

Minutes of 2010 Annual General Shareholders' Meeting of Far Eastern New Century Corporation (formerly Far Eastern Textile Limited)

Date: Tuesday, 22 June 2010

Time: 9:00 a.m. Taipei time

Place: Auditorium in the Taipei Hero House
No. 20, Changsha Street, Section 1, Taipei, Taiwan

Shareholders present:

Total number of outstanding shares: 4,661,352,901 shares

Number of shareholders and shareholder representatives present: 586 persons

Total shares represented by shareholders present: 4,060,222,260 shares

Percentage of shares held by shareholders present: 87.104%

Invited observers:

Certified Public Accountant: Mr. Shih Ching-Pin, Mr. Huang Shu-Chieh

Attorney: Mr. Chiang Ta-Chung

Chairman: Mr. Douglas T. Hsu, Chairman of the Board of Directors

Recorder: Ms. Grace Yang

A. Meeting called to order (The aggregate shares of the shareholders present in person or by proxy constituted a quorum.)

B. Chairman's address

C. Reported items:

1. 2009 business operations (See attachment I)
2. 2009 financial statements (See attachment II)
3. Supervisors' review report of 2009 business operations and financial statements (See attachment III)
4. Information of the issuance of corporate bonds in 2009 (See attachment IX)

Questions raised by the shareholder (Shareholder Number of 0356522) about the disclosure of affiliate earnings and the attendance of the Company's Supervisors at the board meetings; the Chairman and the Accounting manager answered the questions and provided sufficient relevant information.

D. Resolutions:

1. To accept 2009 business report and financial statements

The Board of Directors proposes and recommends that each shareholder vote FOR the acceptance of 2009 business report and financial statements.

Explanatory Notes:

- i. FENC's 2009 business report and financial statements, including balance sheet, income statement, statement of changes in shareholders' equity, and statement of cash flows, have been audited by independent auditors, Mr. Shih Ching-Pin and Mr. Huang Shu-Chieh of Deloitte & Touche, and have been examined by and determined to be correct and accurate by Supervisors of FENC. We thereby submit this report.
- ii. The 2009 business report, independent auditors' audit report, Supervisors' report, and the aforesaid financial statements are attached as Attachments I, II, III, and IV.
- iii. Please accept the aforesaid business report and financial statements.

Upon inquires for comments, the Chairman received no objection, and the resolution was adopted unanimously by the shareholders present: RESOLVED, that the 2009 business report and financial statements be and hereby were accepted as submitted.

2. To approve the proposal for distribution of 2009 profits

The Board of Directors proposes and recommends that each shareholder vote FOR the distribution of 2009 profits.

Explanatory Notes:

- i. Cash dividends to common share holders: Totaling NT\$6,059,758,772. Each common share holder will be entitled to receive a cash dividend of NT\$1.3 per share.
- ii. Stock dividends to common share holders: Totaling NT\$932,270,580. Each common share holder will be entitled to receive a stock dividend of 20 common shares for each 1,000 common shares held by such shareholder.
- iii. After being approved at the Annual General Shareholders' Meeting, the cash and stock dividends to common share holders will be distributed on a record date to be determined by the Board of Directors.
- iv. Should FENC subsequently repurchase its common shares or issue new common shares according to Article 28-2 of the ROC Securities and Exchange Law and other relevant regulations, the total number of common shares outstanding may change, and the ultimate cash and stock to be distributed to each common share may need to be adjusted accordingly. It is proposed that the Board of Directors of FENC be authorized to adjust the cash and stock to be distributed to each common share based on the total amount of profits resolved to be distributed, the amount of earnings resolved to be capitalized, and the number of actual common shares outstanding on the record date for distribution.
- v. The 2009 profit allocation proposal is attached as Attachment V.
- vi. Please approve the aforesaid proposal for the distribution of 2009 profits.

Objection raised by a shareholder (Shareholder Number of 395246), and the said shareholder requested the Company to increase the payout of share dividends and to reduce the cash dividends; the Chairman therefore called for a vote on the proposal.

Voting result: 2,486,699,921 votes were cast for the proposal, which was 61.25% of the votes represented by the shareholders present.

RESOLVED, that the proposal for distribution of 2009 profits be and hereby was accepted as submitted.

3. To approve the revisions to the Articles of Incorporation of Far Eastern New Century Corporation

The Board of Directors proposes and recommends that each shareholder vote FOR the amendments of the Articles of Incorporation.

Explanatory Notes:

- i. It is proposed that Article 2, Article 19, and Article 29 of the Far Eastern New Century Corporation Articles of Incorporation be amended.
- ii. The overview table for the Articles of Incorporation Before and After amendments is attached as Attachment VI.
- iii. Please approve the proposal for the amendments of the Articles of Incorporation.

Upon inquires for comments, the Chairman received no objection, and the resolution was adopted unanimously by the shareholders present: RESOLVED, that amendments of the Articles of Incorporation be and hereby were accepted as submitted.

4. To approve the capitalization of 2009 stock dividends

The Board of Directors proposes and recommends that each shareholder vote FOR the capitalization of 2009 stock dividends.

Explanatory Notes:

- i. For the purpose of improving the financial and capital structure, it is proposed that FENC's paid-in capital be increased by capitalizing the stock dividends to common share holders of NT\$932,270,580.
- ii. A total number of 93,227,058 common shares, at par value of NT\$10 each share, shall be issued for such capital increase. Each common share holder will be entitled to receive a stock dividend of 20 common shares for each 1,000 common shares held by such shareholder.
- iii. If the stock dividends include any fractional shares which are less than one full share, the distribution will be made in the form of cash rounded to the nearest dollar amount calculated at par value. Such fractional shares will be purchased by Far Eastern Recreation Center Employee's Welfare Committee of FENC.
- iv. After being approved at the Annual General Shareholders' Meeting and accepted by the regulatory authority in charge, the new shares will be distributed on a record date to be determined by the Board of Directors.
- v. The shareholders' rights and obligations of the new shares are the same as those of the existing shares.

- vi. After the capitalization of 2009 stock dividends, the total number of issued common shares will be 4,754,579,959 shares, at par value of NT\$10 each share. The paid-in capital will amount to NT\$47,545,799,590.
- vii. Please approve the proposal for the capitalization of 2009 stock dividends.

Upon inquires for comments, the Chairman received no objection, and the resolution was adopted unanimously by the shareholders present: RESOLVED, that the proposal for the capitalization of 2009 stock dividends be and hereby was accepted as proposed.

5. To approve amending the Far Eastern New Century Corporation Bylaws on “Procedures for Endorsements and Guarantees” and “Procedures for Lending of Capital to Others”

The Board of Directors proposes and recommends that each shareholder vote FOR the amendments.

Explanatory Notes:

- i. Pursuant to the newly promulgated regulations (Letter No. FSC-0990011375) by the ROC Financial Supervisory Commission announced on 19 March 2010, it is proposed to amend Article 2, Article 3, Article 4 of the company bylaw on “Procedures for Endorsements and Guarantees”, and to amend the Article 4 of the company bylaw on “Procedures for Lending of Capital to Others”.
- ii. Within the amendments, it is proposed that an additional term be added to the Article 3 of the “Procedures for Endorsements and Guarantees”. This term specifies the ceiling on the amount the Company is permitted to make in endorsements/guarantees, and the said term is “the aggregate amount of endorsements and guarantees issued by the Company and its subsidiaries shall be no more than the Company’s net worth at the time the endorsements and guarantees are issued.” As the ceiling set at this term exceeds 50% of the Company’s net worth, pursuant to the Article 12-3 in the aforesaid newly promulgated regulations, it is required to report in the shareholders’ meeting the necessity and rationale of the endorsements/guarantees.
- iii. The ceiling specifies in the additional term is reasonable and necessary, as it allows FENC and its subsidiaries to receive higher credit lines, negotiate better commercial terms, and lower financing costs. Besides, the total amount for FENC alone to make in endorsements and guarantees is set at the Company’s net worth, in accordance with the Company’s original bylaw. The ceiling set in the said additional term, therefore, is in compliance with the Company’s original procedure and the aforesaid newly promulgated regulations.
- iv. The overview table for the “Procedures for Endorsements and Guarantees” Before and After amendments is attached as Attachment VII.
- v. The overview table for the “Procedures for Lending of Capital to Others” Before and After amendments is attached as Attachment VIII.
- vi. Please approve the proposal for the amendments of the aforesaid bylaws.

Upon inquires for comments, the Chairman received no objection, and the resolution was adopted

unanimously by the shareholders present: RESOLVED, that the proposal for amending the Far Eastern New Century Corporation Bylaws on “Procedures for Endorsements and Guarantees” and “Procedures for Lending of Capital to Others” be and hereby were accepted as proposed.

E. Extemporary motion: None

F. Meeting adjourned

Attachment I

2009 Business report

Business environment

The vicissitudes of the global economic situation after September 2008 were unprecedented. A severe economic slowdown caused by the worldwide credit shortage and confidence crisis was followed by an uneven recovery, which occurred much earlier than many economists and commentators had protested, with the developing countries leading the strong economic upturn, while the developed ones still striving to fight recessions. Several major economic trends, in our opinion, had affected and will continue to affect the performance of the company, and those are discussed below:

Collective efforts from major governments, either adopting aggressive fiscal policies to stimulate economies or bailing out financial institutions on the verge of bankruptcy, injected substantial amount of capital into the financial system. Several central banks, by choosing quantitative easing monetary policy, also provided ample liquidity. The consequences are: 1) interest rates of major currencies fell to historical low or even zero; 2) prices of several commodities, including crude oil and cotton, both of which have material impact on the operating performance of the company, rebounded quickly. It cannot be denied that much of the additional demand for commodity was the result of actual consumption supported by the economic stimulus measures. However, some of it, in our opinion, was based on speculation and inventory re-accumulation in response to greater availability of credit and little carrying cost.

In the last four months before we published this business report, another serious test of confidence took place. The vexing problems of over indebted countries like Greece and Dubai led to speculations that some European countries, with a high sovereign debt over GDP ratio, may become insolvent. In addition, policy exits by other countries were concerned as premature, causing anxieties of the likely renewing of the confidence crisis, and a double-dip recession in the global economy is worried by many as inevitable.

The moves made by China also undoubtedly had significant impact on the global economy, as well as the company's performance in 2009. The hyper-stimulative policy adopted by the Beijing authority in late 2008 fulfilled its mission to achieve a GDP growth of 8% during 2009 in the worst of the global recession. The strong domestic demand in China counterbalance the negative effect from reduced imports by the US and EU countries in 2009, and the tremendous potential of China domestic market was viewed as light at the end of the tunnel by enterprises everywhere else. The value of the Renminbi currency becomes a main topic of debate over trade imbalance, a target of being speculated on by financial professionals, and a benchmark of several other currencies in the Asian emerging markets including Taiwan.

Exertions by the Taiwanese authority to rescue the economy from recession, to some extent, had influences. These exertions included the free purchasing vouchers distributed to its citizens in

order to encourage domestic consumption, restrictions on the interactions with China were selectively lifted, and conversations between Taipei and Beijing began to increase. A financial MOU was signed between Taipei and Beijing, allowing Taiwanese financial institutions to establish outlets in China, and in the meantime, the Taiwan financial authority opened the Taiwan equity and debt markets to the QDII funds raised in China under certain provisos. ECFA (Economic Cooperative Framework Agreement), a free trade agreement framework now being under negotiation with Beijing, is another effort made by Taiwanese authority to cope with the likely challenges from the FTAs (Free Trade Agreements) between ASEAN countries.

Operating results

Year 2009 was the company's sixtieth anniversary after its inception in Taiwan. With relentless efforts, the company has successfully grown and migrated from a small cotton yarn mill, into a sizable entity with a vertical polyester production facility, meanwhile controlling substantial holdings in real estate, and a diversified portfolio of equity investments. On 20 October 2009, the company decided to rename itself from Far Eastern Textile Limited (FETL) to Far Eastern New Century Corporation (FENC), to properly represent its current business scope. A new company mission was announced to guide the future path of this company: "Having innovative thinking, superior technology, and excellent managerial skills, we aim to lead the polyester industry and maximize the value of our holdings in estates and equities, and that shall bring happiness and prosperity to the community where we ourselves belong."

The financial results of the company in 2009 improved substantially compared to 2008. The operating revenue reached NT\$41.9 billion and NT\$167 billion on the parent-alone basis and consolidated basis, respectively. The net income rose to NT\$8.1 billion, an increase of 76% YoY, translating into an EPS of NT\$1.74. Reasons of this improvement in financial results are: 1) lower raw material costs for one of the company's main products, Purified Terephthalic Acid (PTA), turned the severe loss of this business into positive territory; 2) aggressive re-financing lowered the costs of borrowing, reducing the interest expenses by 51%, or NT\$600 million.

The Board has proposed to pay a cash dividend of NT\$1.3 per share and a stock dividend of NT\$0.2 per share, representing a combined payout ratio of 86.4%. The Board also recommends each shareholder vote FOR the proposal of dividend payout.

In addition to the achievements in delivering financial results, FENC also improved several non-financial value drivers, which we believe would lead to the further growth in the future, and those are recapped below:

Continual upgrade of product mix at the polyester business

We believe continual upgrade of the product mix is a must to maintain the company's leading position in the polyester industry. In 2009, several new production lines were being constructed, and new applications were being launched. Amorphous PET sheets represented the most prominent result in this regard. The capacity of such product was increased by 97% in Taiwan to 22,000 tons/year, and commercial operations were commenced in 4Q09, giving the company the

number one position in Taiwan in terms of market share. Two additional lines are being constructed in Wuhan, Hubei Province in China, and expected to be completed in 2010. More importantly, new characteristics, such as anti-static to prevent electrical interferences, are developed for such sheets. As a result, PET sheets now are well accepted by electronics producers for the wrapping and packaging purposes of mobile phones, LCD panels, hard drives of computers, memory cards, and so forth, replacing their conventional packaging materials of polyvinyl chloride and Styrofoam.

The launch of PET-made beer bottles was another achievement. The company constructed a PET-made beer bottle plant in Suzhou, for the purpose of producing PET bottle chips, bottle pre-forms, filling, and bottling of beer. The first launch was in October 2008, licensed by Martens Beer, a prestigious beer brand in Belgium for two hundred years, targeting Shanghai as the primary market. This bottle, named as CoolerPak™, is the first one of the PET-made beer bottle in China, with characteristics of recyclable and light-weighted. In 2009, the company has secured other beer companies, including but not limited to Japanese Asahi and Suntory, as new customers, providing them services of filling and bottling of beer. The geographical market has also been expanding from only Shanghai area to the whole east coast area, the southern area of China, as well as Taiwan.

Resources re-allocation at the textile business

We believe resources of each company are limited, and should be re-allocated from lower return business to higher return one. In 2009, some aged and less efficient cotton yarn spindles at the Neli site in Taiwan were phased out. The main business target now focuses on the designs and inventions of new raw materials for international sportswear brand names – Nike and Adidas, and the newly emerging China brands – Li Ning, Anta, and Kappa. Part of the company's original production processes, such as fabricating, dyeing and finishing, now are sub-contracted with co-operative firms, reducing the company's capital expenditures and labor costs, in hopes of raising the return on the invested capital in the textile business with a new asset-light business model.

Aggressive expansions at core investments

Major investment holdings of the company are property development, cement, retail, and telecommunication businesses. The construction of Taipei Far Eastern Telecom Park (Tpark), located at the outskirts of Taipei City, has been implemented for two years, and the pre-sale of the first residential product and the pre-rent of the first commercial office building were both launched at the end of 2009. Regarding the cement business, Asia Cement (China) had increased its capacity in China by 50% in 2009 to 12 million tons/year. In spite of the falling prices of cement in China, the aggressive expansion in output volume by Asia Cement (China) successfully compensated the weakness of falling prices, providing the parent company with stable investment income. The retail business achieved an outstanding growth of 570% at its earnings in 2009, thanks to the return of the consumers' confidence. Three new stores were opened in 2009 – SOGO at Tienmu in Taipei, Far Eastern Department Store in Hualian, and a high-end Far Eastern Store at Wukesong area, the 2008 Olympics Game Stadium, in Beijing.

Despite of the high penetration rate and the intensive competition of the mobile business in Taiwan,

Far EasTone Telecom continued to achieve stable earnings performance. In 2009, Far EasTone was the first mobile company to launch the 4G WiMAX service among Taiwan peers, providing household and enterprise customers an alternative choice for connection to Internet. This service started in the Taichung City, and then its network is being expanding gradually to cover the whole Taiwan Island. Last mile connection by fiber optical since then was no longer an obstacle for Far EasTone to acquire household and enterprise customers.

Honors and awards

FENC was awarded by the CommonWealth Magazine the “Year 2009 Taiwan’s Most Admired Company”, and this is the fourth consecutive year that the company receives this honorable recognition from the local society. Its subsidiary, Far EasTone Telecom, was awarded the “The Best Corporate Social Responsibility” and the “The Best Investor Relations” based on the voting polls conducted by the FinanceAsia Magazine in 2009.

Plans and prospects

Guided by the new company mission mentioned above, the business plan of the company in 2010 will focus on the followings:

Upgrade production lines to expand margin

Two major projects now are under planning. First, a new PTA production line is planned at the Guanyiin site in Taiwan, with a capacity of 1.2 million tons/year. The purpose of this new production line, built by the company’s subsidiary, Oriental Petrochemical (Taiwan), is to replace its existing old facilities at the adjacent area. Once completed, better efficiency of the new line can lower the production cost per unit; meanwhile, the production volume would rise by 20%. Second, a single PET production line, with a capacity of 700,000 tons/year, is planned at the Pudong site in Shanghai, provided relevant licenses can be granted. This is the largest single PET production line in the world, with the most advanced production technology. Such new line is expected to double the PET capacity of the company in China, and the production cost will be much more competitive for its mass scale relative to peers.

Create green products to meet customers’ demand

The climate change has already attracted worldwide attentions; environmental sustainability and reduction of carbon emission have gradually become a requirement, not only from the investment professionals but also from product end users. In order to meet customers’ demand and fulfill our social responsibility, the company has already launched several projects, by co-operating with our customers or partners. Two major ones of these projects in 2010 are:

First, sportswear made of recycled fibers. More and more international sportswear brand names, for instance, Nike and Adidas, now require its suppliers to mix at least 10% of the recycled fibers in the raw materials used for their products. In order to promote the awareness of conserving the environment, Nike, as one of the major sponsors of the 2010 FIFA World Cup™ in South Africa, has decided to “GO GREEN”, requiring all jerseys of the football teams sponsored by Nike being made of 100% recyclable materials. FENC successfully meets this requirement, and is responsible for

the design and manufacturing of the jerseys for national teams of Brazil, Australia, and New Zealand. Each of the shirts has been fabricated with up to eight PET bottles, amounting to a reduction of a 30% in energy consumption, as against the energy used in the process of manufacturing jerseys from virgin polyester. The all new jerseys for these teams have been termed, according to Nike, as the most environmentally friendly and technologically advanced kits in football history.

Second, a “bottle to bottle” re-generation technology. FENC has worked with one of our largest customers, Coca Cola, to mix recycled PET chips with virgin bottle chips to produce bottles for soda drinks. Starting from this year, FENC accepts the challenges from the Plantbottle™ Project initiated by Coca Cola, to produce technologically innovative bottles. The said innovative PET bottles are made of bio-MEG, and thus result in less carbon dioxide emission than petroleum-based MEG, helping resolve the waste issues faced by beverage producers and promoting the awareness of conserving the environment.

Increase the return from the core investments

The development of Tpark project mentioned above has been executed for four years, and we expect this year to be the first year for the company to reap results. The pre-sale of its first residential product “California Dream” turned out to be satisfactory. We estimate the total sales of this product can reach roughly NT\$8 billion. Construction is slated for completion by the end of 2010. Based on the percentage-of-completion-method, we believe a substantial amount of the profit from this residential product can be booked in this year. Soon followed by this accomplishment, the ground breaking of the second residential product is also planned for this year. The rental income from the first commercial office building will also occur from this year and beyond.

The next development target of the company’s land holdings will be the piece located in I-Lan, and that is planned to be developed into a hotel resort combined with a shopping center. The project plan had already received the permit from the Ministry of Interior in 2009, and the development and construction will begin soon in 2010.

Subsidiaries in other investment area are also expected to have positive expectations in 2010. Asia Cement (China) will continue its aggressive expansion in China to strengthen its market position. Another four production lines will be commenced in 2010, located in Hubei, Jiangxi, and Sichuan Provinces, respectively, increasing its China capacity by additional 67%, from 12 million tons/year in 2009 to 20 million tons/year by the end of 2010. Far Eastern Department Stores will open two new stores, with one in Taichung City, Taiwan, and the other in Wuxi, Jiangsu Province in China.

In order to capture the market share in the non-voice data services, including value-added services and multimedia services, Far EasTone Telecom has built alliances with mobile device providers to launch varieties of smart phones, and provided subscribers several choices of bucket data rate plans to encourage usages. In 2010, Far EasTone Telecom plans to launch “S mart”, the first Taiwan independent mobile application store with full localized experience. Both Far EasTone and non-Far EasTone subscribers can download applications, such as games, news, travel information,

social net-working, music, and multimedia services from the “S mart”, allowing Far EasTone to retain its current subscribers, and in the meantime, penetrate into the territory of its peer companies.

Corporate social responsibilities

To promote the awareness of conserving the environment, FENC has been working with the Taipei City Government in the event of 2010 Taipei International Flora Expo. The company has built the pavilion, named as Far Eastern EcoARK, for the Expo. The pavilion walls are made of PET crystal bricks recycled from PET bottles. Such design can not only reduce the consumption of construction materials, but also save the energy to lighten the building for the natural transparency of PET bricks. The Expo pavilion demonstrates a perfect combination of green, sense of beauty, and modern architecture technology.

Since its inception, FENC has long committed to be a responsible corporate citizen. It has established several non-profit foundations, and continuously sponsored programs dedicated to the promotion of medical, educational, cultural, and scientific activities. While the company decided to commemorate its sixtieth anniversary in 2009, it therefore chose a unique way – “Reward to the society”, to share its achievements with, and to express its gratitude to, the society. On 8 August 2009, shortly after Typhoon Morakot hit Taiwan, the Group synergized swiftly to reconstruct and relocate five primary and junior high schools in Kaohsiung County. In early 2010, the company organizes 12 stations in Taiwan, and mobilizes all employees in the whole Group to donate blood, filling the blood bank in Taiwan. As aforesaid, bringing happiness and prosperity to the community where we ourselves belong is an essential part of the company’s mission.

We sincerely thank the continual supports from our shareholders and dedicated efforts of our employees. Sixtieth anniversary indicates a milestone of significant consequence in the company’s history. The management team is determined to persevere with the company’s great tradition, its founding spirit “Sincerity, Diligence, Thrift, Prudence” and “Innovation”, to deliver excellence as it always does. Moreover, the management is inspired by the new company name and the new company mission to aim higher and to deliver better results, ensuring our shareholders will be better rewarded in the coming years.

Attachment II

Independent auditors' audit report



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INDEPENDENT AUDITORS' REPORT

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

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

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

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

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

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

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

Deloitte & Touche

March 5, 2010

Notice to Readers

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

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

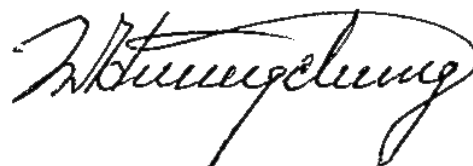
Attachment III

Supervisors' report

To the 2010 General Shareholders' Meeting of Far Eastern New Century Corporation,

In accordance with Article 219 of the Company Law, we have examined the Business Report, the Resolution for Allocation of Surplus Profit, and Financial Statements submitted by the Board of Directors for the year ending 2009 which had been audited by Deloitte & Touche, and found them in order.


T. H. Chang



Ching-Ing Hou



Alice Hsu



April 23th, 2010

Attachment IV

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

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

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

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

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

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

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

(Continued)

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

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

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

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

(Concluded)

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

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

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

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

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

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

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

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

(Continued)

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

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

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

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

(Concluded)

Attachment V

Far Eastern New Century Corporation Profit Allocation Proposal

Unit: NT dollar

Net income of 2009	8,088,696,621
Less:	
10% legal reserve	811,260,882
Plus:	
Unappropriated retained earnings of previous years	1,559,498,067
Unappropriated retained earnings booked by equity method from affiliates	23,912,194
Earnings available for distribution as of 31 December 2009	8,860,846,000
Distribution items:	
Cash dividends to common share holders (NT\$1.3 per share)	6,059,758,772
Stock dividends to common share holders (NT\$0.2 per share at par value, i.e., 20 shares for each 1,000 shares owned)	932,270,580
Total distribution	6,992,029,352
Unappropriated earnings	1,868,816,648

Note:

Year 2009 profits are distributed according to the Article 26 and Article 27 of the Far Eastern New Century Corporation Articles of Incorporation. Bonus of employees and compensation for Directors and Supervisors are booked as company expenses and excluded from the net income.

Attachment VI

Overview of Articles of Incorporation amendments

Section	Current Articles	Proposed Changes	Reasons
Article 2	<p>The Company's businesses are as follows :</p> <ol style="list-style-type: none"> 1. C301010 Yarn spinning mills 2. C302010 Knit fabric mills 3. C303010 Non woven fabric mills 4. C305010 Printing dyeing and finishing mills 5. C306010 Outerwear knitting mills 6. C307010 Apparel, clothing accessories and other textile product manufacturing 7. C399990 Other textile products 8. C801120 Manmade fiber manufacturing 9. C801990 Other chemical material manufacturing 10. F104110 Wholesale of cloths, clothes, shoes, hat, umbrella and apparel, clothing accessories and other textile products 11. F105050 Wholesale of furniture, bedclothes, kitchen equipment and fixtures 12. F106020 Wholesale of articles for daily use 13. F107990 Wholesale of other chemical products 14. F204110 Retail sale of cloths, clothes, shoes, hat, umbrella and apparel, clothing accessories and other textile products 15. F205040 Retail sale of furniture, bedclothes, kitchen equipment and fixtures 16. F206020 Retail sale of articles for daily use 17. F207990 Retail sale of other chemical products 18. F301010 Department stores 19. F401010 International trade 20. F501060 Restaurants 21. J701020 Amusement parks 22. J801030 Athletics and recreational sport stadium 23. H701010 Residence and buildings lease construction and development 24. H701020 Industrial factory buildings lease construction and development 	<p>The Company's businesses are as follows :</p> <ol style="list-style-type: none"> 1. C301010 Yarn spinning mills 2. C302010 Knit fabric mills 3. C303010 Non woven fabric mills 4. C305010 Printing dyeing and finishing mills 5. C306010 Outerwear knitting mills 6. C307010 Apparel, clothing accessories and other textile product manufacturing 7. C399990 Other textile products 8. C801120 Manmade fiber manufacturing 9. C801990 Other chemical material manufacturing 10. F104110 Wholesale of cloths, clothes, shoes, hat, umbrella and apparel, clothing accessories and other textile products 11. F105050 Wholesale of furniture, bedclothes, kitchen equipment and fixtures 12. F106020 Wholesale of articles for daily use 13. F107990 Wholesale of other chemical products 14. F204110 Retail sale of cloths, clothes, shoes, hat, umbrella and apparel, clothing accessories and other textile products 15. F205040 Retail sale of furniture, bedclothes, kitchen equipment and fixtures 16. F206020 Retail sale of articles for daily use 17. F207990 Retail sale of other chemical products 18. F301010 Department stores 19. F401010 International trade 20. F501060 Restaurants 21. J701020 Amusement parks 22. J801030 Athletics and recreational sport stadium 23. H701010 Residence and buildings lease construction and development 24. H701020 Industrial factory buildings lease construction and development 	<p>Delete Item No. 29 J901011 International and general tourist hotels and Item No. 31 G101061 Truck freight transportation, as both are classified by the regulatory authorities as licensed industries, and thus need approvals to enter. The company does not apply for and receive such approvals.</p>

	<p>25. H701040 Specialized field construction and development</p> <p>26. H701050 Public works construction and investment</p> <p>27. G202010 Parking garage business</p> <p>28. G801010 Warehousing and storage</p> <p>29. <u>J901011 International and general tourist hotels</u></p> <p>30. IZ06010 Cargos packaging</p> <p>31. <u>G101061 Truck freight transportation</u></p> <p>32. C802120 Industrial catalyst manufacturing</p> <p>33. F102040 Wholesale of nonalcoholic beverages</p> <p>34. F107030 Wholesale of cleaning preparations</p> <p>35. F113070 Wholesale of telecom instruments</p> <p>36. F213060 Retail sale of telecom instruments</p> <p>37. CC01080 Electronic part and component manufacturing</p> <p>38. CF01011 Medical materials and equipment manufacturing</p> <p>39. F108031 Wholesale of drugs and medical goods</p> <p>40. F208031 Retail sale of medical equipments</p> <p>41. ZZ99999 Except where permits are required, to run operations not forbidden or limited by laws and regulations</p>	<p>25. H701040 Specialized field construction and development</p> <p>26. H701050 Public works construction and investment</p> <p>27. G202010 Parking garage business</p> <p>28. G801010 Warehousing and storage</p> <p>29. IZ06010 Cargos packaging</p> <p>30. C802120 Industrial catalyst manufacturing</p> <p>31. F102040 Wholesale of nonalcoholic beverages</p> <p>32. F107030 Wholesale of cleaning preparations</p> <p>33. F113070 Wholesale of telecom instruments</p> <p>34. F213060 Retail sale of telecom instruments</p> <p>35. CC01080 Electronic part and component manufacturing</p> <p>36. CF01011 Medical materials and equipment manufacturing</p> <p>37. F108031 Wholesale of drugs and medical goods</p> <p>38. F208031 Retail sale of medical equipments</p> <p>39. ZZ99999 Except where permits are required, to run operations not forbidden or limited by laws and regulations</p>	
Article 19	<p>Meetings of the Board of Directors, which shall be held quarterly, shall be convened by the Chairman. Unless otherwise stipulated by the Company Law, a quorum shall be present at the Board of Directors if it is attended by more than half of the Directors, and a resolution passed if approved by a majority of the Directors in attendance. The Chairman may <u>when necessary</u> convene meetings of the Board at any time.</p> <p>When a Director is unable to personally attend the meeting of the Board of Directors, he may entrust another Director to represent him in accordance with law.</p>	<p>Meetings of the Board of Directors, which shall be held quarterly, shall be convened by the Chairman. Unless otherwise stipulated by the Company Law, a quorum shall be present at the Board of Directors if it is attended by more than half of the Directors, and a resolution passed if approved by a majority of the Directors in attendance. The Chairman may <u>when urgent matters occur</u> convene meetings of the Board at any time.</p> <p>When a Director is unable to personally attend the meeting of the Board of Directors, he may entrust another Director to represent him in accordance with law.</p>	Pursuant to the Article 204 of Company Law and opinions of regulatory authorities, wordings are revised.
Article 29	These Articles of Incorporation were drafted	These Articles of Incorporation were drafted	To record the

	<p>on December 15, 1952, and came into effect following its approval by a resolution of the General Shareholders' Meeting and the competent authorities. Amendments shall take effect following their approval at the shareholders' meetings.</p> <p>First amendment on July 1, 1953; Second amendment on January 22, 1954; Third amendment on September 1, 1956; Fourth amendment on January 15, 1957; Fifth amendment on June 13, 1959; Sixth amendment on August 25, 1959; Seventh amendment on March 31, 1960; Eighth amendment on October 26, 1960; Ninth amendment on February 25, 1961; Tenth amendment on May 25, 1961; Eleventh amendment on May 2, 1962; Twelfth amendment on August 7, 1964; Thirteenth amendment on December 19, 1964; Fourteenth amendment on January 20, 1966; Fifteenth amendment on June 22, 1966; Sixteenth amendment on June 24, 1967; Seventeenth amendment on December 23, 1967; Eighteenth amendment on June 8, 1968; Nineteenth amendment on May 31, 1969; Twentieth amendment on June 17, 1970; Twenty-first amendment on January 25, 1972; Twenty-second amendment on June 20, 1972; Twenty-third amendment on April 30, 1973; Twenty-fourth amendment on October 17, 1973; Twenty-fifth amendment on May 8, 1974; Twenty-sixth amendment on May 19, 1975; Twenty-seventh amendment on April 14, 1976; Twenty-eighth amendment on September 15, 1976; Twenty-ninth amendment on April 6, 1977; Thirtieth amendment on April 18, 1978; Thirty-first amendment on February 9, 1979; Thirty-second amendment on April 14, 1979; Thirty-third amendment on April 28, 1980; Thirty-fourth amendment on April 15, 1981;</p>	<p>on December 15, 1952, and came into effect following its approval by a resolution of the General Shareholders' Meeting and the competent authorities. Amendments shall take effect following their approval at the shareholders' meetings.</p> <p>First amendment on July 1, 1953; Second amendment on January 22, 1954; Third amendment on September 1, 1956; Fourth amendment on January 15, 1957; Fifth amendment on June 13, 1959; Sixth amendment on August 25, 1959; Seventh amendment on March 31, 1960; Eighth amendment on October 26, 1960; Ninth amendment on February 25, 1961; Tenth amendment on May 25, 1961; Eleventh amendment on May 2, 1962; Twelfth amendment on August 7, 1964; Thirteenth amendment on December 19, 1964; Fourteenth amendment on January 20, 1966; Fifteenth amendment on June 22, 1966; Sixteenth amendment on June 24, 1967; Seventeenth amendment on December 23, 1967; Eighteenth amendment on June 8, 1968; Nineteenth amendment on May 31, 1969; Twentieth amendment on June 17, 1970; Twenty-first amendment on January 25, 1972; Twenty-second amendment on June 20, 1972; Twenty-third amendment on April 30, 1973; Twenty-fourth amendment on October 17, 1973; Twenty-fifth amendment on May 8, 1974; Twenty-sixth amendment on May 19, 1975; Twenty-seventh amendment on April 14, 1976; Twenty-eighth amendment on September 15, 1976; Twenty-ninth amendment on April 6, 1977; Thirtieth amendment on April 18, 1978; Thirty-first amendment on February 9, 1979; Thirty-second amendment on April 14, 1979; Thirty-third amendment on April 28, 1980; Thirty-fourth amendment on April 15, 1981;</p>	<p>latest amendment.</p>
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	<p>Thirty-fifth amendment on April 21, 1982; Thirty-sixth amendment on April 21, 1982; Thirty-seventh amendment on May 5, 1983; Thirty-eighth amendment on May 2, 1984; Thirty-ninth amendment on May 10, 1985; Fortieth amendment on April 23, 1987; Forty-first amendment on April 20, 1988; Forty-second amendment on April 20, 1989; Forty-third amendment on April 23, 1990; Forty-fourth amendment on April 26, 1991; Forty-fifth amendment on May 12, 1992; Forty-sixth amendment on May 14, 1993; Forty-seventh amendment on May 9, 1994; Forty-eighth amendment on May 4, 1995; Forty-ninth amendment on May 27, 1996; Fiftieth amendment on May 23, 1997; Fifty-first amendment on May 22, 1998; Fifty-second amendment on May 21, 1999; Fifty-third amendment on May 15, 2000; Fifty-fourth amendment on May 18, 2001; Fifty-fifth amendment on June 12, 2002; Fifty-sixth amendment on June 9, 2003; Fifty-seventh amendment on June 4, 2004; Fifty-eighth amendment on June 14, 2005, Fifty-ninth amendment on June 13, 2006, Sixtieth amendment on October 13, 2009</p>	<p>Thirty-fifth amendment on April 21, 1982; Thirty-sixth amendment on April 21, 1982; Thirty-seventh amendment on May 5, 1983; Thirty-eighth amendment on May 2, 1984; Thirty-ninth amendment on May 10, 1985; Fortieth amendment on April 23, 1987; Forty-first amendment on April 20, 1988; Forty-second amendment on April 20, 1989; Forty-third amendment on April 23, 1990; Forty-fourth amendment on April 26, 1991; Forty-fifth amendment on May 12, 1992; Forty-sixth amendment on May 14, 1993; Forty-seventh amendment on May 9, 1994; Forty-eighth amendment on May 4, 1995; Forty-ninth amendment on May 27, 1996; Fiftieth amendment on May 23, 1997; Fifty-first amendment on May 22, 1998; Fifty-second amendment on May 21, 1999; Fifty-third amendment on May 15, 2000; Fifty-fourth amendment on May 18, 2001; Fifty-fifth amendment on June 12, 2002; Fifty-sixth amendment on June 9, 2003; Fifty-seventh amendment on June 4, 2004; Fifty-eighth amendment on June 14, 2005, Fifty-ninth amendment on June 13, 2006, Sixtieth amendment on October 13, 2009 <u>Sixty-first amendment on June 22, 2010</u></p>	
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*In case of any discrepancy between this English translation and the Chinese text of this document, the Chinese text shall prevail.

Attachment VII

Overview of the Far Eastern New Century Corporation Bylaws on “Procedures for Endorsements and Guarantees” amendments

Section	Current Articles	Proposed Changes	Reasons
Article 2	<p>The Company may make endorsements/guarantees for the following companies:</p> <p>1) companies with whom the Company has business relationships;</p> <p>2) a company in which the Company directly and indirectly holds more than 50 percent of the voting shares ; and</p> <p>3) a company that directly and indirectly holds more than 50 percent of the voting shares in the Company.</p> <p><u>Subsidiaries, whose voting shares are 100% owned, directly or indirectly, by the Company, may make endorsements/guarantees for each other.</u></p> <p>The above restrictions in the preceding two paragraphs shall not apply to the circumstances where the Company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry, or for the co-producers of the same project, for the purpose of construction project, or where all shareholders make endorsements/guarantees for their jointly invested companies in proportion to their shareholding percentages.</p> <p>Invested companies said in the preceding paragraph are those invested directly by the Company, or by the subsidiaries of which the Company owns 100% voting shares.</p> <p>Subsidiaries and holding company as</p>	<p>The Company may make endorsements/guarantees for the following companies:</p> <p>1) companies with whom the Company has business relationships;</p> <p>2) a company in which the Company directly and indirectly holds more than 50 percent of the voting shares ; and</p> <p>3) a company that directly and indirectly holds more than 50 percent of the voting shares in the Company.</p> <p><u>Subsidiaries, whose voting shares are 90% owned, directly or indirectly, by the Company, may make endorsements/guarantees for each other, provided that the amount of endorsements and guarantees made by such subsidiaries shall be less than 10% of the Company's net worth. The aforesaid amount ceiling shall not apply to subsidiaries whose voting shares are 100% owned, directly or indirectly, by the Company.</u></p> <p>The above restrictions in the preceding two paragraphs shall not apply to the circumstances where the Company fulfills its contractual obligations by providing mutual endorsements/guarantees for another company in the same industry, or for the co-producers of the same project, for the purpose of construction project, or where all shareholders make endorsements/guarantees for their jointly invested companies in proportion to their shareholding percentages.</p> <p>Invested companies said in the preceding paragraph are those invested directly by the Company, or by the subsidiaries of which the Company owns 100% voting shares.</p> <p>Subsidiaries and holding company as</p>	<p>Paragraph 2 amended, in consideration of the common practices and pursuant to Article 5-2 of the Regulations Governing Loaning of Funds and Making of Endorsements /Guarantees by Public Companies (“Regulations”).</p>

	referred to in these Procedures shall be those as determined under the Statements of Financial Accounting Standards Nos. 5 and 7 announced by the Accounting Research and Development Foundation of the Republic of China.	referred to in these Procedures shall be those as determined under the Statements of Financial Accounting Standards Nos. 5 and 7 announced by the Accounting Research and Development Foundation of the Republic of China.	
Article 3	The aggregate amount of endorsements and guarantees issued by the Company shall be no more than the Company's net worth at the time the endorsements and guarantees are issued. The total amount of the Company's endorsements and guarantees provided for any individual company shall be limited to 50% of the Company's current net worth.	<p>The aggregate amount of endorsements and guarantees issued by the Company shall be no more than the Company's net worth at the time the endorsements and guarantees are issued. The total amount of the Company's endorsements and guarantees provided for any individual company shall be limited to 50% of the Company's current net worth.</p> <p><u>The aggregate amount of endorsements and guarantees issued by the Company and its subsidiaries shall be no more than the Company's net worth at the time the endorsements and guarantees are issued. The total amount of endorsements and guarantees made by the Company and its subsidiaries for any individual company shall be limited to 50% of the Company's current net worth. When the aggregate amount of endorsements and guarantees issued by the Company and its subsidiaries exceeds the 50% of the Company's current net worth, the Company shall report the necessity and rationale of the endorsements/guarantees in the Shareholders' Meeting.</u></p>	Additional term added pursuant to the Article 12-3 of the Regulations, in order to control the risk of making endorsements and guarantees.
Article 4	Prior to the provision of endorsements or guarantees, the Company's finance department shall carefully evaluate its compliance with the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies ("Regulations"), these Procedures, including the following items and prepare and submit to the Board of Directors the evaluation report for approval; provided that, due to the time-constraints, the Board of Directors may authorize the Chairman to approve such provision subject to ratification by the Board of Directors in the upcoming meeting:	Prior to the provision of endorsements or guarantees, the Company's finance department shall carefully evaluate its compliance with the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies ("Regulations"), these Procedures, including the following items and prepare and submit to the Board of Directors the evaluation report for approval; provided that, due to the time-constraints, the Board of Directors may authorize the Chairman to approve such provision subject to ratification by the Board of Directors in the upcoming meeting:	<p>1. Paragraph 2 added pursuant to the Article 17-2 of the Regulations.</p> <p>2. Paragraph 7 added pursuant to the Article 12-11 of the Regulations.</p> <p>Both</p>

	<p>1) necessity and rationale of the endorsements/guarantees; 2) credit standing and risk evaluation of the party to be secured under such endorsements/guarantees; 3) impact on the Company's operation, financial condition and shareholders' interests; and 4) whether collaterals are required and appraised values of such collaterals.</p> <p>Where the Company provides endorsement and guarantees as a result of business transactions, it should separately assess whether the amount of endorsement and guarantee is comparable to the value involved in such business transactions. The value involved in the business transactions refers to the value represented by orders placed, sales or transactions contemplated by the parties during the year immediately prior to such provision of endorsements/guarantees.</p> <p>Where the Company proposes to provide an endorsement and/or guarantees as a result of business transactions which is in conformity with the conditions set out herein but exceed the limit as stipulated above as a result of business needs, it shall require the approval of the Board of Directors and the joint guarantee by more than half of the Directors in respect of the possible loss incurred by the excessive guarantee, as well as amendment to these Procedures subject to ratification by the Shareholders' Meeting. In the event that the Shareholders' Meeting</p>	<p>1) necessity and rationale of the endorsements/guarantees; 2) credit standing and risk evaluation of the party to be secured under such endorsements/guarantees; 3) impact on the Company's operation, financial condition and shareholders' interests; and 4) whether collaterals are required and appraised values of such collaterals.</p> <p><u>Subsidiaries, whose voting shares are 90% owned, directly or indirectly, by the Company, shall report to the Board of Directors of the Company for approval, prior to the provision of endorsements or guarantees being issued according to the paragraph 2 of Article 2 in the Procedures. The aforesaid requirement shall not apply to the subsidiaries, whose voting shares are 100% owned, directly or indirectly, by the Company.</u></p> <p>Where the Company provides endorsement and guarantees as a result of business transactions, it should separately assess whether the amount of endorsement and guarantee is comparable to the value involved in such business transactions. The value involved in the business transactions refers to the value represented by orders placed, sales or transactions contemplated by the parties during the year immediately prior to such provision of endorsements/guarantees.</p> <p>Where the Company proposes to provide an endorsement and/or guarantees as a result of business transactions which is in conformity with the conditions set out herein but exceed the limit as stipulated above as a result of business needs, it shall require the approval of the Board of Directors and the joint guarantee by more than half of the Directors in respect of the possible loss incurred by the excessive guarantee, as well as amendment to these Procedures subject to ratification by the Shareholders' Meeting. In the event that the Shareholders' Meeting</p>	<p>paragraphs are added to control the risk of making the endorsements and guarantees.</p>
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	<p>raises objection, the Company shall formulate a proposal to cancel the excess within stipulated time limit.</p> <p>In the event that the Company has independent directors, the Board of Directors shall take into account the opinions of the independent directors and furthermore record in the minutes of such meetings the independent directors' consenting or dissenting opinions and the reasons in holding a meeting discussing the conditions abovementioned, this Procedures or providing endorsements and/or guarantees.</p> <p>Where the parties secured by such endorsements/guarantees fail to comply with these Procedures or the amounts have exceeded the limits as a result of changes in the circumstances, the Company shall prepare improvement plans and forward the same to the Supervisors. Rectification shall be completed within the time frame stipulated in improvement plans.</p>	<p>raises objection, the Company shall formulate a proposal to cancel the excess within stipulated time limit.</p> <p>In the event that the Company has independent directors, the Board of Directors shall take into account the opinions of the independent directors and furthermore record in the minutes of such meetings the independent directors' consenting or dissenting opinions and the reasons in holding a meeting discussing the conditions abovementioned, this Procedures or providing endorsements and/or guarantees.</p> <p>Where the parties secured by such endorsements/guarantees fail to comply with these Procedures or the amounts have exceeded the limits as a result of changes in the circumstances, the Company shall prepare improvement plans and forward the same to the Supervisors. Rectification shall be completed within the time frame stipulated in improvement plans.</p> <p><u>Where endorsements/guarantees are made to the Company's subsidiaries, net worth of those falls below 50% of their paid-in capital, the Company shall closely monitor the financial conditions, operations, and credit standings of such subsidiaries. Should collaterals be provided, the Company shall also monitor the change in the value of the said collaterals. Where any materially adverse event occurs, the Company shall terminate such endorsements/guarantees or take other appropriate actions.</u></p>	
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*In case of any discrepancy between this English translation and the Chinese text of this document, the Chinese text shall prevail.

Attachment VIII

Overview of the Far Eastern New Century Corporation Bylaws on “Procedures for Lending of Capital to Others” amendments

Sectio	Current Articles	Proposed Changes	Reasons
Article 4	<p>(Procedure for Lending)</p> <p>When handling a loan by the Company, the Borrowers are required to present requisite financial information and the application to the Company's finance department for limits of loans. The finance department shall evaluate such application in accordance with the Regulations as well as these Procedures including the following items and prepare and submit to the Board of Directors the evaluation report for approval without authorizing any other persons to undertake the abovementioned procedure:</p> <ol style="list-style-type: none"> 1) necessity and rationale of the loan; 2) the Borrowers' credit standing and risk evaluation; 3) impact on the Company's operation, financial condition and shareholders' interests; and 4) whether collaterals are required and appraised values of such collaterals. 	<p>(Procedure for Lending)</p> <p>When handling a loan by the Company, the Borrowers are required to present requisite financial information and the application to the Company's finance department for limits of loans. The finance department shall evaluate such application in accordance with the Regulations as well as these Procedures including the following items and prepare and submit to the Board of Directors the evaluation report for approval without authorizing any other persons to undertake the abovementioned procedure:</p> <ol style="list-style-type: none"> 1) necessity and rationale of the loan; 2) the Borrowers' credit standing and risk evaluation; 3) impact on the Company's operation, financial condition and shareholders' interests; and 4) whether collaterals are required and appraised values of such collaterals. <p><u>When handling loans extended by the Company to its subsidiaries, or loans extended by the Company's subsidiaries to one another, the procedure mentioned in paragraph 1 shall apply, and shall be resolved by the Board of Directors. For the same Borrower, the Board of Directors may authorize the Chairman to grant multiple drawdown or revolving credit to the said Borrower within one year, provided the total drawdown does not exceed the limit resolved by the Board of Directors.</u></p> <p><u>When a loan extended by the Company or its subsidiaries to an individual Borrower, the limit on the total amount mentioned in the preceding paragraph shall not exceed 10 percent (10%) of the said Borrower's net worth of the last period financial report audited or reviewed by its accountants.</u></p>	<ol style="list-style-type: none"> 1. Paragraphs 2 and 3 added, in consideration of the Company's internal practices, and Pursuant to the Article 14-2 and the Article 14-3 of the Regulations. 2. To clarify and condense the procedure, paragraph 4 amended.

	<p>The Borrower should, upon the loan amount being approved, fill in an application form and apply to the finance department. The loan amount may only be disbursed <u>after the person-in-charge of the Company or a person as designated by the Board of Directors</u> has signed and approved. Subsequent to drawdown, the finance department shall report to the Board of Directors.</p> <p>Borrowers who apply for short-term financing facility in accordance with the aforesaid item shall provide the Company with bills or collaterals or guarantors as the Company approved as security securing such financing.</p> <p>In the event that the Company has independent directors, the Board of Directors shall take into account the opinions of the independent directors and furthermore record in the minutes of such meetings the independent directors' consenting or dissenting opinions and the reasons in holding a meeting discussing these Procedures or extending loans hereunder.</p> <p>Where the balance of loans has exceeded the limits, or the Borrower fails to comply with these Procedures, as a result of changes in the circumstances, the Company shall prepare improvement plans and forward the same to the Supervisors. Rectification shall be completed within the time frame stipulated in improvement plans.</p>	<p><u>Borrowers mentioned in paragraph 4 of the Article 2 are exempted from this restriction.</u></p> <p>The Borrower should, upon the loan amount being approved, fill in an application form and apply to the finance department. The loan amount may only be disbursed <u>after the person as designated by the Board of Directors</u> has signed and approved. Subsequent to drawdown, the finance department shall report to the Board of Directors.</p> <p>Borrowers who apply for short-term financing facility in accordance with the aforesaid item shall provide the Company with bills or collaterals or guarantors as the Company approved as security securing such financing.</p> <p>In the event that the Company has independent directors, the Board of Directors shall take into account the opinions of the independent directors and furthermore record in the minutes of such meetings the independent directors' consenting or dissenting opinions and the reasons in holding a meeting discussing these Procedures or extending loans hereunder.</p> <p>Where the balance of loans has exceeded the limits, or the Borrower fails to comply with these Procedures, as a result of changes in the circumstances, the Company shall prepare improvement plans and forward the same to the Supervisors. Rectification shall be completed within the time frame stipulated in improvement plans.</p>	
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Attachment IX

Information about the issuance of corporate bonds in year 2009

The company issued one corporate bond in year 2009. Pursuant to the Article 246 of Company Law, the information about the issuance of such corporate bond is disclosed below:

Domestic unsecured bonds – 1st of Year 2009 – Far Eastern New Century Corporation

Five-year domestic unsecured bonds issued at par value on 29 October 2009. The total face value of the bonds is NT\$3,000,000,000. These bonds are repayable in 50% of the face value, respectively, at the end of the fourth and fifth years, with a coupon rate of 1.85% and the interest is calculated and paid annually. The proceeds of the bond are used to payback short-term borrowings and improve the financial structure. The issue of the bonds was approved by the Financial Supervisory Commission on 19 October 2009 (Approval Letter No. FSC-0980054769).