,128	44.80	7,128	
	Yue Ding Industry Co., Ltd.	(Note A)	Equity-method investments	5	84	0.01	98	
Far Eastern General Contractor Co., Ltd.	U-Ming Marine Transport Corporation	(Note F)	Available-for-sale financial assets - current	746	34,675	0.09	34,675	
	Kaohsiung Rapid Transit Co., Ltd.	-	Financial assets carried at cost	20,000	-	2.00	29,792	
	Ya-Li Precast Prestressed Concrete Industries Corp.	-	Financial assets carried at cost	3,106	25,142	16.03	12,277	
	Far Eastern Technical Consultants Co., Ltd.	(Note A)	Equity-method investments	450	4,949	9.00	6,739	
	Jih Sun Money Market Fund	-	Financial assets at fair value through profit or loss - current	2,786	40,031	-	40,031	
	Hua Nan Kirin Money Market Fund	-	Financial assets at fair value through profit or loss - current	6,005	70,005	-	70,005	
	Taishin Ta Chong Money Market Fund	-	Financial assets at fair value through profit or loss - current	7,617	105,032	-	105,032	
	Taishin 1699 Money Market Fund	-	Financial assets at fair value through profit or loss - current	10,360	136,010	-	136,010	
FETG Investment Antilles N.V.	Waldorf Services B. V.	(Note A)	Equity-method investments	2	US\$ 19,108	100.00	US\$ 19,108	
Waldorf Services B.V.	Cemtex Apparel Inc.	(Note A)	Other liabilities - other	90	US\$ (360)	50.00	PESO (14,059)	
	Malaysia Garment Manufactures Pte. Ltd.	(Note A)	Equity-method investments	30	US\$ 1,962	37.92	SGD 2,843	
	Far Eastern International Garments	(Note A)	Other liabilities - other	59	US\$ (410)	41.00	PESO (16,634)	
	Albert & Orient Glycol Ltd.	-	Financial assets carried at cost	-	US\$ 1,722	25.00	CAD 21,105	
	Filsyn Corporation	-	Financial assets carried at cost	20,513	US\$ -	9.95	PESO (52,053)	
An Ho Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Equity-method investments	40,818	1,015,347	1.25	3,024,614	28,860 thousand shares pledged or mortgaged as collaterals for loans
	Asia Cement Corporation	(Note A)	Equity-method investments	4,467	161,014	0.14	166,842	
	Oriental Union Chemical Corporation	(Note A)	Equity-method investments	154	4,619	0.02	5,359	
	Yue Ding Industry Co., Ltd.	(Note A)	Equity-method investments	10,104	152,781	15.66	153,581	
	Pacific Liu Tung Investment Corp. (Note G)	(Note A)	Equity-method investments	4,841	117,957	1.21	116,322	
	Oriental Securities Corp.	(Note A)	Equity-method investments	5,890	86,765	0.83	83,990	
	Yuan Ding Investment Co., Ltd.	(Note A)	Equity-method investments	5,502	156,084	0.30	113,415	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Equity-method investments	352	10,581	0.03	10,613	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - noncurrent	17,384	202,518	-	202,518	

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2012				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
Yuan Faun Co., Ltd.	Yuan Cheng Human Resources Consultant Corp.	(Note A)	Equity-method investments	750	\$ 12,022	55.56	\$ 12,022	42,800 thousand shares pledged or mortgaged as collaterals for loans
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - noncurrent	3,684	42,914	0.17	42,914	
	Yi Tong Fiber Co., Ltd.	-	Financial assets carried at cost	3,504	28,519	3.56	42,117	
Fu Kwok Garment Manufacturing Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Equity-method investments	520	19,827	0.02	38,532	
Yuan Tong Investment Co., Ltd.	Pacific Liu Tung Investment Corp. (Note G)	(Note A)	Equity-method investments	9,000	208,768	2.24	215,339	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Equity-method investments	100,237	2,818,368	3.08	7,427,562	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Equity-method investments	77,257	428,007	11.98	302,589	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Equity-method investments	33,673	1,072,598	2.46	1,015,241	
	Oriental Union Chemical Corporation	(Note A)	Equity-method investments	31,768	1,227,706	3.59	1,105,526	
	Asia Cement Corporation	(Note A)	Equity-method investments	27,470	908,387	0.85	1,026,005	
	Air Liquide Far Eastern Ltd.	(Note A)	Equity-method investments	1	18	-	-	
	Sino Belgium (Holding) Ltd.	(Note A)	Equity-method investments	26	3,857	91.39	US\$ 133	
	Far Eastern DWS Global Agribusiness Fund	-	Available-for-sale financial assets - current	9,862	99,803	-	99,803	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - noncurrent	16,799	195,705	0.75	195,705	
	Ding Shen Investment Co., Ltd.	-	Financial assets carried at cost	39,600	396,000	18.00	404,448	
	Bockhold N.V. - stock	-	Financial assets carried at cost	1	223,533	12.51	51,194	
	Bockhold N.V. - conversion option embedded into convertible bonds	-	Financial assets carried at cost	-	7,895	-	-	
	Bockhold N.V. - convertible bonds	-	Bond investments with no active market	-	256,508	-	-	
	Financial assets under asset management contracts (Note E)	-						
	W.I.S.E. Yuanta/P - shares CSI 300 ETF	-	Financial assets at fair value through profit or loss - current	603	8,870	-	8,870	
	Cheng Shin Rubber Ind., Co., Ltd.	-	Financial assets at fair value through profit or loss - current	50	3,770	-	3,770	
	Stark Technology, Inc.	-	Financial assets at fair value through profit or loss - current	108	2,749	-	2,749	
	E.Sun Financial Holding Company, Ltd.	-	Financial assets at fair value through profit or loss - current	708	11,505	-	11,505	
	Shin Kong Financial Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	4,230	34,644	-	34,644	
	G-TECH Optoelectronics Corporation	-	Financial assets at fair value through profit or loss - current	54	4,099	-	4,099	
	Vivotek Inc.	-	Financial assets at fair value through profit or loss - current	276	24,840	-	24,840	
	Gintech Energy Corporation	-	Financial assets at fair value through profit or loss - current	888	24,154	-	24,154	
	Gemtek Technology Co., Ltd.	-	Financial assets at fair value through profit or loss - current	352	12,320	-	12,320	
	LuxNet Corporation	-	Financial assets at fair value through profit or loss - current	337	19,000	-	19,000	
	Vanguard International Semiconductor Co.	-	Financial assets at fair value through profit or loss - current	453	9,128	-	9,128	
	Sercomm Corp.	-	Financial assets at fair value through profit or loss - current	219	9,264	-	9,264	
	Sino-American Silicon Products Inc.	-	Financial assets at fair value through profit or loss - current	573	19,855	-	19,855	
	Hwacom Systems Inc.	-	Financial assets at fair value through profit or loss - current	503	10,764	-	10,764	
	Wah Hong Industrial Corp.	-	Financial assets at fair value through profit or loss - current	58	2,500	-	2,500	
	Ton Yi Industrial Corp.	-	Financial assets at fair value through profit or loss - current	300	5,085	-	5,085	

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2012				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 (Suzhou) Ltd.	Suzhou An Ho Apparel Ltd.	(Note A)	Equity-method investments	(Note H)	RMB 7,595	100.00	RMB 7,595	
	Suqian Far Eastern Apparel Co., Ltd.	(Note A)	Equity-method investments	(Note H)	RMB 25,044	100.00	RMB 25,044	
PET Far Eastern (Holding) Ltd.	Oriental Petrochemical (Shanghai) Corp. Far Eastern Union Petrochemical (Yangzhou) Corporation	(Note A)	Equity-method investments	(Note H)	US\$ 176,695	53.24	RMB 1,109,073	
		(Note A)	Equity-method investments	(Note H)	US\$ 13,805	50.00	RMB 86,600	
Oriental Textile (Holding) Ltd.	Far Eastern Industries (WuXi) Ltd. Oriental Industries (Suzhou) Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 108,201	100.00	RMB 678,755	
		(Note A)	Equity-method investments	(Note H)	US\$ 99,389	100.00	RMB 623,479	
FEDP (Holding) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 31,362	100.00	RMB 196,739	
Far Eastern Polytex (Holding) Ltd.	Wuhan Far Eastern New Material Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 30,734	100.00	RMB 192,796	
	Far Eastern Apparel (Suzhou) Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 26,824	61.54	RMB 168,267	
	Far Eastern Yihua Petrochemical (Yangzhou) Corporation	(Note A)	Equity-method investments	(Note H)	US\$ 139,831	60.00	RMB 877,143	
	Far Eastern New Century (China) Investment Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 67,787	100.00	RMB 352,171	
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 205,498	
	Shanghai Yuan Zi Information Co., Ltd. Oriental Petrochemical (Shanghai) Corp.	(Note A) (Note A)	Equity-method investments Equity-method investments	(Note H) (Note H)	RMB 13,300 RMB 115,232	100.00 8.11	RMB 13,252 RMB 168,944	
Sino Belgium (Holding) Ltd.	Sino Belgium (Suzhou) Limited	(Note A)	Equity-method investments	(Note H)	US\$ 7,765	100.00	RMB 48,709	
	Martens Beers Trading (Shanghai) Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 1,563	100.00	RMB 488	
Oriental Petrochemical (Shanghai) Corp.	Shanghai Yuan Hua Logistic Ltd.	(Note A)	Equity-method investments	(Note H)	RMB 21,972	100.00	RMB 21,933	
Yuan Ding Company Ltd.	Far Eastone Telecommunications Co., Ltd.	(Note A)	Equity-method investments	4,164	112,899	0.13	308,552	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Equity-method investments	96,312	527,825	14.93	377,099	
	Ding Ding Hotel Co., Ltd.	(Note A)	Equity-method investments	17,572	21,264	61.98	20,677	
	YDT Technology International Co., Ltd.	(Note A)	Equity-method investments	13,992	333,426	100.00	337,371	
	Far Eastern Technical Consultants Co., Ltd.	(Note A)	Equity-method investments	4,550	66,984	91.00	68,137	
	FET Consulting Engineers Co., Ltd.	(Note A)	Equity-method investments	39,000	275,854	100.00	272,049	
	Ding Ding Integrated Marketing Services Co., Ltd.	(Note A)	Equity-method investments	6,900	96,943	60.00	96,988	
	Far Eastern Electronic Commerce Co., Ltd.	(Note A)	Equity-method investments	15,025	20,779	50.00	22,360	
	Yue Yuan Investment Co., Ltd.	(Note A)	Equity-method investments	129,637	2,632,417	25.02	2,631,367	
	FEDS Asia Pacific Development Ltd.	(Note A)	Equity-method investments	10,236	122,590	5.00	117,604	
	YDC (Virgin Islands) Ltd.	(Note A)	Equity-method investments	200	8,073	17.70	US\$ 241	
	Yue Ming Co., Ltd.	(Note A)	Equity-method investments	28	738	1.00	1,588	
	Yue Ding Industry Co., Ltd.	(Note A)	Equity-method investments	1,672	24,898	2.59	25,401	
	Asia Cement Corporation	(Note A)	Equity-method investments	5,122	163,839	0.16	191,307	
	Far Eastern New Century Corporation	-	Financial assets at fair value through profit or loss - current	734	24,309	0.01	24,309	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - noncurrent	6,572	76,559	0.29	76,559	
	Ding Ding Integrated Marketing Services Co., Ltd.	Far Eastern Electronic Commerce Co., Ltd.	(Note A)	Equity-method investments	50	68	0.17	76
Deutsche Far Eastern DWS Equity Fund			Financial assets at fair value through profit or loss - current	7,047	80,013	-	80,013	
Far Eastern Technical Consultants Co., Ltd.	Yuantai Foreign Trade	-	Financial assets carried at cost	480	4,800	4.00	4,800	
FET Consulting Engineers Co., Ltd.	DDIM (Virgin Islands) Ltd.	(Note A)	Equity-method investments	(Note H)	110,366	100.00	US\$ 3,801	

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2012				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
YDC (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	Equity-method investments	(Note H)	US\$ 53	1.39	RMB 334	
	Speedy (Shanghai) Digital Tech. Co., Ltd.	(Note A)	Equity-method investments	(Note H)	US\$ 1,250	100.00	RMB 7,992	
DDIM (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	Equity-method investments	(Note H)	US\$ 3,780	98.61	RMB 23,712	
YDT Technology International Co., Ltd.	YDC (Virgin Islands) Ltd.	(Note A)	Equity-method investments	930	32,513	82.30	US\$ 1,120	
	Asia Cement Corporation	(Note A)	Equity-method investments	58	1,862	-	2,166	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Equity-method investments	2,631	91,656	0.19	79,325	
	Everest Textile Co., Ltd.	(Note A)	Equity-method investments	793	6,099	0.17	5,773	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - noncurrent	2,311	26,922	0.13	26,922	
	Oriental Securities Investment Consultant Co., Ltd.	-	Financial assets carried at cost	1	10	-	10	
Far EasTone Telecommunications Co., Ltd.	<u>Stocks</u>							
	New Century InfoComm Tech Co., Ltd.	(Note A)	Equity-method investments	2,599,449	29,407,288	100.00	29,407,288	
	ARCOA Communication Co., Ltd.	(Note A)	Equity-method investments	82,009	1,257,870	61.07	1,257,870	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Equity-method investments	254,240	995,311	39.42	995,311	
	KGEx.com Co., Ltd.	(Note A)	Equity-method investments	112,375	870,403	99.97	870,403	
	Far Eastern Info Service (Holding) Ltd.	(Note A)	Equity-method investments	1	124,400	100.00	124,400	
	Yuan Cing Co., Ltd.	(Note A)	Prepayments for long-term investments	18,383	96,379	95.00	96,379	
	E. World (Holdings) Ltd.	(Note A)	Equity-method investments	6,015	90,460	85.92	90,460	
	Far EasTron Holding Ltd.	(Note A)	Equity-method investments	4,487	25,105	100.00	25,105	
	Ding Ding Integrated Marketing Services Co., Ltd.	(Note A)	Equity-method investments	1,725	24,542	15.00	24,542	
	iScreen Corporation	(Note A)	Equity-method investments	4,000	18,568	40.00	18,568	
	O-music Co., Ltd.	(Note A)	Equity-method investments	2,500	8,161	50.00	8,161	
	Far Eastern Electronic Commerce Co., Ltd.	(Note A)	Equity-method investments	4,202	6,298	13.98	6,298	
	Q-Ware Communication Corp.	(Note A)	Equity-method investments	33,983	5,482	81.46	5,482	
	Asia Cement	-	Available-for-sale financial assets - current	2,197	82,047	-	82,047	
	<u>Open-end mutual funds</u>							
	Eastspring Inv. Global Green Solutions	-	Available-for-sale financial assets - current	4,978	49,233	-	49,233	
	<u>Private funds</u>							
	Opas Fund Segregated Portfolio Tranche D	-	Available-for-sale financial assets - current	5	149,873	-	149,873	
	<u>Bonds</u>							
98 Asia Cement 1 Corporate Bond	(Note B)	Held-to-maturity financial assets - current and noncurrent	-	199,871	-	202,116		
ARCOA Communication Co., Ltd.	<u>Stock</u>							
	DataExpress Infotech Co., Ltd.	(Note A)	Equity-method investments	9,214	201,079	70.00	201,079	
	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	1,488	0.03	1,488	
	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		
New Century InfoComm Tech Co., Ltd.	<u>Stock</u>							
	New Diligent Co., Ltd.	(Note A)	Equity-method investments	80,000	733,372	100.00	733,372	
	Information Security Service Digital United Co., Ltd.	(Note A)	Equity-method investments	14,878	98,420	100.00	98,420	
	Simple InfoComm Co., Ltd.	(Note A)	Equity-method investments	3,400	20,729	100.00	20,729	
	Ding Ding Integrated Marketing Services Co., Ltd.	(Note A)	Equity-method investments	575	8,181	5.00	8,181	
	Far Eastern Electronic Commerce Co., Ltd.	(Note A)	Equity-method investments	1,503	2,253	5.00	2,253	
	BankPro E-service Technology Co., Ltd.	-	Financial assets carried at cost - noncurrent	450	4,500	3.33	4,500	
	<u>Share certificates</u>							
Digital United (Cayman) Ltd.	(Note A)	Equity-method investments	3,320	26,405	100.00	26,405		

(Continued)

Holding Company	Securities Type and Issuer/Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2012			Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Value	Percentage of Ownership (%)	
	<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	\$ 55,150	-	\$ 55,150
	Deutsche Far Eastern DWS Global Agribusiness Fund	-	Financial assets at fair value through profit or loss - current	5,000	50,600	-	50,600
	DFE DWS Global Multi-asset Income Plus FOF-A	-	Financial assets at fair value through profit or loss - current	9,571	105,858	-	105,858
	<u>Private funds</u>						
	Opas Fund Segregated Portfolio Tranche C	-	Available-for-sale financial assets - current	15	525,284	-	525,284
	Opas Fund Segregated Portfolio Tranche D	-	Available-for-sale financial assets - current	10	299,746	-	299,746
	Opas Fund Segregated Portfolio Tranche E	-	Available-for-sale financial assets - current	28	902,343	-	902,343
Digital United (Cayman) Ltd.	<u>Stock</u> Digital United Information Technologies Co., Ltd.	(Note A)	Equity-method investments	-	US\$ 277	100.00	US\$ 277
New Diligent Co., Ltd.	<u>Share certificates</u> Sino Lead Enterprise Limited	(Note A)	Equity-method investments	-	399	100.00	399
	Far Eastern New Diligent Company Ltd.	(Note A)	Other liabilities - other	-	(4)	100.00	(4)
DataExpress Infotech Co., Ltd.	<u>Share certificates</u> Linkwell Tech. Co., Ltd.	(Note A)	Equity-method investments	-	42,449	100.00	42,449
	Homet Master Technology Co., Ltd.	(Note A)	Equity-method investments	-	7,251	99.99	7,251
	Jin Yuan Technology Co., Ltd.	(Note A)	Equity-method investments	-	9,995	100.00	9,995
Far Eastern Info Service (Holding) Ltd.	<u>Share certificates</u> Far Eastern Tech-info Ltd. (Shanghai)	(Note A)	Equity-method investments	-	US\$ 5,043	100.00	US\$ 5,043
E. World (Holdings) Ltd.	<u>Stock</u> Yuan Cing Co., Ltd.	(Note A)	Equity-method investments	967	US\$ 175	4.99	US\$ 175
Far Eastern Tech-info Ltd. (Shanghai)	<u>Share certificates</u> Far Eastern New Century Information Technology (Beijing) Limited	(Note A)	Equity-method investments	-	RMB 38,553	55.00	RMB 38,553

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.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION

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, 2012
 (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/Thousand Units)	Amount	Shares (Thousands/Thousand Units)	Price	Book Value	Disposal Gain		Shares (Thousands/Thousand Units)	Amount
Far Eastern New Century Corporation	Yuan Ding Investment Co., Ltd.	Equity-method investments	Da Ju Fiber Co., Ltd.	(Note A)	1,828,323	\$ 37,010,889	-	\$ -	5,502	\$ 235,491	\$ 113,908	\$ 148,175 (Note B)	\$ 328,986	1,822,821	\$ 37,225,967
	Far Eastern Polychem Industries Ltd.	Equity-method investments	Cash capital increase	-	742,155	7,152,582	156,588	1,473,309	67,928 (Note G)	-	616,092	-	(617,848)	830,815	7,391,951
	PET Far Eastern (Holding) Ltd.	Equity-method investments	Cash capital increase	-	202	5,126,250	26	592,750	-	-	-	-	(791,522)	228	4,927,478
	Far Eastern Polytex (Holding) Ltd.	Equity-method investments	Cash capital increase	-	90	6,828,759	25	1,481,658	-	-	-	-	(467,524)	115	7,842,893
Yuan Ding Investment Co., Ltd.	Oriental Resources Development Ltd.	Equity-method investments	Cash capital increase	-	21,322	132,037	20,939	209,397	8,019 (Note C)	-	-	-	4,140	34,242	345,574
	Far Eastern Polychem Industries Ltd.	Equity-method investments	Reduction of share capital to write off accumulated losses	-	331,718	3,401,148	-	-	25,074 (Note G)	-	227,760	-	(444,924)	306,644	2,728,464
Yuan Tong Investment Co., Ltd.	Far Eastern Department Stores Co., Ltd.	Equity-method investments	Open market	-	20,300	711,837	12,096	349,544	-	-	-	-	11,217	33,673	1,072,598
		Equity-method investments	Stock dividend	-	-	-	1,277	-	-	-	-	-	-	-	-
	Oriental Union Chemical Corporation	Equity-method investments	Open market	-	21,802	973,095	7,078	278,454	-	-	-	-	(23,843)	31,768	1,227,706
		Equity-method investments	Stock dividend	-	-	-	2,888	-	-	-	-	-	-	-	-
	Far Eastern Electronic Toll Collection Co., Ltd.	Equity-method investments	Cash capital increase	-	37,271	55,084	39,986	414,392	-	-	-	-	(41,469)	77,257	428,007
	Far EasTone Telecommunications Co., Ltd.	Equity-method investments	Open market	-	105,221	2,916,774	322	20,332	5,306	291,004	148,250	160,326	29,512	100,237	2,818,368
	Asia Cement Corporation	Equity-method investments	Open market	-	20,650	703,243	6,182	227,021	-	-	-	-	(21,877)	27,470	908,387
		Equity-method investments	Stock dividend	-	-	-	638	-	-	-	-	-	-	-	-
Deutsche Far Eastern DWS Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	25,021	280,000 (Note E)	-	-	25,021	283,145	280,000 (Note E)	3,145	-	-	-	
Ding Shen Investment Co., Ltd.	Financial assets carried at cost	Cash capital increase	-	27,000	270,000	12,600	126,000	-	-	-	-	-	39,600	396,000	
Ding Yuan International Investment Co., Ltd.	Deutsche Far Eastern DWS Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	19,659	220,000 (Note E)	-	-	19,659	222,324	220,000 (Note E)	2,324	-	-	-
Kai Yuan International Investment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Equity-method investments	Open market	-	92,462	2,426,992	-	-	59,563	3,751,051	1,630,623	2,263,945	91,236	32,899	887,605
		Equity-method investments	Open market	-	8,679	229,592	9,218	279,338	-	-	-	-	6,401	18,609	515,331
	Asia Cement Corporation	Equity-method investments	Open market	-	17,347	418,515	7,283	267,520	-	-	-	-	(17,316)	25,150	668,719
		Equity-method investments	Stock dividend	-	-	-	520	-	-	-	-	-	-	-	-
An Ho Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Equity-method investments	Open market	-	80,172	1,954,031	-	-	39,354	2,492,249	1,000,178	1,598,125	61,494	40,818	1,015,347
Far Eastern Polychem Industries Ltd.	Far Eastern Industries (Yangzhou) Ltd.	Equity-method investments	Cash capital increase	-	-	-	(Note D)	HK\$ 277,524	-	-	-	-	HK\$ (14,092)	(Note D)	HK\$ 263,432

(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/Thousand Units)	Amount	Shares (Thousands/Thousand Units)	Price	Book Value		Disposal Gain	Shares (Thousands/Thousand Units)	Amount
Far Eastern Polytex (Holding) Ltd.	Far Eastern Yihua Petrochemical (Yangzhou) Corporation	Equity-method investments	Cash capital increase	-	(Note D)	US\$ 71,948	(Note D)	US\$ 66,204	-	\$ -	\$ -	\$ -	US\$ 1,679	(Note D)	US\$ 139,831
PET Far Eastern (Holding) Ltd.	Far Eastern Union Petrochemical (Yangzhou) Corporation	Equity-method investments	Cash capital increase	-	-	-	(Note D)	US\$ 14,000	-	-	-	-	US\$ (195)	(Note D)	US\$ 13,805
Yuan Ding Co., Ltd.	Far Eastern Electronic Toll Collection Co., Ltd.	Equity-method investments	Cash capital increase	-	33,372	70,999	62,940	643,929	-	-	-	-	(187,103)	96,312	527,825
Far Eastern Electronic Commerce Co., Ltd.	Deutsche Far Eastern DWS Equity Fund	Financial assets at fair value through profit or loss	Open market	-	13,177	148,532	59,027	667,000	72,204	816,021	815,532	489	-	-	-
DDIM (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	Equity-method investments	Cash capital increase	-	-	-	(Note D)	US\$ 7,830	-	-	-	-	US\$ (4,050)	(Note D)	US\$ 3,780
Far Eastern General Contractor Co., Ltd.	Jih Sun Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	14,634	210,000	11,847	170,051	169,992 (Note E)	59	-	2,787	40,008 (Note E)
	Hua Nan Kirin Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	20,628	240,000	14,623	170,054	170,000 (Note E)	54	-	6,005	70,000 (Note E)
	Taishin Ta-Chong Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	8,704	120,000	1,088	15,000	14,998 (Note E)	2	-	7,616	105,002 (Note E)
	Taishin 1699 Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	14,938	196,000	4,578	60,072	60,000 (Note E)	72	-	10,360	136,000 (Note E)
	Mega Diamond Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	15,725	190,000	15,725	190,675	190,000 (Note E)	675	-	-	-
	Hua Nan Phoenix Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	14,889	235,000	14,889	235,170	235,000 (Note E)	170	-	-	-
	Deutsche Far Eastern DWS Taiwan Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	15,040	170,000	15,040	170,077	170,000 (Note E)	77	-	-	-
	Capital Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	10,563	165,000	10,563	165,064	165,000 (Note E)	64	-	-	-
	UPAMC James Bond Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	11,547	187,000	11,547	187,083	187,000 (Note E)	83	-	-	-
	Shin Kong Chi-Shin Money-Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	11,506	173,000	11,506	173,043	173,000 (Note E)	43	-	-	-
Far Eastone Telecommunications Co., Ltd.	Paradigm Pion Money Market	Financial assets at fair value through profit or loss - current	-	-	-	-	10,709	120,000	10,709	120,046	120,000 (Note E)	46	-	-	-
	Far Eastern Electronic Toll Collection Co., Ltd.	Equity-method investments	Issuance of capital stock for cash	-	167,720	269,609	86,520	865,192	-	-	-	-	(139,490)	254,240	995,311
ARCOA Communication Co., Ltd.	Q-ware Communications Co., Ltd.	Equity-method investments	Issuance of capital stock for cash	-	36,460	(295,797)	33,618	336,183	36,095 (Note F)	-	-	-	(34,904)	33,983	5,482
	Taishin 1699 Money Market Fund	Available-for-sale financial assets - current	-	-	4,606	60,000 (Note E)	4,596	60,000	9,202	120,055	120,000 (Note E)	55	-	-	-
New Century InfoComm Tech Co., Ltd.	Opas Fund Segregated Portfolio Tranche C	Available-for-sale financial assets - current	-	-	30,000	955,500 (Note E)	-	-	15,000	567,434	477,750 (Note E)	89,684	-	15,000	477,750 (Note E)

(Continued)

Notes:

- A. Equity-method investee.
- B. The \$62,026 thousand of investment income were from down-stream transaction and were recognized based on percentage of ownership.
- C. The shares owned by Yuan Ding Investment Co., Ltd. decreased because Oriental Resources Development Ltd. reduced its capital to offset its accumulated loss in July 2012.
- D. The private company.
- E. The ending balances were shown as their investment cost without the adjustment of fair value.
- F. The shares owned by Far EasTone Telecommunications Co., Ltd. decreased because Q-ware Communications Co., Ltd. reduced its capital to offset the accumulated loss in July 2012.
- G. The shares decreased because Far Eastern Polychem Industries Ltd. reduced its capital to offset its accumulated loss in December 2012.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION

REAL ESTATE ACQUIRED AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE CAPITAL STOCK
 YEAR ENDED DECEMBER 31, 2012
 (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 Resources Development Co.	Taoyuan, Taiwan	2012.3.21	\$ 278,131	\$ 278,131	Far Eastern Asset Management Co., Ltd.	The Company's Chairman is the vice-chairman of FENC	Far Eastern International Bank	Far Eastern Resources Development Co.'s chairman is the vice chairman of Far Eastern International Bank	2007.2.16	\$ 300,000	DTZ Real Estate Appraisers Firm	For future operation	-
Far Eastern Resources Development Co.	Taipei, Taiwan	2012.5.8	391,216	391,216	National Property Administration, Ministry of Finance	-	-	-	-	-	-	For future operation	-

FAR EASTERN NEW CENTURY CORPORATION

**REAL ESTATE SOLD AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE CAPITAL STOCK
YEAR ENDED DECEMBER 31, 2012
(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 Construction Co., Ltd.	Taipei, Taiwan	2011.8.31 (On the day of board of directors meeting)	2008.08.29 (On the day of board of directors meeting)	\$ 927,899	\$ 1,807,956 (Including tax)	The full amount was paid off	\$ 847,781 (Note)	F. E Memorial Foundation	The same chairman	Fulfilling the operational needs and interests of trading parties	Average appraisal price of \$1,807,956 thousand based on the appraisal report of Great Eastern Real Estate Appraisers Firm and Top Real Estate Appraisers Firm	None

Note: The amount is the transaction price of NT\$1,782,128 thousand less the carrying value of NT\$927,899 thousand, house tax of NT\$594 thousand and the land value increment tax of NT\$5,854 thousand.

FAR EASTERN NEW CENTURY CORPORATION

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, 2012
(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	
Far Eastern New Century Corporation	Far Eastern Industries (Shanghai) Ltd.	(Note D)	Sale	\$ (218,007)	-	Based on contract	-	-	\$ -	-	\$ 51,593	1
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note F)	Sale	(385,755)	(1)	Based on contract	-	-	-	-	44,804	-
	Everest Textile Co., Ltd.	(Note A)	Sale	(462,781)	(1)	Based on contract	-	-	63,287	-	-	-
	Far Eastern Industries (WuXi) Ltd.	(Note D)	Sale	(289,270)	-	Based on contract	-	-	-	-	38,974	-
	Oriental Petrochemical (Taiwan) Co., Ltd.	(Note D)	Purchase	10,011,338	23	Based on contract	-	-	-	-	(859,511)	(20)
	Oriental Resources Development Ltd.	(Note D)	Purchase	281,635	1	Based on contract	-	-	-	-	(17,761)	-
	Worldwide Polychem (HK) Limited	(Note D)	Sale	(1,391,577)	(2)	Based on contract	-	-	-	-	441,496	5
	Oriental Union Chemical Corporation	(Note A)	Purchase	1,055,543	2	Based on contract	-	-	-	-	79,808	1
	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note D)	Purchase	108,313	-	Based on contract	-	-	-	-	(24,631)	(1)
Far Eastern Polychem Industries Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note D)	Purchase	6,627,014	93	Based on contract	-	-	-	-	(985,327)	(92)
	Pet Far Eastern (M) Sdn. Bhd.	(Note E)	Sale	(1,055,030)	(14)	Based on contract	-	-	-	-	392,013	74
	Wuhan Far Eastern New Material Ltd.	(Note E)	Sale	(356,368)	(5)	Based on contract	-	-	-	-	118,258	22
	Wuhan Far Eastern New Material Ltd.	(Note E)	Purchase	441,504	6	Based on contract	-	-	-	-	(86,624)	(8)
Oriental Petrochemical (Taiwan) Co., Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note E)	Sale	(2,733,110)	(10)	Based on contract	-	-	-	-	736,772	27
	Far Eastern Industries (Suzhou) Ltd.	(Note E)	Sale	(843,614)	(3)	Based on contract	-	-	-	-	130,181	5
	Far Eastern New Century Corporation	(Note C)	Sale	(10,011,338)	(38)	Based on contract	-	-	-	-	859,511	32
Oriental Industries (Suzhou) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note E)	Purchase	2,717,610	57	Based on contract	-	-	(304,800)	(100)	(236,416)	(69)
	Oriental Textile (Holding) Ltd.	(Note C)	Sale	(2,148,452)	(43)	Based on contract	-	-	-	-	340,727	46
Oriental Petrochemical (Shanghai) Co., Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note E)	Sale	(8,463,898)	(33)	Based on contract	-	-	1,032,324	25	696,853	50
	Far Eastern Industries (Yangzhou) Ltd.	(Note E)	Sale	(391,186)	(2)	Based on contract	-	-	-	-	-	-
	Far Eastern Industries (Suzhou) Ltd.	(Note E)	Sale	(1,252,172)	(5)	Based on contract	-	-	112,228	3	85,991	6
	PET Far Eastern (Holding) Ltd.	(Note C)	Purchase	3,712,595	15	Based on contract	-	-	-	-	(1,974,844)	(72)
Oriental Textile (Holding) Ltd.	Far Eastern Industries (WuXi) Ltd.	(Note D)	Purchase	807,706	27	Based on contract	-	-	-	-	(223,353)	(40)
	Oriental Industries (Suzhou) Ltd.	(Note D)	Purchase	2,148,452	73	Based on contract	-	-	-	-	(340,727)	(60)
Oriental Resources Development Ltd.	Far Eastern New Century Corporation	(Note C)	Sale	(281,635)	(48)	Based on contract	-	-	-	-	17,761	38
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note K)	Sale	(144,322)	(25)	Based on contract	-	-	-	-	26,065	55
Far Eastern Fibertech Co., Ltd.	Everest Textile Co., Ltd.	(Note J)	Sale	(211,577)	(10)	Based on contract	-	-	-	-	6,485	4
Wuhan Far Eastern New Material Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note E)	Purchase	2,358,190	80	Based on contract	-	-	-	-	(641,923)	(82)
	Far Eastern Polychem Industries Ltd.	(Note E)	Sale	(441,504)	(14)	Based on contract	-	-	-	-	86,624	38
	Far Eastern Polychem Industries Ltd.	(Note E)	Purchase	356,368	12	Based on contract	-	-	-	-	(118,258)	(15)
PET Far Eastern (Holding) Ltd.	Oriental Petrochemical (Shanghai) Co., Ltd.	(Note D)	Sale	(3,712,595)	(100)	Based on contract	-	-	-	-	1,974,844	99
Far Eastern Apparel Co., Ltd.	Pacific SOGO Department Stores	(Note H)	Sale	(224,308)	(15)	Based on contract	-	-	-	-	87,148	27
	Far Eastern Ai Mai Company Ltd.	(Note H)	Sale	(124,012)	(8)	Based on contract	-	-	-	-	47,961	15
	Far Eastern Department Stores Co., Ltd.	(Note J)	Sale	(235,278)	(16)	Based on contract	-	-	-	-	60,310	19
Far Eastern Apparel (Suzhou) Ltd.	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note E)	Purchase	592,534	16	Based on contract	-	-	-	-	(93,347)	(14)
	Suzhou An Ho Apparel Ltd.	(Note D)	Purchase	385,889	10	Based on contract	-	-	-	-	(82,498)	(13)
	Sugian Far Eastern Apparel Co., Ltd.	(Note D)	Purchase	148,829	4	Based on contract	-	-	-	-	(61,004)	(9)
Sugian Far Eastern Apparel Co., Ltd.	Far Eastern Apparel (Suzhou) Ltd.	(Note E)	Sale	(148,829)	(100)	Based on contract	-	-	-	-	61,004	100
Far Eastern Apparel (Holding) Ltd.	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note D)	Purchase	932,892	100	Based on contract	-	-	-	-	(97,590)	(100)
Far Eastern Industries (Shanghai) Ltd.	Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	(Note E)	Sale	(230,163)	(1)	Based on contract	-	-	-	-	48,807	2

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details			Abnormal Transaction		Notes Payable or Receivable		Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	Ending Balance	
	Far Eastern Industries (Suzhou) Ltd.	(Note E)	Sale	\$ (387,919)	(1)	Based on contract	-	-	\$ -	-	\$ 7,698	-
	Far Eastern Industries (Suzhou) Ltd.	(Note E)	Purchase	1,062,679	4	Based on contract	-	-	-	-	(5,538)	-
	Far Eastern New Century Corporation	(Note C)	Purchase	218,007	1	Based on contract	-	-	-	-	(51,593)	(2)
	Far Eastern Polychem Industries Ltd.	(Note C)	Sale	(6,627,014)	(24)	Based on contract	-	-	-	-	985,327	33
	Oriental Petrochemical (Shanghai) Co., Ltd.	(Note E)	Purchase	8,463,898	31	Based on contract	-	-	(1,032,324)	(90)	(696,853)	(22)
	Oriental Petrochemical (Taiwan) Co., Ltd.	(Note E)	Purchase	2,733,110	10	Based on contract	-	-	-	-	(736,772)	(23)
	Wuhan Far Eastern New Material Ltd.	(Note E)	Sale	(2,358,190)	(8)	Based on contract	-	-	-	-	641,923	21
	Worldwide Polychem (HK) Limited	(Note E)	Sale	(313,406)	(1)	Based on contract	-	-	-	-	153,633	5
Far Eastern Industries (Yangzhou) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note E)	Sale	(423,003)	(100)	Based on contract	-	-	-	-	88,339	100
	Oriental Petrochemical (Shanghai) Corp.	(Note E)	Purchase	391,186	93	Based on contract	-	-	-	-	-	-
Far Eastern Industries (WuXi) Ltd.	Far Eastern New Century Corporation	(Note C)	Purchase	289,270	7	Based on contract	-	-	-	-	(38,974)	(13)
	Oriental Textile (Holding) Ltd.	(Note C)	Sale	(807,706)	(20)	Based on contract	-	-	-	-	223,353	57
Far Eastern Industries (Suzhou) Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note E)	Sale	(1,062,679)	(24)	Based on contract	-	-	-	-	5,538	2
	Far Eastern Industries (Shanghai) Ltd.	(Note E)	Purchase	387,919	8	Based on contract	-	-	-	-	(7,698)	(2)
	Far Eastern Industries (Yangzhou) Ltd.	(Note E)	Purchase	423,003	9	Based on contract	-	-	-	-	(88,339)	(18)
	Oriental Petrochemical (Shanghai) Corp.	(Note E)	Purchase	1,252,172	27	Based on contract	-	-	(112,228)	(100)	(85,991)	(17)
	Oriental Petrochemical (Taiwan) Co., Ltd.	(Note E)	Purchase	843,614	18	Based on contract	-	-	-	-	(130,181)	(26)
	Oriental Industries (Suzhou) Ltd.	(Note E)	Sale	(2,717,610)	(61)	Based on contract	-	-	304,800	70	236,416	95
Far Eastern Spinning Weaving and Dyeing (Suzhou) Ltd.	Far Eastern Apparel (Holding) Ltd.	(Note C)	Sale	(932,892)	(37)	Based on contract	-	-	-	-	97,590	27
	Far Eastern Apparel (Suzhou) Ltd.	(Note E)	Sale	(592,534)	(23)	Based on contract	-	-	-	-	93,347	25
	Far Eastern New Century Corporation	(Note C)	Sale	(108,313)	(4)	Based on contract	-	-	-	-	24,631	7
	Far Eastern Industries (Shanghai) Ltd.	(Note E)	Purchase	230,163	10	Based on contract	-	-	-	-	(48,807)	(20)
Suzhou An Ho Apparel Ltd.	Far Eastern Apparel (Suzhou) Ltd.	(Note D)	Sale	(385,889)	(100)	Based on contract	-	-	-	-	82,498	76
Pet Far Eastern (M) Sdn. Bhd.	Far Eastern Polychem Industries Ltd.	(Note E)	Purchase	1,055,030	64	Based on contract	-	-	-	-	(392,013)	(100)
Worldwide Polychem (HK) Limited	Far Eastern Industries (Shanghai) Ltd.	(Note E)	Purchase	313,406	18	Based on contract	-	-	-	-	(153,633)	(26)
	Far Eastern New Century Corporation	(Note C)	Purchase	1,391,577	82	Based on contract	-	-	-	-	(441,496)	(74)
Ding Ding Intergrated Marketing Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note E)	Operating revenue	(124,287)	(39)	Based on contract	-	-	-	-	73,148	79
Yuan Cheng Human Resources Consultant Corp.	Far EasTone Telecommunications Co., Ltd.	(Note E)	Operating revenue	(167,954)	(35)	Based on contract	-	-	-	-	9,944	61
Far Eastern Construction Co., Ltd.	Far Eastern General Contractor Inc.	(Note D)	Purchase	411,906	80	Based on contract	-	-	(28,564)	(32)	(25,646)	(4)
	F. E Memorial Foundation	(Note I)	Construction revenue	(1,782,128)	(86)	Based on contract	-	-	-	-	-	-
	Far Eastern Department Stores Co., Ltd.	(Note J)	Rental revenue	(141,593)	(95)	Based on contract	-	-	-	-	19,921	91
Far Eastern General Contractor Inc.	Far Eastern Construction Co., Ltd.	(Note C)	Construction revenue	(591,599)	(10)	Based on contract	-	-	Billings on construction-in-progress		25,646	9
	Ya Tung Ready Mixed Concrete Co., Ltd.	(Note H)	Purchase	515,487	10	Based on contract	-	-	3,972,077	15	(140,390)	(19)
	Far Eastern Department Stores Co., Ltd.	(Note J)	Construction revenue	(715,937)	(12)	Based on contract	-	-	(27,324)	(8)	3,561	1
	Far Eastern Memorial Hospital	(Note I)	Construction revenue	(141,657)	(3)	Based on contract	-	-	Billings on construction-in-progress		15,516	5
									2,202,643	8		
									473,389	2		
Far EasTone Telecommunications Co., Ltd.	ARCOA Communication Co., Ltd.	(Note D)	Operating revenue	(330,641)	(1)	Based on contract	-	-			247,885	3
			Cost of telecommunications services, marketing expense and purchase	11,863,531	21	Based on contract	-	-			Accounts payable and accrued expenses (1,060,889)	(11)
	KGEx.com Co., Ltd.	(Note D)	Operating revenue	(205,751)	-	Based on contract	-	-			41,748	1
	New Century InfoComm Tech Co., Ltd.	(Note D)	Operating revenue	(1,253,750)	(2)	Based on contract	-	-			9,055	-
			Cost of telecommunications services	1,857,306	8	Based on contract	-	-			Accounts payable and accrued expenses (541,332) (Note B)	(6)

(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	
New Century InfoComm Tech Co., Ltd.	Yuan Cheng Human Resources Consultant Corp.	(Note E)	Professional service fee	\$ 167,954	39	Based on contract	-	-			Accrued expense \$ (9,944)	-
	Ding Ding Intergrated Marketing Co., Ltd.	(Note E)	Marketing expense	124,287	1	Based on contract	-	-			Accrued expense (73,148)	(2)
	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating revenue	(1,857,306)	(15)	Based on contract	-	-			(Note G) 541,332	41
	KGEx.com Co., Ltd.	(Note E)	Cost of telecommunications services	1,253,750	14	Based on contract	-	-			(9,055)	1
ARCOA Communication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Cost of telecommunications services	412,589	5	Based on contract	-	-			(61,487)	(9)
			Operating revenue	(11,863,531)	(75)	Based on contract	-	-			1,060,889	87
KGEx.com Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Purchase and cost of telecommunications services	330,641	2	Based on contract	-	-			(247,885)	(12)
			Operating revenue	(183,058)	(1)	Based on contract	-	-			14,511	1
DataExpress Infotech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Cost of telecommunications services	205,751	26	Based on contract	-	-			(41,748)	(25)
			Cost of telecommunications services	(412,589)	(5)	Based on contract	-	-			61,487	42
Homet Master Technology Co., Ltd.	Pacific SOGO Department Stores Co., Ltd.	(Note H)	Operating revenue	(413,566)	(17)	Based on contract	-	-			40,077	17
			Operating revenue	(390,918)	(16)	Based on contract	-	-			43,661	19
Homet Master Technology Co., Ltd.	ARCOA Communication Co., Ltd.	(Note C)	Purchase	183,058	84	Based on contract	-	-			(14,511)	(50)

Notes:

- A. Equity-method investee.
- B. All interconnect revenues, costs and collection of international direct dial revenue between Far EasTone and NCIC were settled at net amounts and were included in accounts payable - related parties.
- C. Parent company.
- D. Subsidiary.
- E. Same ultimate parent company.
- F. Investees of equity-method of FENC's subsidiary.
- G. Including the receivables collected by Far EasTone for NCIC.
- H. Subsidiaries of FENC's equity-method investees.
- I. The chairman of the company is the chairman of FENC.
- J. Investees of equity-method of FENC.
- K. Investees of equity-method of parent company.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE CAPITAL STOCK
YEAR ENDED DECEMBER 31, 2012
(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	Worldwide Polychem (HK) Ltd.	(Note D)	\$ 441,496	4.67	\$ -	-	\$ 220,171	\$ -
Far Eastern Polychem Industries Ltd.	Pet Far Eastern (M) Sdn. Bhd.	(Note C)	392,013	2.60	-	-	HK\$ 54,807	-
	Wuhan Far Eastern New Material Ltd.	(Note C)	118,258	4.20	-	-	HK\$ 34,281	-
Oriental Petrochemical (Taiwan) Co., Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note C)	736,772	5.65	-	-	83,314	-
	Far Eastern Industries (Suzhou) Ltd.	(Note C)	130,181	8.86	-	-	79,841	-
	Far Eastern New Century Corporation	(Note E)	859,511	11.19	-	-	859,116	-
Far Eastern Industries (Shanghai) Ltd.	Far Eastern Polychem Industries Ltd.	(Note E)	985,327	6.89	-	-	595,959	-
	Wuhan Far Eastern New Material Ltd.	(Note C)	641,923	3.48	-	-	263,130	-
	Worldwide Polychem (HK) Ltd.	(Note C)	153,633	3.69	-	-	-	-
Far Eastern Industries (WuXi) Ltd.	Oriental Textile (Holding) Ltd.	(Note E)	223,353	5.87	-	-	198,839	-
Far Eastern Industries (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	(Note C)	541,216	4.87	-	-	541,126	-
Oriental Industries (Suzhou) Ltd.	Oriental Textile (Holding) Ltd.	(Note E)	340,727	6.37	-	-	340,727	-
PET Far Eastern (Holding) Ltd.	Oriental Petrochemical (Shanghai) Co., Ltd.	(Note D)	1,974,844	3.25	-	-	US\$ 21,581	-
Oriental Petrochemical (Shanghai) Co., Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note C)	1,729,177	4.04	-	-	1,729,177	-
	Far Eastern Industries (Suzhou) Ltd.	(Note C)	198,219	2.53	-	-	112,228	-
Far Eastern Investment (Holding) Ltd.	Far Eastern Polychem Industries Ltd.	(Note C)	432,101	(Note F)	-	-	270,023	-
Far EasTone Telecommunications Co., Ltd.	ARCOA Communication Co., Ltd.	(Note D)	249,766	9.46	-	-	244,235	-
	New Century InfoComm Tech Co., Ltd.	(Note D)	308,690	(Note B)	-	-	114,832	-
New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note E)	654,976	(Note G)	-	-	411,294	-
ARCOA Communication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note E)	1,060,889	11.56	-	-	588,179	-

Notes:

A: Receivables from the financier in the Group provided, please refer to Schedule D.

B: The turnover rate was not calculated because the receivables of Far EasTone were the payment made for NCIC's daily operating expenditures and the management service charges to NCIC.

C: Same ultimate parent company.

D: Subsidiary.

E: Parent company.

F: The turnover rate was not calculated because the expenses of Pet Far Eastern (Holding) Ltd. were the payment paid for its subsidiary, Far Eastern Polychem Industries Ltd.

G: The turnover rate was not calculated because revenues and the costs due 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 to affiliates.

FAR EASTERN NEW CENTURY CORPORATION

**NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEEES ON WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE
YEAR ENDED DECEMBER 31, 2012
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2012			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				December 31, 2012	December 31, 2011	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	721,368	22.33	\$ 12,603,614	\$ 6,215,032	\$ 951,188	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	230,125	16.80	4,453,740	1,692,858	284,400	
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	1,176,211	1,176,211	81,216	9.17	1,338,094	1,152,754	107,077	Including write off and reversed by upstream transactions \$1,369
	Everest Textile Co., Ltd.	Tainan, Taiwan	Chemical fiber production	1,689	1,689	129	0.03	1,355	580,138	174	
	Yuan Ding Investment Co., Ltd.	Taipei, Taiwan	Investment	100,019	100,294	1,822,821	99.40	37,225,967	4,184,121	4,163,956	Including write off and reversed by upstream and side-stream transactions (\$1,442), realized loss on investment accounted for by equity-method \$3,033
	Far Eastern Resources Development Co.	Taipei, Taiwan	Real estate leasing and development service	14,931,733	14,931,733	557,354	100.00	25,625,265	(156,273)	231,295	Including write off and reversed by side-stream transactions \$387,568
	Far Eastern Polychem Industries Ltd.	Clarendon House, Hamilton HM 11, Bermuda	Investment	7,318,312	6,461,095	830,815	73.04	7,391,951	(245,674)	(173,526)	Including write off and reversed by side-stream transactions \$2,770
	Yuan Tong Investment Co., Ltd.	Taipei, Taiwan	Investment	5,850,000	5,850,000	705,147	100.00	7,306,639	443,391	422,531	Including write off and reversed by upstream and side-stream transactions (\$20,860)
	Far Eastern Polytex (Holding) Ltd.	Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda	Investment	7,165,924	5,684,266	115	100.00	7,842,893	10,502	14,737	Including write off and reversed by side-stream transactions \$4,235
	Far Eastern Investment (Holding) Ltd.	Clarendon House, Hamilton HM 11, Bermuda	Investment	5,833,333	5,833,333	1,700	100.00	6,265,463	410,876	410,876	
	Oriental Petrochemical (Taiwan) Co., Ltd.	Taoyuan, Taiwan	Petrochemical materials production	4,875,315	4,875,315	578,846	75.56	4,580,834	(1,985,057)	(1,498,883)	Including write off and reversed by upstream transactions \$1,026
	PET Far Eastern (Holding) Ltd.	Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda	Investment	3,420,603	2,827,853	228	86.73	4,927,478	(469,187)	(368,660)	Including write off and reversed by side-stream transactions \$23,706; discount amortization of \$9,727
	Kai Yuan International Investment Co., Ltd.	Taipei, Taiwan	Investment	999,993	999,993	302,844	100.00	6,476,761	2,387,239	2,387,200	Including write off and reversed by upstream transactions (\$39)
	Yuan Ding Company Ltd.	Taipei, Taiwan	Real estate construction and selling	857,447	857,447	186,926	37.13	3,217,231	382,305	141,780	Gain or loss recognized under the treasury stock method
	Far Eastern Construction Co., Ltd.	Taipei, Taiwan	Real estate construction and selling	143,450	143,450	188,875	65.11	3,271,758	1,278,650	832,529	
	Ding Yuan International Investment Co., Ltd.	Taipei, Taiwan	Investment	2,000,062	2,000,062	205,000	100.00	2,515,059	109,752	109,729	Including write off and reversed by upstream transactions (\$23)
	Oriental Securities Corp.	Taipei, Taiwan	Broker	159,823	159,823	140,278	19.65	1,994,891	181,572	35,679	
	Pacific Liu Tung Investment Corp. (Note C)	Taipei, Taiwan	Investment	810,000	810,000	67,500	16.83	1,710,017	910,876	153,300	
	An Ho Garment Co., Ltd.	Taipei, Taiwan	Investment	1,023	1,023	66,346	100.00	2,868,964	1,661,330	1,661,329	Including write off and reversed by upstream and side-stream transactions (\$1)
	FEDP (Holding) Ltd.	Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda	Investment	676,315	676,315	244	50.43	566,154	(263,606)	(132,937)	
Fu Kwok Garment Manufacturing Co., Ltd.	Kaohsiung, Taiwan	Garment production	9,129	9,129	3,999	99.99	143,519	9,900	9,899		
Ding Ding Hotel Co., Ltd.	Taipei, Taiwan	Hotel	249,795	249,795	5,386	19.00	6,538	(54,503)	(10,356)		
Far Eastern Textile Ltd.	Taipei, Taiwan	Chemical fiber production	1,000	1,000	100	100.00	1,144	167	167		
Yuan Ding Investment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	2,723,598	2,723,598	1,066,658	32.73	23,822,248	10,599,908	-	
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	1,169,816	1,166,082	81,900	9.25	1,453,974	1,152,754	-	
	Everest Textile Co., Ltd.	Tainan, Taiwan	Chemical fiber production	470,103	470,103	118,869	25.23	1,000,701	580,138	-	
	Asia Cement Corporation	Taipei, Taiwan	Cement production	419,748	345,015	15,029	0.47	399,315	6,215,032	-	
	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	123,123	123,123	5,430	0.40	146,328	1,692,858	-	
	Oriental Textile (Holding) Ltd.	Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda	Investment	5,606,913	5,606,913	86	100.00	5,615,708	(75,021)	-	
	Far Eastern Polychem Industries Ltd.	Clarendon House, Hamilton HM 11, Bermuda	Investment	1,392,692	1,620,452	306,644	26.96	2,728,464	(245,674)	-	
	Oriental Securities Corp.	Taipei, Taiwan	Broker	255,424	255,424	185,247	25.96	2,740,560	181,572	-	

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2012			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				December 31, 2012	December 31, 2011	Shares (Thousands)	Percentage of Ownership	Carrying Value			
	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	\$ 2,262,686	\$ 1,329	\$ -	
	Pacific Liu Tung Investment Corp. (Note C)	Taipei, Taiwan	Investment	796,491	796,491	59,827	14.92	1,429,261	910,876	-	
	Air Liquide Far Eastern Ltd.	Taipei, Taiwan	Industrial gas production and selling	329,809	329,814	69,114	35.00	1,253,686	598,774	-	
	Yuan Ding Company Ltd.	Taipei, Taiwan	Real estate construction and selling	188,846	188,846	64,759	12.86	1,121,382	382,305	-	
	Far Eastern International Leasing Corp.	Taipei, Taiwan	Leasing of real estate and movable property, etc.	1,012,057	1,012,057	75,269	16.87	1,182,811	179,429	-	
	Far Eastern Fibertech Co., Ltd.	Taoyuan, Taiwan	Nylon production	585,000	585,000	79,241	100.00	872,474	12,200	-	
	Da Ju Fiber Co., Ltd.	Taipei, Taiwan	Polyester production	263,790	263,790	17,869	41.86	556,145	65,249	-	
	Oriental Petrochemicals (Taiwan) Co., Ltd.	Taoyuan, Taiwan	Petrochemical materials production	-	-	39,806	5.20	307,557	(1,985,057)	-	
	Yuan Ding Leasing Corp.	Taipei, Taiwan	Real estate construction and selling	319,380	319,380	36,706	46.20	428,460	21,089	-	
	Far Eastern Apparel Co., Ltd.	Taipei, Taiwan	Sale of textile, garments, and clothing	287,984	287,984	24,736	100.00	378,605	11,696	-	
	Freudenberg Far Eastern Spunweb Co., Ltd.	Taoyuan, Taiwan	Production of nonwoven industrial fabrics	144,797	144,797	13,053	29.80	351,586	271,794	-	
	Oriental Resources Development Ltd.	Taipei, Taiwan	Waste recycling and processing	338,188	206,419	34,242	70.00	345,574	5,899	-	
	Yuan Faun Ltd.	Taipei, Taiwan	PET bottle production and selling	51,671	51,671	5,000	100.00	113,256	2,115	-	
	Yue Ming Co., Ltd.	Taipei, Taiwan	Trading	97,852	97,852	1,280	45.50	70,238	4,624	-	
	Far Eastern General Constructor Inc.	Taipei, Taiwan	Real estate construction	14,682	14,682	1,270	1.00	19,144	288,602	-	
	Yue Yuan Investment Co., Ltd.	Taipei, Taiwan	Investment	673,704	673,704	98,198	18.96	931,295	692,367	-	
Far Eastern Investment (Holding) Ltd.	FETG Investment Antilles N.V.	Kaya W.F.G. Mensing 14, Curacao, Nederlandse Antillen	Investment	US\$ 6	US\$ 6	6	100.00	US\$ 18,915	US\$ 1,933	-	
	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\$ -	PESO 3,228	-	
	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\$ 4,555	US\$ (803)	-	
	Com2B	Cayman Islands	E-business	US\$ 3,375	US\$ 3,375	9,000	20.00	US\$ 770	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\$ 9,000	US\$ 6,885	(Note B)	100.00	US\$ 9,555	US\$ 41	-	
	Wordwide Polychem (HK) Ltd.	11F, Lippo Leighton Tower, 103-109 Leighton Road, Causeway Bay, Hong Kong	Polyester production	US\$ 3,500	US\$ 3,500	2,700	100.00	US\$ 3,517	US\$ 20	-	
	Opas Fund Segregated Portfolio Company	Cayman Islands	Investment	US\$ 51	US\$ 51	-	34.00	US\$ 52	US\$ 1	-	
Ding Yuan International Investment Co., Ltd.	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	53,506	37,100	2,487	0.18	65,051	1,692,858	-	
	Everest Textile Co., Ltd.	Tainan, Taiwan	Chemical fiber production	149,122	147,518	8,908	1.89	66,166	580,138	-	
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	387,687	387,687	16,183	1.83	418,769	1,152,754	-	
	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	38,457	38,457	920	0.03	41,267	10,599,908	-	
	Pacific Liu Tung Investment Corp. (Note C)	Taipei, Taiwan	Investment	90,000	90,000	9,000	2.24	208,768	910,876	-	
	Yue Ding Industry Co., Ltd.	Taipei, Taiwan	Department store operations	95,624	95,624	8,512	13.20	211,479	46,564	-	
	Asia Cement Corporation	Taipei, Taiwan	Cement production	375,512	375,512	12,708	0.39	379,869	6,215,032	-	
Kai Yuan International Investment Co., Ltd.	Asia Cement Corporation	Taipei, Taiwan	Cement production	576,395	308,875	25,150	0.78	668,719	6,215,032	-	
	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	702,436	1,973,606	32,899	1.01	887,605	10,599,908	-	
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	570,251	565,767	27,976	3.16	530,801	1,152,754	-	
	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	488,020	208,682	18,609	1.36	515,331	1,692,858	-	
	Kowloon Cement Co., Ltd.	Hong Kong	Cement production	226,896	226,896	1,127	49.00	361,010	29,046	-	
	Far Eastern International Leasing Corp.	Taipei, Taiwan	Leasing	1,026,489	1,026,489	74,970	16.80	1,182,854	179,429	-	
	Pacific Liu Tung Investment Corp. (Note C)	Taipei, Taiwan	Investment	90,000	90,000	9,000	2.24	208,768	910,876	-	
Far Eastern Polychem Industries Ltd.	Far Eastern Industries (Shanghai) Ltd.	China	Chemical fiber production	HK\$ 693,257	HK\$ 693,257	(Note B)	87.64	HK\$ 1,800,405	RMB (44,572)	-	
	PET Far Eastern (Holding) Ltd.	Clarendon House, 2 Charch St. Hamilton HM 11, Bermuda	Investment	US\$ 17,622	US\$ 17,622	35	13.27	HK\$ 198,060	US\$ (15,867)	-	
	FEDP (Holding) Ltd.	Clarendon House, 2 Charch St. Hamilton HM 11, Bermuda	Investment	US\$ 29,240	US\$ 29,240	240	49.57	HK\$ 149,499	US\$ (8,915)	-	
	Far Eastern Industries (Yangzhou) Ltd.	China	PA and its by-product production	HK\$ 277,524	-	(Note B)	100.00	HK\$ 263,432	RMB (3,406)	-	
Far Eastern Construction Co., Ltd.	Far Eastern General Contractor Co., Ltd.	Taipei, Taiwan	Construction	271,587	271,587	125,639	98.95	1,719,576	288,602	-	
	Asia Cement Corporation	Taipei, Taiwan	Cement production	216,959	216,959	17,038	0.53	447,856	6,215,032	-	
Far Eastern General Contractor Co., Ltd.	Far Eastern Technical Consultants Co, Ltd.	Taipei, Taiwan	Real estate development business consulting and management	3,864	3,864	450	9.00	4,949	20,147	-	

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2012			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				December 31, 2012	December 31, 2011	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 China	Garment production Dyeing and finishing	US\$ 10,000	US\$ 10,000	(Note B)	38.46	US\$ 16,764	RMB 12,435	\$ -	
				US\$ 50,000	US\$ 50,000	(Note B)	100.00	US\$ 68,073	RMB 12,259	-	
Far Eastern Apparel Co., Ltd.	Ming Ding Co. Yue Ding Industry Co., Ltd.	Taipei, Taiwan	Underwear selling	2,174	2,174	448	44.80	7,128	1,114	-	
		Taipei, Taiwan	Department store operations	29	29	5	0.01	84	46,564	-	
FETG Investment Antilles N.V.	Waldorf Services B.V.	Leidesplein 9, 1017 PS Amsterdam, The Netherland	Investment	US\$ 19	US\$ 19	2	100.00	US\$ 19,108	US\$ 1,943	-	
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\$ (360)	PESO (4,047)	-	
	Malaysia Garment Manufactures Pte. Ltd.	No. 5-9, Little Rd, Singapore (536985)	Garment production	SGD 3,000	SGD 3,000	30	37.92	US\$ 1,962	SGD 1,237	-	
	Far Eastern International Garments	Bldg. #5 Cor. Sirloinand Bagsakan Ave, FTI Taguig, MM Filipino	Garment production	US\$ 290	US\$ 290	59	41.00	US\$ (410)	PESO (753)	-	
An Ho Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	748,158	1,469,123	40,818	1.25	1,015,347	10,599,908	-	
	Asia Cement Corporation	Taipei, Taiwan	Cement production	154,847	99,925	4,467	0.14	161,014	6,215,032	-	
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	4,814	-	154	0.02	4,619	1,152,754	-	
	Oriental Securities Corp.	Taipei, Taiwan	Broker	95,103	86,200	5,890	0.83	86,765	181,572	-	
	Yue Ding Industry Co., Ltd.	Taipei, Taiwan	Department store operations	111,997	111,997	10,104	15.66	152,781	46,564	-	
	Pacific Liu Tung Investment Corp (Note C)	Taipei, Taiwan	Investment	67,285	67,285	4,841	1.21	117,957	910,876	-	
	Yuan Ding Investment Co., Ltd.	Taipei, Taiwan	Investment	148,994	148,994	5,502	0.30	156,084	4,184,121	-	
	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	10,483	-	352	0.03	10,581	1,692,858	-	
Yuan Faun Ltd.	Yuan Cheng Human Resources Consultant Corp.	Taipei, Taiwan	Personnel recruitment	7,304	7,304	750	55.56	12,022	4,177	-	
Fu Kwok Garment Manufacturing Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	19,663	19,663	520	0.02	19,827	10,599,908	-	
Yuan Tong Investment Co., Ltd.	Pacific Liu Tung Investment Corp (Note C)	Taipei, Taiwan	Investment	90,000	90,000	9,000	2.24	208,768	910,876	-	
	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	2,246,035	2,344,080	100,237	3.08	2,818,368	10,599,908	-	
	Far Eastern Electronic Toll Collection Co., Ltd.	Taipei, Taiwan	Electronic toll collection service	787,104	372,712	77,257	11.98	428,007	(195,767)	-	
	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	1,038,926	689,382	33,673	2.46	1,072,598	1,692,858	-	
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	1,217,558	939,104	31,768	3.59	1,227,706	1,152,754	-	
	Asia Cement Corporation	Taipei, Taiwan	Cement production	888,648	661,627	27,470	0.85	908,387	6,215,032	-	
Sino Belgium (Holding) Ltd.	Clarendon House 2 Church Street, Hamilton HM 11, Bermuda	Bermuda	Investment	1,615,490	1,615,490	26	91.39	3,857	(234,879)	-	
Far Eastern Apparel (Suzhou) Ltd.	Air Liquide Far Eastern Ltd.	Taipei, Taiwan	Industrial gas production and selling	17	-	1	-	18	598,774	-	
	An Ho Garment (Suzhou) Ltd.	China	Garment production	RMB 1,000	RMB 1,000	(Note B)	100.00	RMB 7,595	RMB 1,878	-	
PET Far Eastern (Holding) Ltd.	Suqian Far Eastern Apparel Co., Ltd.	China	Garment production and accessories	RMB 24,000	RMB 24,000	(Note B)	100.00	RMB 25,044	RMB 951	-	
	Oriental Petrochemical (Shanghai) Corp.	China	PTA production and sale	US\$ 105,055	US\$ 105,055	(Note B)	53.24	US\$ 176,695	RMB (152,363)	-	
Far Eastern Union Petrochemical (Yangzhou) Corporation	Far Eastern Union Petrochemical (Yangzhou) Corporation	China	PA and its by-product sale	US\$ 14,000	-	(Note B)	50.00	US\$ 13,805	RMB (3,284)	-	
Oriental Textile (Holding) Ltd.	Far Eastern Industries (WuXi) Ltd.	China	Fiber and textile production	US\$ 59,960	US\$ 59,960	(Note B)	100.00	US\$ 108,201	RMB 9,974	-	
	Oriental Industries (Suzhou) Ltd.	China	Textile production	US\$ 138,000	US\$ 138,000	(Note B)	100.00	US\$ 99,389	RMB 4,876	-	
FEDP (Holding) Ltd.	Far Eastern Industries (Suzhou) Ltd.	China	Garment production	US\$ 49,800	US\$ 49,800	(Note B)	100.00	US\$ 31,362	RMB (50,548)	-	
Far Eastern Polytex (Holding) Ltd.	Wuhan Far Eastern New Material Ltd.	China	Garment production and sales	US\$ 23,054	US\$ 23,054	(Note B)	100.00	US\$ 30,734	RMB 4,356	-	
	Far Eastern Apparel (Suzhou) Ltd.	China	Garment production	US\$ 16,000	US\$ 16,000	(Note B)	61.54	US\$ 26,824	RMB 12,435	-	
	Far Eastern New Century (China) Investment Ltd.	China	Investment	US\$ 48,000	US\$ 48,000	(Note B)	100.00	US\$ 67,787	RMB 72	-	
	Far Eastern Yihua Petrochemical (Yangzhou) Corporation	China	PA and its by-product production and sale	US\$ 138,000	US\$ 71,796	(Note B)	60.00	US\$ 139,831	RMB 10,854	-	
Far Eastern New Century (China) Investment Ltd.	Far Eastern Industries (Shanghai) Ltd.	China	Fiber and silk production	RMB 219,138	RMB 219,138	(Note B)	12.36	RMB 219,138	RMB (44,572)	-	
	Oriental Petrochemical (Shanghai) Corp.	China	PTA production and sale	RMB 115,232	RMB 115,232	(Note B)	8.11	RMB 115,232	RMB (152,363)	-	
Shanghai Yuan Zi Information Co., Ltd.	Shanghai Yuan Zi Information Co., Ltd.	China	Software development, equipment maintenance and consulting	RMB 13,300	RMB 2,520	(Note B)	100.00	RMB 13,300	RMB 83	-	
Sino Belgium (Holding) Ltd.	Sino Belgium (Suzhou) Ltd.	China	Brewer	US\$ 46,000	US\$ 46,000	(Note B)	100.00	US\$ 7,765	RMB (38,233)	-	
	Martens Beers Trading (Shanghai) Ltd.	China	Beer sale	US\$ 9,885	US\$ 9,885	(Note B)	100.00	US\$ 1,563	RMB (6,984)	-	
Oriental Petrochemical (Shanghai) Corp.	Shanghai Far Eastern Petrochemical Logistic Ltd.	China	Transportation	RMB 19,000	RMB 19,000	(Note B)	100.00	RMB 21,972	RMB 1,198	-	

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Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2012			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				December 31, 2012	December 31, 2011	Shares (Thousands)	Percentage of Ownership	Carrying Value			
Yuan Ding Company Ltd.	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunication	\$ 100,412	\$ 100,412	4,164	0.13	\$ 112,899	\$ 10,599,908	\$ -	
	Asia Cement Corporation	Taipei, Taiwan	Cement production	136,037	136,037	5,122	0.16	163,839	6,215,032	-	
	Yue Ming Co., Ltd.	Taipei, Taiwan	Trading	787	787	28	1.00	738	4,624	-	
	Yue Ding Industry Co., Ltd.	Taipei, Taiwan	Department store operations	22,676	22,676	1,672	2.59	24,898	46,564	-	
	Far Eastern Electronic Toll Collection Co., Ltd.	Taipei, Taiwan	Electronic toll collection service	977,650	333,721	96,312	14.93	527,825	(195,767)	-	
	Ding Ding Hotel Co., Ltd.	Taipei, Taiwan	Hotel	175,722	175,722	17,572	61.98	21,264	(54,503)	-	
	YDT Technology International Co., Ltd.	Taipei, Taiwan	Electronic material and relevant by-product sale	100,000	100,000	13,992	100.00	333,426	85,628	-	
	Far Eastern Technical Consultants Co. Ltd.	Taipei, Taiwan	Real estate development business consulting and management	45,182	45,182	4,550	91.00	66,984	20,147	-	
	FET Consulting Engineers Co., Ltd.	Taipei, Taiwan	Business consulting	362,701	362,701	39,000	100.00	275,854	(97,915)	-	
	Ding Ding Integrated Marketing Services Co., Ltd.	Taipei, Taiwan	Market research and general advertisement	240,000	240,000	6,900	60.00	96,943	65,809	-	
	Far Eastern Electronic Commerce Co., Ltd.	Taipei, Taiwan	Retailing	150,250	150,250	15,025	50.00	20,779	(132,960)	-	
	Yue Yuan Investment Co., Ltd.	Taipei, Taiwan	Investment	411,187	411,187	129,637	25.02	2,632,417	692,367	-	
	FEDS Asia Pacific Development Ltd.	Taipei, Taiwan	Department store operations	100,000	100,000	10,236	5.00	122,590	165,626	-	
YDC (Virgin Islands) Ltd.	Columbus Centre Building, Wickhams Cay, Road Town Tortola, British Virgin Islands	Investment	US\$ 200	US\$ 200	200	17.70	8,073	US\$ (633)	-		
Ding Ding Integrated Marketing Services Co., Ltd.	Far Eastern Electronic Commerce Co., Ltd.	Taipei, Taiwan	Retailing	289	289	50	0.17	68	(132,960)	-	
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	237,000	(Note B)	100.00	110,366	US\$ (3,375)	-	
YDC (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	Shanghai	Internet software development services	US\$ 110	US\$ 110	(Note B)	1.39	US\$ 53	RMB (26,009)	-	
	Speedy (Shanghai) Digital Tech. Co., Ltd.	Shanghai	Intelligent control equipment and security monitoring products	US\$ 800	US\$ 800	(Note B)	100.00	US\$ 1,250	RMB 642	-	
DDIM (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	Shanghai	Internet software development services	US\$ 7,830	US\$ -	(Note B)	98.61	US\$ 3,780	RMB (26,009)	-	
YDT Technology International Co., Ltd.	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	51,673	51,673	2,631	0.19	91,656	1,692,858	-	
	Everest Textile Co., Ltd.	Tainan, Taiwan	Chemical fiber production	16,173	16,173	793	0.17	6,099	580,138	-	
	Asia Cement Corporation	Taipei, Taiwan	Cement production	862	862	58	-	1,862	6,215,032	-	
	YDC (Virgin Islands) Ltd.	Columbus Centre Building, Wickhams Cay, Road Town Tortola, British Virgin Islands	Investments	US\$ 930	US\$ 930	930	82.30	32,513	US\$ (633)	-	
Far EasTone Telecommunications Co., Ltd.	New Century InfoComm Tech Co., Ltd.	Taipei, Taiwan	Type I & II telecommunications services	27,243,773	27,243,773	2,599,449	100.00	29,407,288	1,560,140	-	
	ARCOA Communication Co., Ltd.	Taipei, Taiwan	Type II telecommunications services, sales of communications products and office equipment	1,295,035	1,295,035	82,009	61.07	1,257,870	264,377	-	
	KGEx.com	Taipei, Taiwan	Type II telecommunications services	2,540,315	2,444,789	112,375	99.97	870,403	3,486	-	
	Far Eastern Electronic Toll Collection Co., Ltd.	Taipei, Taiwan	Electronic toll collection service	2,542,396	1,677,204	254,240	39.42	995,311	(195,767)	-	
	Far Eastern Info Service (Holding) Ltd.	Bermuda	Investment	92,616	92,616	1	100.00	124,400	(34,698)	-	
	E. World (Holdings) Ltd.	Cayman Islands	Investment	82,883	82,883	6,015	85.92	90,460	6,474	-	
	Far EasTron Holding Ltd.	Cayman Islands	Investment	150,000	150,000	4,487	100.00	25,105	(1,336)	-	
	Far Eastern Electronic Commerce Co., Ltd.	Taipei, Taiwan	Electronic information providing services	42,020	42,020	4,202	13.98	6,298	(132,960)	-	
	iScreen Corporation	Taipei, Taiwan	Information services	100,000	100,000	4,000	40.00	18,568	(6,102)	-	
	O-music Co., Ltd.	Taipei, Taiwan	Electronic information providing services	25,000	25,000	2,500	50.00	8,161	(18,111)	-	
	Ding Ding Integrated Marketing Services Co., Ltd.	Taipei, Taiwan	Market Sales	60,000	60,000	1,725	15.00	24,542	65,809	-	
	ADCast Interactive Marketing Co., Ltd. (Note D)	Taipei, Taiwan	Internet advertisements and marketing	-	4,652	-	-	-	(1,953)	-	
Q-Ware Communication Co., Ltd.	Taipei, Taiwan	Type II telecommunications services	832,038	495,855	33,983	81.46	5,482	(107,475)	-		
Yuan Cing Infocomm Tech Co., Ltd.	Taipei, Taiwan	Production and sale of communications products	96,379	-	18,383	95.00	96,379	10,058	-		

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2012			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				December 31, 2012	December 31, 2011	Shares (Thousands)	Percentage of Ownership	Carrying Value			
ARCOA Communication Co., Ltd.	DataExpress Infotech Co., Ltd.	Taipei, Taiwan	Sale of communications products	\$ 141,750	\$ 141,750	9,214	70.00	\$ 201,079	\$ 63,600	\$ -	
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	733,372	10,787	-	
	Information Security Service Digital United Co., Ltd.	Taipei, Taiwan	Security and monitoring service via Internet	148,777	148,777	14,878	100.00	98,420	1,204	-	
	Digital United (Cayman) Ltd.	Cayman Islands	General investment	102,442	102,442	3,320	100.00	26,405	1,311	-	
	Simple InfoComm Co., Ltd.	Taipei, Taiwan	Type II telecommunications	34,000	34,000	3,400	100.00	20,729	131	-	
	Far Eastern Electronic Commerce Co., Ltd.	Taipei, Taiwan	Electronic toll collection service	15,030	15,030	1,503	5.00	2,253	(132,960)	-	
	Ding Ding Integrated Marketing Services Co., Ltd.	Taipei, Taiwan	Market Sales	20,000	20,000	575	5.00	8,181	65,809	-	
	ADCast Interactive Marketing Co., Ltd. (Note D)	Taipei, Taiwan	Internet advertisements and marketing	-	85,433	-	-	-	(1,953)	-	
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\$ 277	(2,461)	-	
New Diligent Co., Ltd.	Sino Lead Enterprise Limited	Hong Kong	Telecommunication services	125	125	-	100.00	399	(124)	-	
	Far Eastern New Diligent Co., Ltd.	British Virgin Islands	Electronic toll collection service	-	-	-	100.00	(4)	(4)	-	
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\$ 5,043	(15,436)	-	
E. World (Holdings) Ltd.	Yuan Cing Co., Ltd.	Taipei, Taiwan	Call center services	9,675	193,500	967	4.99	US\$ 175	10,058	-	
DataExpress Infotech Co., Ltd.	Linkwell Tech. Co., Ltd.	Taipei, Taiwan	Sale of communications products	10,000	10,000	-	100.00	42,449	23,178	-	
	Home Master Technology Co., Ltd.	Taipei, Taiwan	Sale of communications products	9,999	9,999	-	99.99	7,251	(280)	-	
	Jing Yuan Technology Co., Ltd.	Taipei, Taiwan	Data Processing service	10,000	10,000	-	100.00	9,995	11	-	
Far Eastern Tech-info Ltd. (Shanghai)	Far Eastern New Century Information Technology (Beijing) Limited	Beijing	Electronic toll collection service	RMB 49,874	RMB 49,874	-	55.00	RMB 38,553	(44,705)	-	

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 integrated the resource and enhance effectiveness, the board of directors of NCIC and ADCast resolved to approve the merger of NCIC and ADCast with NCIC as the survivor entity on January 16, 2012. The record date of this merger was set on March 31, 2012.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION

INVESTMENT IN MAINLAND CHINA
YEAR ENDED DECEMBER 31, 2012

(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, 2012	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2012	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note A)	Carrying Value as of December 31, 2012 (Note B)	Accumulated Inward Remittance of Earnings as of December 31, 2012
				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	\$ 8,703,427 (RMB 1,880,399)	\$ 3,713,780 793,920 (Note D)	\$ 37,119	\$ 616,092 227,760 (Note D)	\$ 3,134,807 566,160 (Note D)	99.93%	\$ (208,204)	\$ 7,689,998	\$ 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	946,885 (RMB 204,577)	509,725 501,176 (Note D)	-	-	509,725 501,176 (Note D)	99.89%	58,073	1,264,035	233,172 (Note Q)
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	2,228,489 (RMB 481,471)	2,018,430 (Note D)	-	-	2,018,430 (Note D)	99.70%	46,516	3,132,193	
Oriental Petrochemical (Shanghai) Corp.	Manufacture and distribution of PTA and its by-products	6,951,405 (RMB 1,501,870)	2,976,148	-	-	2,976,148	61.34%	(436,902)	5,914,335	951,077 (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	1,709,180 (RMB 369,273)	1,342,854 (Note D)	-	-	1,342,854 (Note D)	99.70%	57,172	1,970,577	
Far Eastern Industries (Suzhou) Ltd.	Manufacture and distribution of polyester chips, partially oriented yarn, fully oriented yarn, and polyester yarn	1,825,342 (RMB 394,370)	1,099,293 666,026 (Note I)	-	-	1,099,293 666,026 (Note I)	99.96%	(236,190)	910,243	
Wuhan Far Eastern New Material Ltd.	Manufacture and distribution of PET chips, PET performs and garments and its by-products.	791,696 (RMB 171,048)	724,110	-	-	724,110	100.00%	20,361	892,357	
Oriental Industries (Suzhou) Ltd.	Manufacture and distribution of PET performs and high-value engineered textiles industrial woven fabrics and scraps	3,643,000 (RMB 787,080)	3,421,559 (Note D)	-	-	3,421,559 (Note D)	99.70%	22,742	2,877,117	
Far Eastern New Century (China) Investment Ltd.	Investment	1,687,273 (RMB 364,540)	1,577,040	-	-	1,577,040	100.00%	335	1,630,022	
Sino Belgium (Suzhou) Ltd.	Brewery	1,480,902 (RMB 319,953)	1,446,552 (Note H)	-	-	1,446,552 (Note H)	91.39%	(163,313)	206,038	
Martens Beers Trading (Shanghai) Ltd.	Brewery	304,555 (RMB 65,800)	168,938 (Note H)	-	-	168,938 (Note H)	91.39%	(29,832)	2,065	
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	PA and its by-product production and sale	6,726,835 (RMB 1,453,351)	2,699,665	1,481,659	-	4,181,323	60.00%	30,305	4,059,855	
Far Eastern Industries (Yangzhou) Ltd.	PA and its by-product production	1,002,570 (RMB 216,608)	-	1,436,190	-	1,436,190	99.92%	(15,911)	986,016	
Far Eastern Union Petrochemical (Yangzhou) Corporation	PA and its by-product sale	816,856 (RMB 176,484)	-	592,750	-	592,750	49.99%	(7,669)	400,749	
Yuan Ding Integrated Information Service (Shanghai) Inc.	Computer software and internet software design and development	230,538 (US\$ 7,940)	240,330 (Note M)	-	-	240,330 (Note M)	49.95%	(60,735)	55,593	
Speedy (Shanghai) Digital Tech. Co., Ltd.	Intelligent control equipment and security monitoring products and services	30,266 (RMB 6,539)	24,220 (Note O)	-	-	24,220 (Note O)	49.95%	1,845	18,476	
Far Eastern Tech-info Ltd. (Shanghai)	Computer software, data processing services and internet Information providing services	72,600 (US\$ 2,500)	92,616 (Note E)	-	-	92,616 (Note E)	37.09%	(6,133)	54,318	

(Continued)

Investee Company Name	Main Businesses and Products	Total Paid-in Capital	Accumulated Outflow of Investment from Taiwan as of January 1, 2012	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2012	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note A)	Carrying Value as of December 31, 2012 (Note B)	Accumulated Inward Remittance of Earnings as of December 31, 2012
				Outflow	Inflow					
Digital United Information Technology (Shanghai) Co., Ltd.	Design and research of computer systems	\$ 60,984 (US\$ 2,100) (Note K)	\$ 60,984 (US\$ 2,100) (Note K)	\$ -	\$ -	\$ 60,984 (US\$ 2,100) (Note K)	37.09%	\$ (978)	\$ 2,984	
New DiligenceTech-info (Shanghai) Ltd. (Note N)	Consulting services, supporting services, and wholesale of machine equipment	34,848 (US\$ 1,200) (Note L)	34,848 (US\$ 1,200) (Note L)	-	2,120 (US\$ 73) (Note L)	32,728 (US\$ 1,127) (Note L)	-	-	-	

Accumulated Investment in Mainland China as of December 31, 2012	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
US\$521,144 (Note F)	US\$684,615 RMB6,695 (Note G)	(Note J)

Notes:

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.
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., Far Eastern Yihua Petrochemical (Yangzhou) Corporation, Far Eastern Industries (Yangzhou) Ltd. and Far Eastern Union Petrochemical (Yangzhou) Corporation.

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

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.

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

E. The amount was remitted a Company subsidiary, Far EasTone Telecommunications Co., Ltd.

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

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

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

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

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

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

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

M. The amount was remitted by the FENC's subsidiary, YDT Technology International Co., Ltd. and FET Consulting Engineers Co., Ltd.

N. On June 27, 2012, New Diligence Corporation (Shanghai) remitted back to Taiwan US\$73,000 the investment registered in the investment commission of the MOA and wrote off this same amount.

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

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

Q. The cash dividend was remitted by the Far Eastern Apparel (Suzhou) Ltd. subsidiary, Far Eastern Polytex (Holding) Ltd. and Far Eastern Apparel (Holding) Ltd.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION

INVESTMENT IN MAINLAND CHINA - INVESTMENT TYPE
 YEAR ENDED DECEMBER 31, 2012
 (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 (US\$)	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) Ltd.	11,000	11,000				
	Far Eastern New Century Corporation	2008.03.31	No. 09700038490	Far Eastern Polytex (Holding) Ltd.	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. PET Far Eastern (Holding) Ltd.	1,228				\$ 1,228	
	Yuan Ding Investment Co., Ltd.	2009.11.17	No. 09800408160 (Note C)	Far Eastern Polychem Industries Ltd. PET Far Eastern (Holding) Ltd.	6,592				6,592	
	Far Eastern New Century Corporation	2008.06.27	No. 09700163430	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 (Note F)	4,800				
	Far Eastern New Century Corporation	2009.12.25	No. 09800456740	PET Far Eastern (Holding) Ltd.	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. FEDP (Holding) Ltd.	9,352				9,352	
	Far Eastern New Century Corporation	2004.10.11	No. 093025506	Far Eastern Polychem Industries Ltd. FEDP (Holding) Ltd.	1,569			1,569		
	Far Eastern New Century Corporation	2004.10.14	No. 093030298	Far Eastern Polychem Industries Ltd. FEDP (Holding) Ltd.	713				713	
	Far Eastern New Century Corporation	2010.10.12	No. 09900403430 (Note H)	FEDP (Holding) Ltd.	5,288	5,288				
	Far Eastern New Century Corporation	2006.11.01	No. 09500287850	Far Eastern Polychem Industries Ltd. FEDP (Holding) Ltd.	4,524	4,524				

(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 (US\$)	Investor Company in Third Area Using Its Own Capital to Invest (US\$)
Oriental Industries (Suzhou) Ltd.	Far Eastern New Century Corporation	2008.04.18	No. 09700045510	Far Eastern Polychem Industries Ltd. FEDP (Holding) Ltd.	\$ 4,800 754 (Note G)	\$ 4,800			
	Far Eastern New Century Corporation	2010.12.29	No. 09900470520 (Note I)	FEDP (Holding) Ltd.	18,224	18,224			
	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			
Wuhan Far Eastern New Material Ltd.	Yuan Ding Investment Co., Ltd.	2007.10.02	No. 09600280400	Oriental Textile (Holding) Ltd.	23,000	23,000			
	Yuan Ding Investment Co., Ltd.	2008.09.01	No. 09700172130	Oriental Textile (Holding) Ltd.	32,500	32,500			
	Far Eastern New Century Corporation	2006.05.19	No. 09500090070	Far Eastern Polytex (Holding) Ltd.	12,000	12,000			
Far Eastern New Century (China) Investment Ltd. (Note A)	Far Eastern New Century Corporation	2009.06.29	No. 09800135640	Far Eastern Polytex (Holding) Ltd.	10,000	10,000			
	Far Eastern New Century Corporation	2010.12.21	No. 09900470530	Far Eastern Polytex (Holding) Ltd.	RMB 6,695				RMB 6,695
	Far Eastern New Century Corporation	2006.08.01	No. 09500124430	Far Eastern Polytex (Holding) Ltd.	48,000	48,000			
Sino Belgium (Suzhou) Ltd.	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 (Note L)	Sino Belgium (Holding) Ltd. Bockhold N.V. Martens HK Ltd.	16,000 38	16,000 38			
Martens Beers Trading (Shanghai) Ltd.	Yuan Tong Investment Co., Ltd.	2008.12.10	No. 09700456110	Sino Belgium (Holding) Ltd.	3,800	3,800			
	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 (Note L)	Sino Belgium (Holding) Ltd. Sino Belgium (Holding) Ltd. Bockhold N.V. Martens HK Ltd.	1,500 282	1,500 282			
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	Far Eastern New Century Corporation	2011.06.23	No. 10000021360 (Note J)	Far Eastern Polytex (Holding) Ltd.	166,000	166,000			
Far Eastern Industries (Yangzhou) Ltd.	Far Eastern New Century Corporation	2012.03.30	No. 10100043080	Far Eastern Polychem Industries Ltd.	49,000	49,000			
Far Eastern Union Petrochemical (Yangzhou) Corporation	Far Eastern New Century Corporation	2012.08.31	No. 10100115020	Far Eastern Polytex (Holding) Ltd.	100,000	100,000			
Yuan Ding Integrated Information Service (Shanghai) Inc.	YDT Technology International Co., Ltd.	2011.10.19	No. 10000429550	YDC (Virgin Islands) Ltd.	110	110			
	FET Consulting Engineers Co., Ltd.	2011.11.03	No. 10000439470	DDIM (Virgin Islands) Ltd.	8,100	8,100			
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 EastTone Telecommunications Co., Ltd.	2004.08.26	No. 093018811	Far Eastern Info Service (Holding) Ltd.	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)	1,127	1,127			

(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 Ministry of Economic Affairs (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. 09900470520), FENC received the equity of Yuan Tong Investment Co., Ltd. amounting US\$18,224 thousand from FEDP (Holding) Ltd. (MOEA approval No. 09600243260)
- 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, 2012, FENC paid US\$134,300 thousand in this indirect investment.
- K. After having the MOEA approval (No. 10000380580), 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, 2012, FENC paid US\$21,245 thousand in this indirect investment.
- L. After having the MOEA approval (No. 10000446910), FENC made its subsidiary, Sino Belgium (Holding) Ltd. to have an indirect investment in Sino Belgium (Suzhou) Limited and Martens Beers Trading (Shanghai) Ltd. amounting US\$17,820 thousand. As of December 31, 2012, FENC paid US\$17,500 thousand in this indirect investment.
- M. On June 27, 2012, New Diligence Corporation (Shanghai) remitted back to Taiwan US\$73,000 the investment registered in the investment commission of the MOEA and wrote off this same amount.

(Concluded)