

President Chain Store Corp.

Financial Report

2011 and 2010

(Stock Code 2912)

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President Chain Store Corp.
Financial reports for years ended December 31, 2011 and 2010
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Independent Auditor's Report

(101) MOF.FS.Tzi No. 10003414

To: President Chain Store Corporation

We have audited the accompanying balance sheet of President Chain Store Corporation as of December 31, 2011 and 2010 and the related statements of income, changes in shareholders' equity, and cash flows for the periods of January 1~December 31, 2011 and 2010. The financial statements are the responsibility of the management. Our responsibility is to express an opinion on the financial statements based on our audits. The investment income/loss recognized for some of the long-term equity investment valued with Equity Method in 2011 and 2010 and the information disclosure of the invested company in conformity with Note XI to Financial Statements were valued in accordance with the financial statements audited by other CPAs of the invested company instead of us. The net investment income recognized in accordance with the financial statements audited by other CPAs amounted to NT\$183,815,000 and NT\$44,208,000 in 2011 and 2010, respectively. The relevant long-term equity investment amounted to NT\$682,997,000 and NT\$441,865,000 on December 31, 2011 and 2010, respectively.

We have planned and conducted our audit in accordance with "Guidelines Governing the audit of financial statements by CPA" and generally accepted accounting principle of the Republic of China. to ensure the financial statements are presented without material errors. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit and the audit report issued by other CPAs, the financial statements of President Chain Store Corporation as of December 31, 2011 and 2010, and the results of its operations and its cash flows for the years then ended, in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers," and accounting principles generally accepted in the Republic of China.

We have issued an unqualified opinion on the 2011 and 2010 consolidated financial statements of President Chain Store Corporation.

PRICEWATERHOUSECOOPERS

Chen Mei-Tzu

CPA

Tseng Hui-Chin

Former SEC, Ministry of Finance

Certificate No.: (82) Tai-chai-Jen (VI) No. 39230

(79) Tai-chai-Jen (I) No. 27815

March 23, 2012

President Chain Store Corp.
Balance Sheet
December 31, 2011 and 2010

Currency unit: NT\$1,000

	Assets	Note	December 31, 2011		December 31, 2010	
			Amount	%	Amount	%
Current assets						
1100	Cash and cash equivalence	IV(I)	\$ 9,811,022	19	\$ 4,626,008	9
1310	Financial assets-current-whose changes in fair value are recognized in earnings	IV(II)	6,350,000	12	9,060,250	18
1140	Net accounts receivable	V	523,775	1	457,829	1
1178	Other receivables	V	977,328	2	813,207	2
120X	Inventories	IV(III)	3,658,771	7	2,931,645	6
1260	Prepayments	VII	132,515	-	147,000	-
1298	Other Current assets - others	IV(XV)	127,947	-	283,413	1
11XX	Total current assets		<u>21,581,358</u>	<u>41</u>	<u>18,319,352</u>	<u>37</u>
Funds and long-term investments						
1450	Financial assets in available-for-sale—non current	IV(IV)	898,243	2	1,533,932	3
1480	Financial assets measured at cost - noncurrent	IV(V)	7,667,281	15	8,613,020	17
1421	Long-term investments (Equity method)	IV(VI) and (V)	11,070,230	21	10,603,067	22
14XX	Total funds and long-term investments		<u>19,635,754</u>	<u>38</u>	<u>20,750,019</u>	<u>42</u>
Fixed assets						
Costs						
1501	Land	IV(VII)	1,432,614	3	1,432,614	3
1521	Building		906,835	2	906,835	2
1571	Operating equipment		12,288,978	23	11,844,551	24
1631	Lease improvement		6,378,052	12	5,589,022	11
1681	Other equipment		7,083	-	9,660	-
15X8	Revaluation increments		55,374	-	55,374	-
15XY	Total costs		<u>21,068,936</u>	<u>40</u>	<u>19,838,056</u>	<u>40</u>
15X9	Less: accumulated depreciation		(12,473,410)	(24)	(12,073,247)	(24)
1599	Less: accumulated impairment		(54,689)	-	-	-
15XX	Total net fixed assets		<u>8,540,837</u>	<u>16</u>	<u>7,764,809</u>	<u>16</u>
Intangible assets						
1750	Cost of computer software		<u>222,356</u>	<u>1</u>	<u>171,030</u>	<u>-</u>
Other assets						
1800	Assets leased to others	IV(IX) and (VII)	1,248,400	2	1,262,561	3
1820	Refundable deposits	VII	1,034,589	2	995,245	2
1888	Other assets - others	IV(XV)	15,274	-	8,842	-
18XX	Total other assets		<u>2,298,263</u>	<u>4</u>	<u>2,266,648</u>	<u>5</u>
1XXX	Total Assets		<u>\$ 52,278,568</u>	<u>100</u>	<u>\$ 49,271,858</u>	<u>100</u>

(To be continued)

President Chain Store Corp.
Balance Sheet
December 31, 2011 and 2010

Currency unit: NT\$1,000

Liabilities and Shareholders' Equity	Note	December 31, 2011		December 31, 2010	
		Amount	%	Amount	%
Current liabilities					
2120		\$ 282,884	1	\$ 168,893	-
2130	V	4,516,270	9	3,848,885	8
2140		374,165	1	302,886	1
2150	V	6,598,356	13	5,536,314	11
2160	IV(XV)	604,528	1	792,563	2
2170	IV(X) and (V)	2,876,295	5	2,536,808	5
2228	IV(XI)	8,111,258	15	6,523,484	13
2260	IV(XII) (XIII)	2,132,299	4	1,782,382	4
21XX		<u>25,496,055</u>	<u>49</u>	<u>21,492,215</u>	<u>44</u>
Long-term liabilities					
2420	IV(XIII)	<u>3,400,000</u>	<u>6</u>	<u>5,000,000</u>	<u>10</u>
Other liabilities					
2810	IV(XIV)	474,243	1	357,617	1
2820		1,865,516	3	1,853,952	4
2880		348,445	1	355,873	-
28XX		<u>2,688,204</u>	<u>5</u>	<u>2,567,442</u>	<u>5</u>
2XXX		<u>31,584,259</u>	<u>60</u>	<u>29,059,657</u>	<u>59</u>
Shareholders' equity					
Capital Stock					
3110	IV(XVI)	10,396,222	20	10,396,222	21
Additional paid-in capital					
3240		5,082	-	5,082	-
Retained earnings					
3310	IV(XVII)	4,618,579	9	4,046,004	8
3320		-	-	4,660	-
3350		6,443,247	12	5,752,901	12
Other adjustments in SH's equity					
3420		(51,876)	-	(222,559)	-
3430	IV(XIV)	(132,771)	-	(55,514)	-
3450	IV(IV)	(634,091)	(1)	234,124	-
3460		49,917	-	51,281	-
3XXX		<u>20,694,309</u>	<u>40</u>	<u>20,212,201</u>	<u>41</u>
Commitment or contingency					
Materiality after the period					
Total Liabilities and Shareholders' Equity					
		<u>\$ 52,278,568</u>	<u>100</u>	<u>\$ 49,271,858</u>	<u>100</u>

Please refer to the notes to financial statements and the audit report dated March 23, 2012 by CPA Chen Mei-Tzu and Tseng Hui-Chin of PRICEWATERHOUSECOOPERS

Chairman: Kao Chin-Yen

President: Hsu Chun-Jen

Chief Accountant: Lai Hsin-Ti

President Chain Store Corp.
Income Statements
January 1~December 31, 2011 and 2010

Currency unit: NT\$1,000
(EPS: NT\$)

Item	Note	2011		2010	
		Amount	%	Amount	%
Operating revenue					
4110		\$ 118,751,042	97	\$ 111,074,306	97
4800	V	3,961,683	3	3,589,587	3
4000		<u>122,712,725</u>	<u>100</u>	<u>114,663,893</u>	<u>100</u>
Operating cost					
5110	IV (III) and V	(84,437,416)	(69)	(78,741,282)	(69)
5910		<u>38,275,309</u>	<u>31</u>	<u>35,922,611</u>	<u>31</u>
Gross profit					
Operating expenses					
6100	V	(29,221,346)	(24)	(27,612,957)	(24)
6200		(2,979,023)	(2)	(2,782,166)	(2)
6000		<u>(32,200,369)</u>	<u>(26)</u>	<u>(30,395,123)</u>	<u>(26)</u>
6900		<u>6,074,940</u>	<u>5</u>	<u>5,527,488</u>	<u>5</u>
Non-operating income					
7110		38,670	-	11,859	-
7121	IV(VI)	1,173,243	1	861,330	1
7122		112,649	-	42,558	-
7140		111,141	-	244,941	-
7210	V	73,788	-	72,467	-
7480	V	776,456	1	698,551	1
7100		<u>2,285,947</u>	<u>2</u>	<u>1,931,706</u>	<u>2</u>
Non-operating expenses					
7510		(32,084)	-	(34,005)	-
7530		(42,747)	-	(15,039)	-
7630	IV(V)(VIII)	(777,209)	(1)	(729,928)	(1)
7880		(78,382)	-	(51,286)	-
7500		<u>(930,422)</u>	<u>(1)</u>	<u>(830,258)</u>	<u>(1)</u>
7900		7,430,465	6	6,628,936	6
8110	IV(XV)	(1,078,055)	(1)	(903,179)	(1)
9600		<u>\$ 6,352,410</u>	<u>5</u>	<u>\$ 5,725,757</u>	<u>5</u>
		(pre-tax)	(after tax)	(pre-tax)	(after tax)
Earnings per share					
Basic earnings per share					
9750	IV(XVIII)	<u>\$ 7.15</u>	<u>\$ 6.11</u>	<u>\$ 6.38</u>	<u>\$ 5.51</u>
Diluted earnings per share					
9850		<u>\$ 7.13</u>	<u>\$ 6.10</u>	<u>\$ 6.36</u>	<u>\$ 5.50</u>

Please refer to the notes to financial statements and the audit report dated March 23, 2012 by CPA Chen Mei-Tzu and Tseng Hui-Chin of PRICEWATERHOUSECOOPERS

Chairman: Kao Chin-Yen

President: Hsu Chun-Jen

Chief Accountant: Lai Hsin-Ti

President Chain Store Corp.
Statement of Cash Flows
January 1~December 31, 2011 and 2010

Currency unit: NT\$1,000

	2011	2010
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Net Income:	\$ 6,352,410	\$ 5,725,757
Adjustments to reconcile net income to net cash provided by operating activities		
Loss on valuation of financial asset	250	445
Uncollectible account	23,013	6,029
Depreciation	1,923,839	1,748,365
Accumulated depreciation – assets leased to other	14,161	14,167
Amortization	125,190	142,340
Gain on disposal of financial assets measured at cost	(80,115)	(227,045)
Financial assets measured at cost - impairment losses	722,520	729,928
Cash dividend from Long-term investments (Equity method)	1,083,509	628,245
Net investment gain recognized under the equity method	(1,173,243)	(861,330)
Gain on disposal of long-term equity investments under the equity method	(1,275)	-
Net loss from the disposal of fixed assets	42,747	15,039
Impairment loss of fixed assets	54,689	-
Changes in assets and liabilities:		
Financial assets at fair value through income statement	2,710,000	(1,800,000)
Accounts receivable	(65,946)	(116,356)
Other receivables	(187,134)	(204,051)
Inventories	(727,126)	14,299
Prepayments	14,485	20,794
Deferred income tax assets (current)	(29,133)	(614)
Other current assets	167,362	(6,100)
Notes payable	781,376	(134,736)
Accounts payable	1,133,321	(234,096)
Income tax payable	(188,035)	782,097
Accrued expenses	339,487	511,873
Other accounts payable	1,647,882	465,632
Unearned receipts	349,917	235,765
Accrued pension liabilities	25,785	(426)
Other liabilities	7,077	8,748
Net cash provided by operating activities	15,067,013	7,464,769

(To be continued)

President Chain Store Corp.
Statement of Cash Flows
January 1~December 31, 2011 and 2010

Currency unit: NT\$1,000

	2011	2010
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Proceeds refunded for the invested company's de-capitalization valued at cost	\$ 33,333	\$ -
Proceeds from disposal of financial assets carried at cost	270,000	252,853
Acquisition of long-term investments under equity method	(454,738)	(893,111)
Proceeds from capital reduction of long-term investment under equity method	-	223,441
Proceeds from liquidation of long-term investment under equity method	34,221	7,355
Disposition of long-term investments under equity method	5,024	-
Purchase of fixed assets	(2,895,484)	(1,845,114)
Proceeds from disposal of fixed assets	22,203	33,647
Purchase of computer software	(174,629)	(28,647)
Increase in refundable deposits	(39,344)	(21,237)
Increase in other assets- other	-	4,959
Net cash used by investing activities	(3,199,414)	(2,265,854)
<u>Cash flows from financing activities:</u>		
Increase in long-term liabilities	16,000,000	22,300,000
Repayment of long-term borrowings	(17,600,000)	(24,400,000)
Cash dividend distributed	(5,094,149)	(3,742,640)
Increase(decrease) in guarantee deposits received	11,564	(33,767)
Net cash outflow from financing activities	(6,682,585)	(5,876,407)
Cash and cash equivalence increase (decrease)	5,185,014	(677,492)
Beginning balance of cash and cash equivalents	4,626,008	5,303,500
Ended balance of cash and cash equivalents	\$ 9,811,022	\$ 4,626,008
<u>Supplement disclosures of cash flow information</u>		
Interest paid	\$ 8,540	\$ 11,560
Income tax paid	\$ 1,295,223	\$ 121,696
<u>Investing activities of partial payment on cash:</u>		
Total payment for purchase of fixed assets	\$ 2,835,376	\$ 1,964,265
Add: beginning balance of accounts payable on equipment	551,997	432,846
Less: ended balance of accounts payable on equipment	(491,889)	(551,997)
Cash purchase of property, plant and equipment	\$ 2,895,484	\$ 1,845,114

Please refer to the notes to financial statements and the audit report dated March 23, 2012 by CPA Chen Mei-Tzu and Tseng Hui-Chin of PRICEWATERHOUSECOOPERS

Chairman: Kao Chin-Yen

President: Hsu Chun-Jen

Chief Accountant: Lai Hsin-Ti

President Chain Store Corp.
Notes to Financial Statements
December 31, 2011 and 2010

Currency unit: NT\$1,000
(Except otherwise specified)

I. Company History

- (I) President Chain Store Corporation (hereinafter referred to as “the Company”) was incorporated on June 10, 1987 for the investment and operation of chain convenient stores; also, retailing and trade of household sundries including canned foods, books, newspaper, and magazines; also, the import/export, agent, distribution, and trade of the aforementioned products. In August 1997, the Taiwan Stock Exchange Corporation approved the company to list its stocks for trading on the Taiwan Stock Exchange.
- (II) Uni-President Enterprises Corp. is the parent company and ultimate parent company of the Company.
- (III) There were 8,500 employees (including part-time) on the payroll of the Company on December 31, 2011.

II. Notes to principal accounting policy

The financial statements were prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and accounting principles generally accepted in the Republic of China. The major accounting policies are enumerated as follows:

(I) Current and noncurrent assets and liabilities

- 1. Assets that qualify any of the following are classified as current assets; assets other than current assets are classified as noncurrent assets:
 - (1) Assets for business operation that are to be cashed in, consumed, or for sale throughout the business cycle;
 - (2) Assets held for the purpose of trade;
 - (3) Assets that are to be cashed in twelve months after the Balance Sheet date;
 - (4) Cash and cash equivalent, except for the cash and cash equivalent used for exchange and debt liquidation or restrictive cash and cash equivalent for over twelve months after the Balance Sheet date;
- 2. Liabilities that qualify any of the following are classified as current liabilities; liabilities other than current liabilities are classified as noncurrent liabilities:
 - (1) Liabilities from business operation that are to be liquidated in the business cycle;
 - (2) Liabilities held for the purpose of trade;
 - (3) Liabilities that are to be liquidated in twelve months after the Balance Sheet date;
 - (4) Liabilities that cannot be postponed unconditionally for over twelve months after the Balance Sheet date;

(II) Cash equivalence

Cash equivalents are short-term investments with high liquidity that conform with the following:

- 1. It can be converted to a rated amount of cash at any time.
- 2. It will be due soon and the fluctuation of interest rate has little effect on the value.

The Statement of Cash Flow of President Chain Store Corp. is prepared on the basis of cash and cash equivalents.

(III) Foreign currency exchanges

- 1. Foreign currency transactions are booked according to the spot exchange rate and the difference with actual payment shall be recognized as current profit and loss.
- 2. The balances of foreign currency assets or liabilities at the end of the accounting period shall be adjusted on the basis of the spot exchange rate as of the balance sheet

day. Differences resulting from the exchange are recognized as current gains or losses. Differences resulting from the exchange between the Company and foreign investees through advances for payment shall be recognized as adjustments to shareholders' equity.

3. The foreign non-monetary assets or liabilities that are valued at the fair value and with the fluctuation booked in Income Statement are adjusted at yearend according to the spot exchange rate on the Balance Sheet date and with the difference of exchange from the adjustment debited or credited to Income Statement. The foreign non-monetary assets or liabilities that are valued at the fair value and with the fluctuation debited or credited to Shareholder's Equity are adjusted at yearend according to the spot exchange rate on the Balance Sheet date and with the difference of exchange from the adjustment debited or credited to Shareholder's Equity. The foreign non-monetary assets or liabilities that are not valued at the fair value are valued according to the historical exchange rate on the transaction date.

(IV) Financial assets at fair value through income statement

1. The accounting for equity is based on the transaction date; the accounting for beneficiary certificate is based on the delivery date. Financial instrument is valued at the fair value for preliminary recognition.
2. Financial assets at fair value through income statement shall be estimated on the basis of fair value and in which changes are recognized as gains or losses. The fair value of the open-type fund is the net asset value of the fund on the Balance Sheet date.

(V) Financial assets in available-for-sale

1. The accounting for equity investment is based on the transaction date. Financial instrument is valued at the fair value for preliminary recognition including transaction cost for acquisition or issuance.
2. Financial assets in available-for-sale are estimated on the basis of fair value. Any change in the value is recognized as adjustments to shareholders' equity. Accumulated interest or loss is recognized while the financial assets are written off from the book. The fair value of stocks with public quotations in centralized markets is their respective price at close of the open market as of the balance sheet day.
3. Recognize as impairment loss with incriminating evidence. Should there be decrease in the amount of subsequent impairment, recognize as adjustments to shareholders' equity for the decrease in impairment of equity items.

(VI) Financial assets at cost

1. The accounting for the financial instrument valued at the cost is based on the transaction date. Financial instrument is valued at the fair value for preliminary recognition including transaction cost for acquisition or issuance.
2. Recognize as impairment loss with incriminating evidence. The amount of impairment loss cannot be reversed.

(VII) Accounts receivable

1. Notes and accounts receivable were the claims occurred from the sales of goods. Other receivables are receivables other than notes and account receivables. Notes and accounts receivable and other receivables are initially recognized at fair value.
2. The Company at the balance sheet date assesses whether there is objective evidence indicating the major individual financial asset with impairment and the minor individual financial assets with impairment individually or jointly. Recognize a impairment loss with supporting evidence. The amount of impairment is the difference between the book value of financial assets and the present value of the estimated future cash flow discounted at the original effective interest rate. If the amount of impairment decreased during the subsequent periods and the decrease significantly

related to an event occurring after recognizing impairment loss, the previously recognized impairment of the financial assets amount should be reversed. The reversal should not cause the book value of financial assets greater than the cost after amortization but before recognizing impairment. The impairment amount reversed is recognized as current profit or loss.

(VIII) Inventories

Bookkeeping of inventories is made on the basis on the actual cost and costing is made on the basis of the retailing method.

(IX) Long-term investments (Equity method)

1. The Company adopts the equity method in the accounting of investees where the Company holds more than 20% of their voting shares or where the Company has significant influence. Starting from the year of 2006 (inclusive), the difference between the investment cost and net equity in the case of investment costs exceeding the fair value of identifiable net assets is recognized as goodwill. An impairment test on the goodwill is performed annually. The amortization of prior years is not retroactively adjusted. Investees where the Company holds more than 50% of the voting shares or is in a dominant position shall be accounted for under the equity method and their quarter financial statements shall be consolidated with the Company. The unrealized profits and losses from the transactions conducted with the invested company are written off.
2. The investment loss of the invested company that is valued with Equity Method and is influential but not wholly owned is recognized to have the book value of the investment and advances of the invested company reduced to zero. However, if President Chain Store Corp. has an endorsement and guarantee made for the invested company or has intention to support the invested company continuously, investment loss is to be recognized proportionally to shareholdings. If the Company is with control over the invested company, unless the other shareholders of the invested company are obliged and able to contribute additional funds and bear the loss, fully absorb the amount of loss exceeding the original equity of the invested company's shareholders. If the invested company has been profitable thereafter, the interest should be vested to the Company first until the full recovery of the additional loss that was originally absorbed.
3. If the offshore investment is valued according to the Equity Method, the "cumulative adjustment" from the conversion of the invested company's financial statements is debited or credited to Shareholder's Equity.

(X) Fixed assets

1. Fixed assets are booked at cost except for those items with reassessment arranged. The interest of the expense occurred in preparing the fixed assets for use is capitalized.
2. Depreciation of fixed assets is computed using the straight-line method over the estimated service lives based on the nature of assets. Useful lives for fixed assets range from 3 to 10 years, except for buildings and constructions from 50 to 55 years.
3. Repairs and maintenance expense for the benefit of future periods is capitalized and depreciated. Routine repair and maintenance is expensed upon occurrence.
4. For the lease of the assets sold, the deferred gain/loss from the assets sold is booked in the account of "Unrealized gain/loss from the lease of the assets sold" and it is to be amortized in future according to the lease agreement. If the fair value of the lease assets is less than the book value at the time of sales, the gains or losses thereof shall be recognized as current gains or losses.

(XI) Intangible assets

Computer software is booked at the cost. It is amortized according to the estimated useful

years for 3 years and Straight Line Method.

(XII) Impairment of non-financial assets

1. The Company has the collectability of the assets with a sign of impairment loss assessed on the Balance Sheet date. If the collectable amount is less than the book value of the assets, impairment loss must be recognized. The collectable amount is the net fair value or the useful value of the asset whichever is higher. Once the condition for the recognized impairment loss disappears, the recognized loss amount is reversed within the scope of the impairment loss recognized previously.
2. The collectability of goodwill, intangible with uncertain useful years, and intangible not yet ready for use must be assessed periodically. An impairment loss should be recognized while the collectible value is less than the book value of the assets. Recognized impairment of goodwill shall not be reversed.

(XIII) Pension plan

1. For Defined Benefit Pension Plan, net pension cost is recognized according to the actuary. Net pension cost includes service cost of the year, interest cost, expected return on fund assets, and unrecognized transactional net payment obligations and pension loss amortization. Unrecognized transitional net payment obligations are amortized for a period of 15 years.
2. Defined Contribution Pension Plan, accrual pension amount are recognized as pension cost of the year.

(XIV) Income Tax

1. The accounting process of income tax includes the amortization in the same year and different years. The overestimated and underestimated income tax in prior periods are debited or credited to the income tax expenses in current period. Compute deferred income tax liability or assets in accordance with the newly announced tax law or amendment. The effect of deferred income tax liability and assets is recognized as the income expense (income) of the continuing department in the year.
2. The additional 10% business profit tax levied on the retained earnings-unappropriated is credited as an expense once the distribution of retained earnings is resolved in Shareholder's Meeting.

(XV) Employee bonus and remuneration to directors and supervisors

President Chain Store Corporation has adopted, Effective on January 1, 2008, the principles under Accounting Research and Development Foundation in Taiwan (96) Kee.mi.tzi No. 052 Letter dated March 16, 2007 "Accounting Process for Employee Bonus and Remuneration to Directors and Supervisors" to have the expected cost of bonus to employees and remuneration to directors and supervisors recognized as an expense and liability according to the law or obligation of assumption once the amount of cost can be reasonably estimated. The amount of difference between the actual distribution authorized by the shareholder's meeting and the estimated distribution is booked in the Income Statement in the following year. The Company has based on the fair share value (closing price) on the day before the shareholder's meeting in the following year of the financial statements and the ex-right and ex-dividend amount to count stock dividend in accordance with Accounting Research & Development Foundation (97) Kee.mi.tzi No. 127 Letter "Stock Dividend to the Employees of the Listed/OTC Companies" dated March 31, 2008.

(XVI) Income cost

Revenue shall be recognized in the process of gaining profits and recognized as realized or to be realized. Related costs are recognized with corresponding items of revenue. Expenses are stated for the current period if mean-end consequence is established.

(XVII) Delivery day accounting

For the application of delivery day accounting, if the change in fair value between the

transaction day and delivery day/balance sheet date is measured in accordance with the cost or cost net of amortization, the change in fair value will not be recognized. If it is valued in accordance with the fair value and is debited or credited to Income Statement, the change in fair value is booked as income or expense of the year. If the change in fair value is available-for-sale, it is debited or credited to shareholder's equity.

(XVIII) Operating segment

The information of the Company's operating segment and the internal management report provided to the operational decision-maker are reported in a consistent manner. The operational decision-maker is responsible for allocating resources to the operating segment and to assess its performance.

The Company has departmental information disclosed in the consolidated financial statements rather than in individual financial statements in accordance with Financial Accounting Standards No. 41 "Accounting for Operating Segment Information Disclosures."

(XIX) Accounting estimations

The Company prepared its financial statements in accordance with generally accepted accounting principles in the Republic of China, and has made the necessary estimation, assessment and disclosures on the amount stated or contingencies, including certain assumptions and estimations. The actual results may vary from the assumptions and estimations.

III. Reasons and effect of change in accounting principle

(I) Accounts receivable, Other receivables

The Company has adopted the newly amended Financial Accounting Standards No. 34 "Accounting for Financial Instruments: Recognition and Measurement" since January 1, 2011, to have the claims of notes and accounts receivable and other receivables that are with objective evidence of impairment recognized as impairment loss (bad debts). The change in accounting principle did not affect the net income and earnings per share of the Company in 2011.

(II) Operating segment

The Company has adopted the newly published Financial Accounting Standards No. 41 "Accounting for Operating Segment Information Disclosures" since January 1, 2011 to replace the primary Financial Accounting Standards No. 20 "Accounting for Segment Information Disclosures." The Company for the first time, when applicable, has the departmental information of prior year restated in accordance with the Standards. The change in accounting principle did not affect the net income and earnings per share of the Company on December 31, 2011 and 2010

IV. Notes to major account titles

(I) Cash and cash equivalence

	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Petty Cash for stores	\$ 1,762,049	\$ 486,230
Current account deposits and checking account deposits	2,831,992	1,708,516
Deposit account	1,316,838	320,973
Cash equivalence		
Short term bills	<u>3,900,143</u>	<u>2,110,289</u>
	<u>\$ 9,811,022</u>	<u>\$ 4,626,008</u>

(II) Financial assets-current-whose changes in fair value are recognized in earnings

	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Financial assets held for trading		
Open-ended funds	\$ 6,350,000	\$ 9,060,000
Valuation Adjustment	<u>-</u>	<u>250</u>
	<u>\$ 6,350,000</u>	<u>\$ 9,060,250</u>

The Company had recognized net income of \$29,502 and \$17,447 on December 31, 2011 and 2010, respectively.

(III)Inventories

	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Merchandise	<u>\$ 3,658,771</u>	<u>\$ 2,931,645</u>

Inventory expenses and loss recognized in the year:

	<u>2011</u>	<u>2010</u>
Cost of goods sold	\$ 82,973,904	\$ 77,335,963
Defective products	1,243,472	1,192,320
Others	<u>220,040</u>	<u>212,999</u>
	<u>\$ 84,437,416</u>	<u>\$ 78,741,282</u>

(IV)Financial assets in available-for-sale — non current

	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Listed company's stock	\$ 1,213,867	\$ 1,213,867
Valuation Adjustment	<u>(315,624)</u>	<u>320,065</u>
	<u>\$ 898,243</u>	<u>\$ 1,533,932</u>

(V)Financial assets at cost noncurrent — noncurrent

	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Stocks with no public quotation	\$ 10,194,920	\$ 10,547,687
Accumulated impairment	<u>(2,527,639)</u>	<u>(1,934,667)</u>
Total	<u>\$ 7,667,281</u>	<u>\$ 8,613,020</u>

1. The holding of the Company is booked at the cost since there is no public quotation available and no reliable fair value for reference.
2. Some of the financial assets carried at the cost of the Company and its subsidiaries are with impairment loss occurred and without possibility of recovery; therefore, impairment losses of \$722,520 and NT\$729,928 were recognized in 2011 and 2010, respectively.

(VI) Long-term investments (Equity method)

<u>Investees</u>	<u>December 31, 2011</u>		<u>December 31, 2010</u>	
	<u>Amount</u>	Proportion of <u>shareholding</u>	<u>Amount</u>	Proportion of <u>shareholding</u>
President Chain Store (BVI) Holdings Ltd.	\$ 2,782,507	100.00	\$ 2,081,638	100.00
PCSC (China) Limited	-	-	1,001,117	100.00
President Drugstore Business Corp.	825,948	100.00	754,736	100.00
President Transnet Corp.	793,006	70.00	616,148	70.00
Mech-President Corp.	679,289	80.87	637,478	80.87
President Development Corp.	607,466	20.00	596,175	20.00
Uni-President Department Store Corp.	600,740	70.00	696,547	70.00
President Pharmaceutical Corp.	585,963	73.74	472,631	73.74
President Musashino Corp.	556,407	90.00	544,180	90.00
President Information Corp.	463,855	86.00	216,128	56.00
Uni-President Cold-Chain Corp.	456,790	60.00	434,374	60.00
Q-ware Systems & Services Corp.	320,742	86.76	298,693	86.76
Muji (Taiwan) Co., Ltd.	270,321	51.00	128,704	41.00
President Coffee Corp.	263,122	30.00	224,497	30.00
Wisdom Distribution Service Corp.	258,313	100.00	250,753	100.00
Books.com. Co., Ltd.	231,464	50.03	205,494	50.03
President YiLan Art and Culture Corp.	221,442	100.00	216,810	100.00
Retail Support International Corp.	152,442	25.00	141,240	25.00
Cold Stone Creamery Taiwan Ltd.	145,585	100.00	124,512	100.00
Duskin Serve Taiwan Co.	143,270	51.00	133,768	51.00
Ren-Hui Investment Corp.	136,750	100.00	360,280	100.00
Bank Pro E-Service Technology Co., Ltd.	109,554	53.33	111,906	53.33
Capital Inventory Services Corp., etc.	<u>465,254</u>	30.00~ 100.00	<u>355,258</u>	30.00~ 100.00
	<u>\$ 11,070,230</u>		<u>\$ 10,603,067</u>	

1. The Company had recognized long-term equity investment income with the equity method for an amount of \$1,173,243 and \$861,330 in 2011 and 2010, respectively.
2. The Company has the organizational structure adjusted in 2011 with the equity of the subsidiary in China of PCSC (China) Limited transferred to the subsidiary, President Chain Store (Hong Kong) Holdings Limited, of President Chain Store (BVI) Holdings Ltd. and with PCSC (China) Limited liquidated.

(VII) Fixed assets

	December 31, 2011			Accumulated depreciation	Accumulated impairment	Book value
	Initial cost	Revaluation increments	Total			
Land	\$ 1,432,614	\$ -	\$ 1,432,614	\$ -	\$ -	\$1,432,614
Building	906,835	55,374	962,209	(215,019)	-	747,190
Operating equipment	12,288,978	-	12,288,978	(8,491,224)	(54,689)	3,743,065
Lease improvement	6,378,052	-	6,378,052	(3,760,084)	-	2,617,968
Other equipment	<u>7,083</u>	<u>-</u>	<u>7,083</u>	<u>(7,083)</u>	<u>-</u>	<u>-</u>
	<u>\$21,013,562</u>	<u>\$ 55,374</u>	<u>\$21,068,936</u>	<u>(\$12,473,410)</u>	<u>(\$ 54,689)</u>	<u>\$8,540,837</u>

	December 31, 2010			Accumulated depreciation	Accumulated impairment	Book value
	Initial cost	Revaluation increments	Total			
Land	\$ 1,432,614	\$ -	\$ 1,432,614	\$ -	\$ -	\$1,432,614
Building	906,835	55,374	962,209	(195,152)	-	767,057
Operating equipment	11,844,551	-	11,844,551	(8,236,817)	-	3,607,734
Lease improvement	5,589,022	-	5,589,022	(3,631,709)	-	1,957,313
Other equipment	<u>9,660</u>	<u>-</u>	<u>9,660</u>	<u>(9,569)</u>	<u>-</u>	<u>91</u>
	<u>\$19,782,682</u>	<u>\$ 55,374</u>	<u>\$18,405,442</u>	<u>(\$12,073,247)</u>	<u>\$ -</u>	<u>\$7,764,809</u>

(VIII) Impairment loss of non-financial assets

The Company had recognized non-financial assets impairment loss in 2011 and 2010 as follows:

	2011		2010	
	Amount debit/credit to Income Statement	Amount debit/credit to shareholder's equity	Amount debit/credit to Income Statement	Amount debit/credit to shareholder's equity
Impairment loss – Financial assets measured at cost	\$ 722,520	\$ -	\$ 729,928	\$ -
Impairment loss – fixed assets	<u>54,689</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 777,209</u>	<u>\$ -</u>	<u>\$ 729,928</u>	<u>\$ -</u>

(IX) Assets leased to others

	December 31, 2011		
	Initial cost	Accumulated depreciation	Book value
Land	\$ 915,084	\$ -	\$ 915,084
Building	<u>424,092</u>	<u>(90,775)</u>	<u>333,316</u>
	<u>\$ 1,339,176</u>	<u>(\$ 90,775)</u>	<u>\$ 1,248,400</u>

	December 31, 2010		
	Initial cost	Accumulated depreciation	Book value
Land	\$ 915,084	\$ -	\$ 915,084
Building	424,091	(76,614)	347,477
	<u>\$ 1,339,175</u>	<u>(\$ 76,614)</u>	<u>\$ 1,262,561</u>

(X) Accrued expenses

	December 31, 2011	December 31, 2010
Payable salaries and bonuses	\$ 1,220,739	\$ 1,122,143
Payable incentives for franchisee	488,576	502,210
Bonus payable to employees and remuneration payable to directors and supervisors	395,868	361,049
Payable fees for system development and maintenance	262,656	117,857
Others	508,456	433,549
	<u>\$ 2,876,295</u>	<u>\$ 2,536,808</u>

(XI) Other accounts payable

	December 31, 2011	December 31, 2010
Bill collection	\$ 6,789,515	\$ 5,336,688
Payable for acquisition of fixed assets	491,889	551,997
Others	829,854	634,799
	<u>\$ 8,111,258</u>	<u>\$ 6,523,484</u>

(XII) Unearned receipts

	December 31, 2011	December 31, 2010
Gift certificates	\$ 1,062,438	\$ 917,181
I-Cash cards	715,080	758,609
Collections of merchandise cards	207,198	59,269
Others	147,583	47,323
	<u>\$ 2,132,299</u>	<u>\$ 1,782,382</u>

(XIII) Long-term debt payable

	December 31, 2011	December 31, 2010
Credit loan	<u>\$ 3,400,000</u>	<u>\$ 5,000,000</u>
Annual Interest rate	<u>0.90%~1%</u>	<u>0.67%~0.69%</u>

The credit loan of the company from First Bank is for a period of 2~3 years; also, the company may have the credit loan applied cyclically within the scope of the total loan amount.

(XIV) Pension Plan

1. The Company has a defined benefit pension plan made according to the "Labor

Standard Law” for employees with seniority prior to the enforcement of “The Labor Pension Act” on July 1, 2005 and for employees who have chosen to have their seniority accumulated according to the “Labor standard Law” continuously after the enforcement of “The Labor Pension Act”. Pension payment for each employee who has qualified for retirement is based on the average salary of six months prior to the retirement. Each service year within fifteen years is granted with two pension points and then one pension point for each service year thereafter is granted and with maximum 45 pension points available for each employee. The Company has pension reserve appropriated monthly for an amount equivalent to 8.3%~8.9% of monthly salary and the pension reserve is deposited in the bank account of Pension Reserve Committee with the Trust Department of the Bank of Taiwan.

The Company’s pension based on the actuarial report:

(1) Net pension cost:

	2011	2010
Service cost	\$ 40,863	\$ 49,276
Interest cost	41,768	47,669
Expected return on fund assets	(16,318)	(17,898)
Amortization:		
Unrecognized transitional net assets	-	(4,967)
Unrecognized pension loss	64,779	61,524
Net pension cost	<u>\$ 131,092</u>	<u>\$ 135,604</u>

(2) Statement of pension appropriation:

	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Payment obligations:		
Vested payment obligations	(\$ 338,886)	(\$ 238,803)
Non-vested payment obligations	(1,214,611)	(1,087,416)
Accumulated payment obligations	(1,553,497)	(1,326,219)
Future salary increase effect	(1,141,389)	(1,060,507)
Estimated payment obligations	(2,694,886)	(2,386,726)
Fair value of pension fund assets	<u>1,079,254</u>	<u>932,459</u>
Appropriation	(1,615,632)	(1,454,267)
Unrecognized pension loss	1,252,519	1,080,798
Accrued pension liabilities	(111,130)	(20,291)
Accrued pension liabilities	<u>(\$ 474,243)</u>	<u>(\$ 393,760)</u>
Vested payment	<u>\$ 396,193</u>	<u>\$ 239,927</u>

(3) Pension actuarial assumptions:

	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Discount rate	1.90%	1.75%
Future salary increase rate	4.00%	4.00%
Expected long-term return on investment of fund assets	1.90%	1.75%

2. The Company has defined contribution plan made for domestic employees according to “The Labor Pension Act” on July 1, 2005. The company shall contribute the amount equivalent to 6% of the monthly salary of respective native employees to the individual pension accounts of the employees at Labor Insurance Bureau in accordance with the “Labor Pension Act.” Retired employees may claim for pension disbursement in accordance with the status of their individual accounts and the cumulative contribution in the account through monthly payment or in lump sum. The Company had recognized pension cost of an amount of \$150,763 and \$123,464 in 2011 and 2010, respectively, in accordance with the defined contribution pension plan.

(XV) Income Tax

1. Income tax and Income tax payable:

	2011	2010
Income tax payable	\$ 604,528	\$ 792,563
Net changes of deferred income tax assets	(29,133)	(1,354)
Changes in net deferred income tax assets resulted from temporary difference	-	740
Overestimated income tax in prior periods	(28,148)	(7,952)
Income tax for Taxed Separately	-	14
Prepaid income tax	<u>530,808</u>	<u>119,168</u>
Income Tax expenses	<u>\$ 1,078,055</u>	<u>\$ 903,179</u>
Income Tax expenses:		
Income Tax expenses in current period	\$ 1,071,686	\$ 903,179
Additional 10% income tax expense levied on the retained earnings-unappropriated	<u>6,369</u>	<u>-</u>
Income Tax expenses	<u>\$ 1,078,055</u>	<u>\$ 903,179</u>

2. Deferred income tax assets :

	<u>December 31, 2011</u>		<u>December 31, 2010</u>	
	<u>Amount</u>	<u>Effect of income tax</u>	<u>Amount</u>	<u>Effect of income tax</u>
Current items (booked in the account of other current assets-others)				
Temporary difference				
Unrealized sales discount	\$ 118,471	\$ 20,140	\$ 55,925	\$ 9,507
Bad debts	23,569	4,007	2,703	460
Employee fringe benefits	4,978	<u>846</u>	7,468	<u>1,270</u>
		<u>\$ 24,993</u>		<u>\$ 11,237</u>
Noncurrent items (booked in the account of other assets-others)				
Temporary difference				
Losses from overseas investments	\$1,124,219	\$ 191,117	\$ 747,155	\$127,016
Impairment loss of fixed assets	54,689	9,297	-	-
Unrealized expense	46,787	7,954	-	-
Unrealized gain on financial instrument	(52,455)	<u>(8,917)</u>	-	<u>-</u>

	199,451	127,016
Less: allowance for reevaluation losses	(191,117)	(127,016)
	<u>\$ 8,334</u>	<u>\$ -</u>

3. Tax Administration had the Company's business profit tax return audited up to 2009.

4. The Company's investment credit resulted in accordance with Industrial Upgrade Act:

Deductible items	Total deductible amount	Unconsumed deductible balance	Last credit year
Investment in territories of poor resources or slow development	\$ 38,339	-	-

5. Unappropriated retained earnings before and after the enforcement of the Two-in-one tax system:

	<u>December 31, 2011</u>	<u>December 31, 2010</u>
1997 and before	\$ 26,823	\$ 26,823
1998 and after	<u>6,416,424</u>	<u>5,726,078</u>
Total	<u>\$ 6,443,247</u>	<u>\$ 5,752,901</u>

6. Two-in-one tax

	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Balance of shareholders deduction account	<u>\$ 551,501</u>	<u>\$ 132,244</u>
	<u>2011 (estimated)</u>	<u>2010 (actual)</u>
Tax credit rate of retained earnings distributed	<u>8.6%</u>	<u>20.45%</u>

The estimated tax credit in 2011 was based on the shareholder's tax credit account balance on December 31, 2011. The Company's tax credit available to shareholders is computed in accordance with shareholder's tax credit account balance on the dividend and bonus distribution day; therefore, the tax credit ratio for the retained earnings distributed to shareholders in 1998 and thereafter was net of the potential tax credit prior to the dividend and/or earnings distribution date in accordance with Income Tax Law.

(XVI)Capital Stock

The Company's authorized capital stock as of December 31, 2011 and 2010 amounted to \$10,500,000, respectively, representing 1,050,000,000 shares at NT\$10 par value each. The shares issued and outstanding were 1,039,622,255 shares.

(XVII)Retained earnings

1. According to the Company's original Articles of Association, appropriates 10% of the annual earnings after paying all the taxes and losses as legal reserve. Also, appropriates special surplus for an amount equivalent to the amount debited to shareholders' equity of the year. The reversal of the amount debited to shareholders' equity in the subsequent years shall be transferred to the annual earnings of the year for distribution. The board of directors is to propose a plan for the distribution of the accumulated distributable

earnings including the earnings of the year and the unappropriated retained earnings in the shareholders' meeting for a resolution. The distribution of the Company's accumulated distributable earnings is resolved in the shareholder's meeting as follows: Remunerations to directors and supervisors is for 1% of the annual earnings, bonuses to employees shall not be less than 0.2% of the annual earnings, shareholders' dividends and bonuses is for 80%~100% of the accumulated distributable earnings after paying remunerations to directors and supervisors and bonuses to employees, in which, 50%~100% is paid with cash dividend and the remaining amount is unappropriated earnings.

A resolution was reached in the shareholder's meeting on June 22, 2011 having the Company's Articles of Association modified with the remunerations to directors and supervisors increased from 1 % of the annual earnings to 2% of the annual earnings.

2. Legal surplus is used only for offsetting losses and distributing stock dividend or cash prorated to shareholdings, provided that the distributed stock dividend and cash is limited to 25% of the amount the legal surplus exceeding the paid-in capital.
3. In accordance with applicable laws and regulations, a special reserve must be made from after-tax earnings in the current year equivalent to the debit balance of any account shown in shareholders' equity. The special reserve may be appropriated to the extent that the net debit balance is reversed upon approval of shareholders' meeting.
4. The Company's distribution of earnings in 2010 and 2009 was resolved in the shareholder's meeting on June 22, 2011 and June 15, 2010, respectively, as follows:

	<u>2010</u>	EPS	<u>2009</u>	EPS
	Amount	(NT\$)	Amount	(NT\$)
Legal reserve	\$ 572,575		\$ 405,913	
Special reserve (Reverse)	(4,660)		4,660	
Cash dividends	5,094,149	\$ 4.90	3,742,640	\$ 3.60
Cash bonus to employees	309,471		218,913	
Remuneration to directors and supervisors	<u>51,578</u>		<u>36,486</u>	
Total	<u>\$ 6,023,113</u>		<u>\$ 4,408,612</u>	

The Company's distribution of earnings in 2010 was in conformity with the distribution proposal resolved by the Board of Directors on March 18, 2011. In which, the exact amount of the bonuses to employees and the remunerations to directors and supervisors resolved in the shareholder's meeting was deducted in the 2010 Income Statement.

5. The Board of Directors proposed the distribution of 2011 earnings on March 21, 2012 as follows:

	<u>2011</u>	EPS
	Amount	(NT\$)
Legal reserve	\$ 635,241	
Special reserve	768,822	
Cash dividends	4,990,187	\$ 4.8
Cash bonus to employees	296,901	
Remuneration to directors and supervisors	<u>98,967</u>	
	<u>\$ 6,790,118</u>	

The 2011 annual earnings distribution proposal referred to above had not yet been resolved in the Shareholders Meeting on March 23, 2012.

6. The Company's bonuses to employee and remunerations to directors and supervisors was estimated to be \$296,901 and \$98,967 in 2011, respectively, which was based on the percentage (6% and 2% respectively) of the 2011 net income as defined in the Articles of Association after considering the factor of legal reserve and Special reserve. Please visit the "Market Observation Post System" for the bonus to employees and remuneration to directors and supervisors authorized by the Board of Directors and resolved in shareholder's meeting.

(XVIII) Earnings per share

	2011			EPS	
	Amount		Weighted average outstanding shares	(Unit: NT\$)	
	(pre-tax)	(after tax)		(pre-tax)	(after tax)
Basic earnings per share					
Earnings for shareholders of common stock	\$ 7,430,465	\$ 6,352,410	1,039,622,255	<u>\$7.15</u>	<u>\$6.11</u>
Impact of common stock with potential dilution on employee's bonus	<u>-</u>	<u>-</u>	<u>1,854,471</u>		
Diluted earnings per share	<u>\$ 7,430,465</u>	<u>\$ 6,352,410</u>	<u>1,041,476,726</u>	<u>\$7.13</u>	<u>\$6.10</u>

	2010			(Unit: NT\$)	
	Amount		Weighted average outstanding shares	(after tax)	
	(pre-tax)	(after tax)		(pre-tax)	(after tax)
Basic earnings per share					
Earnings for shareholders of common stock	\$ 6,628,936	\$ 5,725,757	1,039,622,255	<u>\$6.38</u>	<u>\$5.51</u>
Impact of common stock with potential dilution on employee's bonus	<u>-</u>	<u>-</u>	<u>2,364,175</u>		
Diluted earnings per share	<u>\$ 6,628,936</u>	<u>\$ 5,725,757</u>	<u>1,041,986,430</u>	<u>\$6.36</u>	<u>\$5.50</u>

The option for stock dividend has been made available as a bonus to employees; therefore, bonus to employees is paid with stock dividend for the computation of earnings per share. The diluted earnings per share are computed in accordance with the common stock with potential dilution on employee's bonus and the weighted average outstanding stock shares. The basic earnings per share are computed in accordance with the common stock shares available for distribution in prior year resolved in the shareholder's meeting included in the weighted average outstanding stock shares.

(XIX) Human resources spending, depreciation, depletion and amortization

The employment, depreciation, depletion, and amortization expense of the Company is classified as operating expenses as follows:

	<u>2011</u>	<u>2010</u>
Human resources expenses		
Salaries	\$ 4,421,004	\$ 4,090,073
Labor and health insurance	321,414	267,403
Pension fund	322,045	264,577
Other human resources expenses	<u>321,964</u>	<u>305,002</u>
	<u>\$ 5,386,427</u>	<u>\$ 4,927,055</u>
Depreciation	<u>\$ 1,923,839</u>	<u>\$ 1,748,365</u>
Depletions	<u>\$ -</u>	<u>\$ -</u>
Amortizations	<u>\$ 125,190</u>	<u>\$ 142,340</u>

V. Related Party Transactions

(I) Names of related parties and their relationship with the company

<u>Name of related parties</u>	<u>Relationship with the company</u>
Uni-President Enterprises Corp.	Parent company
Tung Ang Enterprises Corp.	Investees of Uni-President Enterprises Corp. under the Equity Method
Presco Netmarketing Inc.	"
President Fair Development Corp.	"
Uni-President Dream Parks Corp.	"
President Tokyo Corp.	"
Tung Guan Enterprises Co., Ltd.	"
President Baseball Team Corp.	"
President Drugstore Business Corp.	Subsidiary
Wisdom Distribution Service Corp.	"
Mech-President Corp.	"
Duskin Serve Taiwan Co.	"
Capital Inventory Services Corp.	"
President Information Corp.	"
Uni-President Cold-Chain Corp.	"
President Chain Store (BVI) Holdings Ltd.	"
PCSC (China) Limited (Liquidated in February 2011)	"
President Transnet Corp.	"
Uni-President Oven Bakery Corp.	"
Ren-Hui Investment Corp.	"
President Collect Services Co., Ltd.	"
Bank Pro E-Service Technology Co., Ltd.	"
Books.com. Co., Ltd.	Subsidiary

<u>Name of related parties</u>	<u>Relationship with the company</u>
President YiLan Art and Culture Corp.	''
Uni-President Department Store Corp.	''
President Pharmaceutical Corp.	''
President Chain Store Corporation Insurance Brokers Co., Ltd. (formerly known as President FN Business Corp.)	''
Cold Stone Creamery Taiwan Ltd.	''
Pet Plus Co., Ltd	''
Afternoon Tea Taiwan Co., Ltd.	''
President Being Corp.	''
President Chain Store Tokyo Marketing Corporation	''
Q-ware Systems & Services Corp.	''
21 Century Enterprise Co., Ltd.	''
President SATO Co., Ltd.	''
President Musashino Corp.	''
Muji (Taiwan) Co., Ltd.	''
PCSC (China) Drugstore Limited	''
President Coffee Corp.	Investees of the Company under the Equity Method.
Retail Support International Corp.	''
President Development Corp.	''
President Organics Corp.	''
Mister Donut Taiwan Corp.	''
Rakuten Taiwan Co., Ltd.	''
Tien Tsuan Direct Marketing Corp.	''
Uni-President Yellow Hat Corp.	Investee of the Company under the equity method. (This relationship has been terminated since the shareholding was sold in October 2011)
President Chain Store (Labuan) Holdings Ltd.	Subsidiary of a subsidiary
President Chain Store (Hong Kong) Holdings Limited	''
PCSC (China) Supermarket Limited (Liquidated in February 2011)	''
President Cosmed Chain Store (Shen Zhen) Co., Ltd.	''
Shenzhen Cosmed-Livzon Pharmacy Chain Store Co., Ltd	''
Uni-President Oven Bakery (BVI) Corp.	''
Wuhan Uni-President Oven Fresh Bakery Co., Ltd.	''
Shanghai Cold Stone Ice Cream Corporation	''
Philippine Seven Corp.	''
Convenience Distribution Corp.	''
PCSC (Vietnam) Supermarket Ltd.	''
Shan Dong President Yinzuo Commercial Limited	Subsidiary of a subsidiary

<u>Name of related parties</u>	<u>Relationship with the company</u>
PCSC (Sichuan) Hypermarket Limited	''
PCSC (Chengdu) Hypermarket Limited	''
President Chain Store (Shanghai) Ltd.	''
Shanghai President Logistic Co., Ltd.	''
Mister Donut Shanghai Co., Ltd.	''
PCSC Afternoon Tea Cayman Ltd.	''
PCSC Afternoon Tea Shanghai Ltd.	''
Sato (Shanghai) Catering Mathematics Co., Ltd.	''
President Royal Host (Shanghai) Ltd.	''
Safety Elevator Corp.	''
President Jing Corp.	''
Vision Distribution Service Corp.	''
Duskin China (BVI) Holdings Limited	''
Uni-President Logistics (BVI) Holdings Limited	''
Professional E-Commerce Services Ltd.	''
Ho-Yu Information Technology Co. (Shanghai) (Liquidated in June 2010)	''
President Pharmaceutical (Hong Kong) Holdings Limited.	''
President (Sanghai) Health Product Trading Company Ltd.	''
Mech-President (BVI) Corp.	Subsidiary of a subsidiary (This relationship has been terminated since the shareholding was sold in May 2010)
Shanghai President Machine Corp.	''
Zhejiang Uni-Champion Logistics Development Co., Ltd.	Investees of Uni-President Logistics (BVI) Holdings Limited under the Equity Method The Company is a director
President Technology Corp.	''
Tong Ho Development Corp.	''
Q-ware Communications Co., Ltd	''
President Investment Trust Corp.	''
Presicarre Corp.	''
President Securities Corp.	A subsidiary of Uni-President Enterprises Corp. is the company's director.
Retail Support Taiwan Corp.	A subsidiary of Retail Support International Corp.
President Logistics International Corp.	''
Chieh-Shuen Logistics International Corp.	A subsidiary of President Logistics International Corp.
President Coffee (Cayman) Holdings Ltd.	Investees of President Chain Store (Hong Kong) Holdings Limited under the equity method
Shanghai President Starbucks Coffee Corp.	A subsidiary of President Coffee (Cayman) Holdings Ltd.
Presiclerc Limited	Investees of President Chain Store (BVI) Holdings Ltd. under the Equity Method
Presiclerc(Beijing) Supermarket Co., Ltd.	A subsidiary of Presiclerc Limited

(II) Major transactions with related parties

1. Other operating revenue

(1) Sales bonus income

	2011		2010	
	Amount	Percentage of the amount under the same account title	Amount	Percentage of the amount under the same account title
Retail Support International Corp.	\$ 525,332	30	\$ 451,912	28
Uni-President Enterprises Corp.	61,830	4	22,740	1
Others	39,698	2	38,907	3
	<u>\$ 626,860</u>	<u>36</u>	<u>\$ 513,559</u>	<u>32</u>

(2) Commission income of collection business

	2011		2010	
	Amount	Percentage of the amount under the same account title	Amount	Percentage of the amount under the same account title
Presco Netmarketing Inc.	\$ 351,547	18	\$ 263,887	15
Books.com. Co., Ltd.	172,674	9	148,421	9
Others	86,172	5	45,902	3
	<u>\$ 610,393</u>	<u>32</u>	<u>\$ 458,210</u>	<u>27</u>

2. Purchase (net of purchase incentives)

	2011		2010	
	Amount	Ratio to the total purchase amount (net) of the Company	Amount	Ratio to the total purchase amount (net) of the Company
Retail Support International Corp.	\$ 46,770,244	56	\$ 40,365,498	52
Uni-President Cold-Chain Corp.	22,221,357	27	20,584,012	26
Wisdom Distribution Service Corp.	10,006,527	12	10,989,223	14
Uni-President Enterprises Corp.	2,938,015	4	2,743,652	3
Others	398,892	-	992,730	1
	<u>\$ 82,335,035</u>	<u>99</u>	<u>\$ 75,675,115</u>	<u>96</u>

(1) Except for Retail Support International Corp., Uni-President Cold-Chain Corp., and

Wisdom Distribution Service Corp., the terms and conditions for the purchase from the related party are identical to the terms and conditions for general suppliers.

- (2) The Company's purchases from Retail Support International Corp., Uni-President Cold-Chain Corp., and Wisdom Distribution Service Corp. are processed in accordance with the terms and conditions in the merchandises and instruments delivery agreement signed. According to a written agreement, the Company's taxable merchandises and store supplies delivered by the related party are booked as a purchase transaction. The aforementioned purchase cost is computed in accordance with the agreed upon rate.

3. Compensation on defective merchandise (debited to cost of goods sold)

	2011		2010	
	Amount	Percentage of the amount under the same account title	Amount	Percentage of the amount under the same account title
Uni-President Cold-Chain Corp.	\$ 216,562	64	\$ 214,857	65
Retail Support International Corp.	90,830	27	85,026	26
Uni-President Enterprises Corp.	29,669	9	28,470	9
	<u>\$ 337,061</u>	<u>100</u>	<u>\$ 328,353</u>	<u>100</u>

4. Operating expenses

	2011		2010	
	Amount	Percentage of the amount under the same account title	Amount	Percentage of the amount under the same account title
(1) <u>Cleaning fees</u>				
Duskin Serve Taiwan Co.	\$ 129,562	59	\$ 109,259	61
(2) <u>Store supplies (booked in the account of packaging expense and other expense)</u>				
Retail Support International Corp.	\$ 243,330	32	\$ 247,277	40
(3) <u>Stocktaking fees for the stores</u>				
Capital Inventory Services Corp.	\$ 142,890	100	\$ 140,122	100
(4) <u>Electronic ordering system processing fee</u>				
President Information Corp.	\$ 562,322	62	\$ 561,188	62
(5) <u>Service charges</u>				
Bank Pro E-Service Technology Co., Ltd.	\$ 70,676	36	\$ 75,428	51

(6) Freight charge

Uni-President Cold-Chain Corp.	\$ 40,318	32	\$ 39,194	39
Wisdom Distribution Service Corp.	30,967	25	30,457	30
President Transnet Corp.	22,940	18	5,509	5
Retail Support International Corp.	<u>17,363</u>	<u>14</u>	<u>8,754</u>	<u>9</u>
	<u>\$ 111,588</u>	<u>89</u>	<u>\$ 83,914</u>	<u>83</u>

(7) Advertisement expense

President Baseball Team Corp.	\$ 48,894	6	\$ 38,185	6
Presco Netmarketing Inc.	44,834	6	25,683	4
President Chain Store Tokyo Marketing Corporation	<u>27,420</u>	<u>4</u>	<u>18,200</u>	<u>3</u>
	<u>\$ 121,148</u>	<u>16</u>	<u>\$ 82,068</u>	<u>13</u>

	2011		2010	
	Amount	Percentage of the amount under the same account title	Amount	Percentage of the amount under the same account title
(8) <u>Professional service fees</u>				
President Chain Store Tokyo Marketing Corporation	\$ 23,454	16	20,330	14
President Technology Corp.	23,414	16	13,683	9
Capital Inventory Services Corp.	<u>11,030</u>	<u>8</u>	<u>9,428</u>	<u>6</u>
	<u>\$ 57,898</u>	<u>40</u>	<u>\$ 20,330</u>	<u>29</u>

(9) Training expense

Capital Inventory Services Corp.	<u>\$ 48,515</u>	<u>90</u>	<u>\$ 46,638</u>	<u>93</u>
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5. Non-operating revenue

(1) E-ordering system processing fees grant (debit to other income)

	2011		2010	
	Amount	Percentage of the amount under the same account title	Amount	Percentage of the amount under the same account title
Retail Support International Corp.	\$ 211,310	52	\$ 223,224	55
Uni-President	157,066	39	144,204	36

Cold-Chain Corp.				
Others	34,918	9	35,915	9
	<u>\$ 403,294</u>	<u>100</u>	<u>\$ 403,343</u>	<u>100</u>

(2) Rent income (debited to rent expense and rental income)

		2011		2010
President Coffee Corp.	\$	30,305	\$	28,689
President Drugstore Business Corp.		9,739		8,743
Others		22,659		17,089
	\$	<u>62,703</u>	\$	<u>54,521</u>

(3) Other income

		2011		2010	
		Amount	Percentage of the amount under the same account title	Amount	Percentage of the amount under the same account title
President Chain Store (BVI) Holdings Ltd.	\$	132,377	37	\$ 90,440	30
President Coffee Corp.		20,201	6	18,265	6
President Drugstore Business Corp.		20,013	6	17,221	6
Others		114,563	32	123,645	41
	\$	<u>287,154</u>	<u>81</u>	<u>\$ 249,571</u>	<u>83</u>

6. Receivable (payable to) from related parties

		December 31, 2011		December 31, 2010	
		Amount	Percentage of the amount under the same account title	Amount	Percentage of the amount under the same account title
<u>Accounts receivable</u>					
Uni-President Enterprises Corp.	\$	30,052	6	\$ 64,520	14
President Fair Development Corp.		8,326	2	1,131	-
Others		13,926	2	23,391	5
	\$	<u>52,304</u>	<u>10</u>	<u>\$ 89,042</u>	<u>19</u>
<u>Other receivables</u>					
Uni-President Cold-Chain Corp.	\$	66,423	7	\$ 61,146	8
Retail Support International Corp.		64,791	7	38,437	5
President Chain Store (BVI)		51,465	5	40,832	5

Holdings Ltd.				
Wisdom Distribution Service Corp.	30,727	3	9,707	1
Uni-President Enterprises Corp.	30,432	3	35,076	4
Presco Netmarketing Inc.	18,735	2	17,455	2
Others	86,686	9	72,500	9
	<u>\$ 349,259</u>	<u>36</u>	<u>\$ 275,153</u>	<u>34</u>
<u>Note and account payables</u>				
Retail Support International Corp.	\$ 5,879,315	50	\$ 4,101,463	42
Uni-President Cold-Chain Corp.	3,226,874	27	3,116,100	32
Wisdom Distribution Service Corp.	1,198,106	10	1,637,483	17
Uni-President Enterprises Corp.	542,817	5	307,031	3
Others	267,514	2	223,122	1
	<u>\$ 11,114,626</u>	<u>94</u>	<u>\$ 9,385,199</u>	<u>95</u>
<u>Accrued expenses</u>				
President Information Corp.	\$ 102,761	4	\$ 58,335	2
Duskin Serve Taiwan Corp.	13,865	-	8,632	-
Capital Inventory Services Corp.	13,698	-	5,370	-
Presco Netmarketing Inc.	12,179	-	12,065	-
Others	56,428	2	14,511	1
	<u>\$ 198,931</u>	<u>6</u>	<u>\$ 98,913</u>	<u>3</u>

7. Property transactions - Purchase of long-term equity investment

<u>Counter party</u>	2011		
	<u>Underlying</u>	<u>Stock shares purchased</u>	<u>Amount</u>
Uni-President Enterprises Corp.	Muji (Taiwan) Co., Ltd.	1,243,000	\$ 92,090
	President Information Corp.	8,970,166	226,712
			<u>\$ 318,802</u>
<u>Counter party</u>	2010		
	<u>Trade object</u>	<u>Stock shares purchased</u>	<u>Amount</u>
Uni-President Enterprises Corp.	Q-ware Systems & Services Corp.	2,290,155	\$ 29,406
	President Musashino Corp.	10,458,000	130,725
			<u>\$ 160,131</u>

The purchase price of the equity from President Musashino Corp is negotiated by referring to the opinion of securities analyst. The purchase price of other transactions is negotiated between the trading parties.

8. Information on the salary of the management

	2011	2010
Salaries and bonuses	\$ 204,575	\$ 178,677
Business practice expense	6,123	5,695
Remuneration to directors and supervisors and bonus to employees	<u>106,141</u>	<u>57,257</u>
	<u>\$ 316,839</u>	<u>\$ 241,629</u>

- (1) Salaries and bonuses include salaries, compensation, pension, severance pay, prize money, and incentives.
- (2) Business practice expense includes traveling expenses, special allowance, net allowance, room, and transportation.
- (3) Remuneration to directors and supervisors and bonus to employees is the amount estimated and booked in the Income Statement of the year.

9. Guarantee

The endorsement and guarantee of the company made for related party up to December 31, 2011 and 2010:

	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Retail Support International Corp.	\$ -	\$ 600,000
Uni-President Department Store Corp.	2,385	1,034
21 Century Enterprise Co., Ltd.	-	60,000
Wisdom Distribution Service Corp.	50,000	50,000
Q-ware Communications Co., Ltd.	<u>29,978</u>	<u>22,540</u>
	<u>\$ 82,363</u>	<u>\$ 733,574</u>
Presiclerc(Beijing) Supermarket Co., Ltd.	<u>\$ -</u>	<u>\$ -</u>

10. Commitment

- (1) The Company has an agreement signed with President Information Corp. for repair & maintenance of the applied software system to provide e-ordering system operation and system maintenance service between the company and business premises with a contracted amount of \$622,158 up to June 2015. There is a payable for an amount of \$268,916 on December 31, 2011.
- (2) The Company has some floors of the headquarters building leased to the related parties for business operation and as office space up to December 2013 and with the rent payment arranged in accordance with the lease agreement. As of December 31, 2011, the Company has the following projected rental income:

<u>Lease term</u>	<u>Total rents</u>
2012	\$ 5,212
2013	<u>1,314</u>
	<u>\$ 6,526</u>

VI. Pledged Assets

None.

VII. Major undertaking and contingency

- (I) The Company has a long-term technological collaboration agreement signed with 7-ELEVEN Inc. USA. According to the said agreement, The Company is to have royalty paid throughout the contract period for an amount equivalent to certain percentage of total sales amount.

- (II) The Company has PEC National Building leased to non-related party (booked in the account of “Assets leased to others”):
1. Arcade: A lease signed for 18 years and 6.5 months from June 15, 2005 and the rent is for amount equivalent to a percentage of the monthly sales.
 2. Office: The lease is for a period of five years from November 1, 2007 to October 31, 2012. The Company has the following projections in rental income for the various years:

<u>Lease term</u>	<u>Total rents</u>
2012	<u>\$ 16,164</u>

- (III) The Company has stores and business sites leased from the unrelated party and with lease agreements signed for a period of 3~20 years accordingly. The Company have prepaid the rent and deposit made for an amount of \$122,431 and \$1,022,849, respectively, on December 31, 2011 in accordance with the agreement signed; moreover, they are booked in the account of “Prepayment” and “Refundable deposits” respectively. The company has estimated the rent payable in future years as follows:

<u>Lease term</u>	<u>Total rents</u>
2012	\$ 4,876,443
2013	4,651,368
2014	4,268,180
2015	3,837,713
2016	3,325,278
2017 and thereafter (discounted value \$7,909,898)	<u>8,218,686</u>
	<u>\$ 29,177,668</u>

VIII. Loss from major accidents

None.

IX. Materiality after the period

- (I) Please refer to Note IV (XVII) for the distribution proposal of the Company’s 2011 earnings authorized by the board of directors on March 21, 2012.
- (II) The Company’s Board of Directors authorized on March 21, 2012 to make second equity offerings in amount of US\$32,820,000 to the subsidiary, President Chain Store (BVI) Holdings Ltd. and then re-invest in the subsidiary in China.

X. Others

- (I) Information on fair value

	<u>December 31, 2011</u>		
	<u>Book value</u>	<u>Fair value - Amount determined by open quotations</u>	<u>Amount estimated by valuation</u>
<u>Non-Derivatives</u>			
<u>Assets</u>			
Financial assets with equal fair value and book value	\$ 11,312,125	\$ -	\$ 11,312,125
Financial assets at fair value through income statement	6,350,000	6,350,000	-
Financial assets at cost noncurrent	7,667,281	-	-
Financial assets in available-for-sale	898,243	898,243	-
Refundable deposits	1,034,589	-	1,005,249

Liabilities						
Financial liabilities with equal fair value and book value	\$	22,759,228	\$	-	\$	22,759,228
Long-term debt payable		3,400,000		-		3,400,000
Guarantee Deposit received		1,865,516		-		1,823,316

	December 31, 2010					
	Book value	Fair value - Amount determined by open quotations	Amount estimated by valuation			
<u>Non-Derivatives</u>						
Assets						
Financial assets with equal fair value and book value	\$	5,897,044	\$	-	\$	5,897,044
Financial assets at fair value through income statement		9,060,250		9,060,250		-
Financial assets at cost noncurrent		8,613,020		-		-
Financial assets in available-for-sale		1,533,932		1,533,932		-
Refundable deposits		995,245		-		938,017
Liabilities						
Financial liabilities with equal fair value and book value	\$	18,917,270	\$	-	\$	18,917,270
Long-term debt payable		5,000,000		-		5,000,000
Guarantee Deposit received		1,853,952		-		1,765,665

The Company adopted the following methods and assumptions on the valuation of the fair value of financial instruments:

1. The fair value of short-term financial instrument is valued with the book value on the balance sheet date since the effect of discount value is insignificant; therefore, it is an amount not determined by public quotation or valuation. This method is applied to cash and cash equivalence, accounts receivable, other receivables, notes payable and accounts payable (including the related party), expense payable, and other payables.
2. The fair value of financial assets in available-for-sale, such as, in the listing market, is the market price.
3. The fair market value of guarantee margin & deposit paid and guarantee margin & deposit received is based on the discount value of the expected cash flow. The relevant discount rate is the one-year time deposit interest rate of Directorate General of the Postal Remittance and Savings Bank.
4. The fair value of long-term debt payable applied in cycle is estimated according to the book value since the effect of discount value is insignificant.

(II) Material gain/loss of financial instruments and equity information

The Company had financial assets in available-for-sale debited/credited to shareholder's equity for an amount of (\$635,689) and (\$274,968) in 2011 and 2010, respectively.

(III) Interest rate risk position

The Company's financial liabilities with fair value risk resulting from changes in interest rate was \$3,400,000 and \$5,000,000 on December 31, 2011 and 2010, respectively. The Company's financial liabilities with cash flow risk resulting from changes in the interest rate was \$0 on December 31, 2011 and 2010, respectively.

(IV) Management of Financial Risks and Hedge policy

1. The risk control and hedge strategy of the Company is to prevent operating risk. To this end, the Company has financial hedge position denied for the operation of derivatives. The selection of instruments by the Company for trade must be able to prevent the interest expense, assets, and liabilities risk of business operation.
2. In terms of supervising and managing derivatives, the trade position of derivatives is managed by the Finance Department and with the market price evaluated periodically. For any nonconforming transaction and gain/loss identified, a responsive measure must be activated and the Board of Directors must be informed immediately. The department also evaluates the performance of the derivatives regularly to ensure their conformity to company policy in operations and the risks so assumed are within the toleration threshold of the company.

(V) Information on primary financial risk

1. Market Risk

- (1) Most of the Company's investments in funds are quasi money market funds and the holding period of short-term notes is quite short. After assessment, there should be no significant market risk.
- (2) The Company's investments in available-for-sale financial assets are stocks of listed/OTC companies that are influenced by market prices.
- (3) The Company's long-term debts bear interest at fixed rates and are deemed to have no significant market risks due to revolving use with short periods.
- (4) The Company equity investments are denominated in certain non-functional currencies and consequently affected by fluctuation of exchange rates. Information on assets denominated in foreign currencies significantly affected by fluctuation of exchange rates is summarized as follows:

(Foreign currency: Functional currency)	December 31, 2011		December 31, 2010	
	Foreign currency	Exchange rate	Foreign currency	Exchange rate
Financial assets				
<u>Non-monetary assets</u>				
JPY: NT\$	454,500,000	0.3906	460,200,000	0.3582
<u>Long-term investments</u>				
<u>(Equity method)</u>				
USD: NT\$	93,685,000	30.28	105,828,000	29.13

2. Credit Risk

- (1) The financial assets with the change in fair value recognized as gain or loss; also, the financial assets in available-for-sale of the Company are traded in the open market, or, are traded with the reputable parties without a breach of contract expected.
- (2) The Company offers loan guarantees and commitments in accordance with the "Operational Procedures for Guarantees and Endorsements" and it is mainly for the Company's subsidiaries and joint ventures. Since the Company was in a firm control over the credit standings of those corporations, the Company did not request collateral from them. If those corporations fail to fulfill contracts, the credit risks so incurred would be the amounts of guarantees.

3. Liquidity Risk

- (1) The financial assets with the change in fair value recognized as gain or loss; also, the financial assets in available-for-sale of the Company are traded actively in market; therefore, the said assets can be sold easily in market at a price close to fair value without material liquidity risk expected.
- (2) The financial assets at cost noncurrent of the Company are not traded actively in

market; therefore, a material liquidity risk is expected.

- (3) The payables of the Company are mostly due in 90 days. The loan quota is implemented revolvingly. The Company's working capital is sufficient enough to support the fund demand of the company without material liquidity risk expected.

4. Cash flow risk from change in interest rate

- (1) The investment in equity of the Company is not an interest rate product; therefore, there is not a cash flow risk from the change in interest rate expected.
- (2) The Company's investments in short-term notes are fixed-interest-rate instruments with the purpose of receiving interest income. Therefore, there is no cash flow risk resulting from changes in interest rate during the holding period.
- (3) Most of the Company's investments in funds are quasi money market funds. After assessment, there should be no significant cash flow risk resulting from changes in interest rate.

XI. Supplementary Disclosure

(I) Information on major trade

Supplementary disclosure on major trades in 2011:

1. Loans to third parties: None.
2. Endorsement and guarantee for third party:

No.	Name of Guarantee	Company Name	Affiliation	Limit of guarantee to particular enterprise (note 2)	Maximum Balance in current period	Balance at ending	Guarantee with Collateral	Accumulated amount of guarantee in proportion to the net asset value stated in the financial statements of the most recent period	Upper limit for guarantee (note 2)	Remarks
0	President Chain Store Corp.	Uni-President Department Store Corp.	Subsidiary	\$ 4,138,862	\$ 3,512	\$ 2,385	\$ -	0.01	\$10,347,155	
0	President Chain Store Corp.	Wisdom Distribution Service Corp.	Subsidiary	4,138,862	50,000	50,000	-	0.24	10,347,155	
0	President Chain Store Corp.	21 Century Enterprise Co., Ltd.	Subsidiary	4,138,862	60,000	-	-	-	10,347,155	
0	President Chain Store Corp.	Q-ware Communications Co., Ltd.	Note 1	4,138,862	29,978	29,978	-	0.14	10,347,155	
0	President Chain Store Corp.	Presiclerc(Beijing) Supermarket Co., Ltd.	Note 1	4,138,862	53,304	-	-	0.26	10,347,155	

Note 1: In a collective investment relationship, shareholders are held responsible for endorsement and guarantee proportionally to the shareholding ratio.

Note 2: The total external endorsement and guarantee is for an amount equivalent to 50% of the Company's net asset value. The guarantee amount made for one single enterprise is limited to 20% of the Company's net asset value.

3. Marketable securities at yearend:

Holder of securities	Type and title of marketable securities	Affiliation with security issuers	Account titles	Yearend holdings / Shares	Book value	Proportion of shareholding	Market price	Remarks
The Company	Prudential Well Poll money market fund Verbatim	None	Financial assets-current-whose changes in fair value are recognized in earnings	76,289,289	\$ 1,000,000	-	\$ 1,000,000	
	UPAMC James Bond Market Money Fund	"	"	31,020,449	500,000	-	500,000	
	Prudential money market fund	"	"	32,756,170	500,000	-	500,000	
	Mega money market funds, the international Silmarullion	"	"	82,883,689	1,000,000	-	1,000,000	
	Yuanta Cosmos money market funds	"	"	92,427,136	1,350,000	-	1,350,000	
	ING Taiwan Money Market Fund	"	"	63,545,321	1,000,000	-	1,000,000	
	Jih Sun money market funds	"	"	35,064,835	500,000		500,000	
	Shinkong lucky-star money market funds	"	"	33,443,250	500,000		500,000	
					6,350,000		<u>\$ 6,350,000</u>	
			Add: adjustment valuation		-		<u>\$ 6,350,000</u>	
	President Securities Corp.	Investees of Uni-President Enterprises Corp. under the Equity Method	Financial assets in available-for-sale - noncurrent	34,567,837	\$ 140,534	2.69	\$ 494,320	
	Duskin Co., Ltd.	None	"	300,000	125,072	0.45	177,528	
	Chimei Innolux Corporation	"	"	18,556,967	948,261	0.25	226,395	
					1,213,867		<u>\$ 898,243</u>	
			Add: adjustment valuation		(315,624)		<u>\$ 898,243</u>	

Holder of securities	Type and title of marketable securities	Affiliation with security issuers	Account titles	Yearend holdings / Shares	Book value	Proportion of shareholding	Market price	Remarks
The Company	Presicarre Corp.	The Company is a director	Financial assets measured at cost-noncurrent	130,801,027	\$ 5,395,902	19.50		skipped
	President Fair Development Corp.	"	"	209,000,000	1,556,478	19.00		skipped
	President International Development Corp.	"	"	44,100,000	441,000	3.33		skipped
	Tong Ho Development Corp., etc.	skipped	skipped	skipped	<u>273,901</u>	skipped		skipped
					<u>\$ 7,667,281</u>			
	President Chain Store (BVI) Holdings Ltd.	Subsidiary	Long-term investments (Equity method)	106,575,196	\$ 2,782,507	100.00	\$	2,782,507
	President Drugstore Business Corp.	"	"	40,000,000	825,948	100.00		825,948
	President Transnet Corp.	"	"	70,000,000	793,006	70.00		774,164
	Mech-President Corp.	"	"	55,858,816	679,289	80.87		632,012
	Uni-President Department Store Corp.	"	"	112,000,000	600,740	70.00		600,740
	President Pharmaceutical Corp.	"	"	19,909,765	585,963	73.74		427,165
	President Musashino Corp.	"	"	48,519,891	556,407	90.00		507,846
	President Information Corp.	"	"	25,714,476	463,855	86.00		355,014
	Uni-President Cold-Chain Corp.	"	"	19,563,272	456,790	60.00		451,323
	Q-ware Systems & Services Corp.	"	"	24,382,922	320,742	86.76		307,589
	Muji (Taiwan) Co., Ltd.	"	"	8,431,269	270,321	51.00		217,849
	Wisdom Distribution Service Corp.	"	"	10,847,421	258,313	100.00		261,915
	Books.com. Co., Ltd.	"	"	10,000,000	231,464	50.03		231,464
	President YiLan Art and Culture Corp.	"	"	15,000,000	221,442	100.00		218,294
	Cold Stone Creamery Taiwan Ltd.	"	"	12,244,390	145,585	100.00		145,585
	Duskin Serve Taiwan Co.	"	"	10,200,000	143,270	51.00		143,270
	Ren-Hui Investment Corp.	"	"	53,194,997	136,750	100.00		136,750
	Bank Pro E-Service Technology Co., Ltd.	"	"	7,200,000	109,554	53.33		101,782
	President Development Corp.	Investees of the Company under the Equity Method.	"	72,000,000	607,466	20.00		607,466
	President Coffee Corp.	"	"	10,691,337	263,122	30.00		263,122
	Retail Support International Corp.	"	"	6,430,000	152,442	25.00		144,490
	Capital Inventory Services Corp.	skipped	"	skipped	<u>465,254</u>			<u>464,168</u>
						30.00%~100.00%		
					<u>\$11,070,230</u>			<u>\$ 10,600,463</u>

4. The cumulative sales amount or purchases amount of one marketable security exceeds NT\$100 million or 20% of stock capital collected:

Trade company	Type and title of marketable securities	Account titles	Counter party	Affiliation	At beginning		Bought		Sold			Disposition gain	Other adjustment (Note 3)	End of current period	
					Units / number of shares	Amount	Units / number of shares	Amount	Units / number of shares	Amount	Carrying cost			Units / number of shares	Amount
The Company	Yuanta Cosmos money market funds	Note 1	Not applicable	Not applicable	-	\$ -	297,845,031	\$ 4,340,000	205,417,895	\$ 2,992,699	\$ 2,990,000	\$ 2,699	\$ -	92,427,136	\$ 1,350,000
	Prudential money market fund	"	"	"	65,880,493	1,000,000	65,535,317	1,000,000	98,659,640	1,500,552	1,500,000	552	-	32,756,170	500,000
	UPAMC James Bond Market Money Fund	"	"	"	-	-	93,161,869	1,500,000	62,141,420	1,000,911	1,000,000	911	-	31,020,449	500,000
	Fuh-Hwa Bond Fund	"	"	"	119,727,655	1,660,000	-	-	119,727,655	1,666,068	1,660,000	6,068	-	-	-
	Capital Income Fund	"	"	"	64,675,105	1,000,000	-	-	64,675,105	1,000,336	1,000,000	336	-	-	-
	Polar Treasury Fund	"	"	"	86,838,723	1,000,000	86,725,756	1,000,000	173,564,479	2,003,774	2,000,000	3,774	-	-	-
	Jih Sun money market funds	"	"	"	169,392,235	2,400,000	70,136,065	1,000,000	204,463,465	2,905,392	2,900,000	5,392	-	35,064,835	500,000
	Cathay bond fund	"	"	"	-	-	41,605,645	500,000	41,605,645	501,194	500,000	1,194	-	-	-
	Mega money market funds, the international Silmarullion	"	"	"	-	-	165,930,511	2,000,000	83,046,822	1,001,968	1,000,000	1,968	-	82,883,689	1,000,000
	Taishin really lucky money market funds	"	"	"	-	-	168,302,945	1,800,000	168,302,945	1,802,070	1,800,000	2,070	-	-	-
	Prudential Well Poll money market fund	"	"	"	153,544,969	2,000,000	229,281,424	3,000,000	306,537,104	4,003,305	4,000,000	3,305	-	76,289,289	1,000,000
	Verbatim ING Taiwan Money Market Fund	"	"	"	-	-	222,643,348	3,500,000	159,098,027	2,501,392	2,500,000	1,392	-	63,545,321	1,000,000
	Shinkong lucky-star money market funds	"	"	"	-	-	66,892,541	1,000,000	33,449,291	500,090	500,000	90	-	33,443,250	500,000
	Dayeh Takashimaya Taiwan Inc.	Note 2	Note 3	None	20,000,000	189,885	-	-	20,000,000	270,000	189,885	80,115	-	-	-
	President Information Corp.	Note 4	Note 5	Parent company	16,744,310	216,128	8,970,166	227,394	-	-	-	-	20,333	25,714,476	463,855

Note 1: Recognized as "Financial assets-current-whose changes in fair value are recognized in earnings".

Note 2: Recognized as "Financial valued at the cost-noncurrent".

Note 3: Sold to non-related party "Takashimaya Co., Ltd."

Note 4: Recognized as "Long-term investments (Equity method)".

Note 5: Acquired from the related party "Uni-President Enterprises Corp."

5. The purchase amount of real property exceeds NT\$100 million or 20% of stock capital collected: None.

6. The amount of real property disposed exceeds NT\$100 million or 20% of stock capital collected: None.

7. The sales amount and purchase amount with the related party exceeds NT\$100 million or 20% of stock capital collected:

Purchase (sales)	Counter party	Affiliation	Status of trade			Special terms and conditions of trade and reasons		Note receivable (payable), accounts receivable (payable)		Remarks
			Purchase (sales)	Amount	Percentage to total purchase (sales)	Credit line	Unit price	Credit line	Balance	
The Company	Retail Support International Corp.	Investees of the Company under equity method	Purchase	\$46,770,244	56	OA 10~54 days	Note 1	No significant difference	(\$5,879,315)	(50)
	Uni-President Cold-Chain Corp.	Subsidiary	Purchase	22,221,357	27	OA 20~70 days	Note 1	No significant difference	(3,226,874)	(27)
	Wisdom Distribution Service Corp.	Subsidiary	Purchase	10,006,527	12	OA 30~60 days	Note 1	No significant difference	(1,198,106)	(10)
	Uni-President Enterprises Corp.	Parent company	Purchase	2,938,015	4	OA 30~40 days	No significant difference	No significant difference	(542,817)	(5)
	Q-ware Systems & Services Corp.	Subsidiary	Purchase	358,743	-	OA 45 days	Note 2	No significant difference	(67,150)	(1)
	Tung Guan Enterprises Co., Ltd.	Affiliate	Purchase	117,644	-	OA 55 days	No significant difference	No significant difference	(22,099)	-

Note 1: The cost of purchase from Retail Support International Corp., Uni-President Cold-Chain Corp., and Wisdom Distribution Service Corp. is paid according to the classification of merchandise and products and by the agreed upon rate. Please refer to Note V(II) for details.

Note 2: The transactions between the Company and Q-ware Systems & Services Corp. are purchases from Q-ware. No applicable here.

8. The accounts receivable from the related party exceeds NT\$100 million or 20% of stock capital collected: None.

9. Trading of Derivative Products: None.

(II) Information on direct investment

1. The invested company:

Name of investor	Name of invested company	Location	Major business activities	Initial amount of investment		End of previous period	Holding at ending			Income status of investees		PCSC's s recognized investment gain (loss)		Remarks		
				Currency	End of current period		Currency	Quantity of share	Proportion	Currency	Book value	Currency	Amount		Currency	Amount
President Chain Store Corp.	President Chain Store (BVI) Holdings Ltd.	British Virgin Islands	Professional investment company	NT\$	\$ 3,931,281	NT\$	\$ 2,558,698	106,575,196	100.00	NT\$	\$ 2,782,507	NT\$	(\$ 339,701)	NT\$	(\$ 340,954)	Subsidiary
President Chain Store Corp.	President Drugstore Business Corp.	Taiwan	Retailing of medicines and daily items	NT\$	288,559	NT\$	288,559	40,000,000	100.00	NT\$	825,948	NT\$	338,412	NT\$	338,412	Subsidiary
President Chain Store Corp.	President Transnet Corp.	Taiwan	Delivery service	NT\$	711,576	NT\$	711,576	70,000,000	70.00	NT\$	793,006	NT\$	233,381	NT\$	162,811	Subsidiary
President Chain Store Corp.	Mech-President Corp.	Taiwan	Gas station and elevator installation	NT\$	904,475	NT\$	904,475	55,858,816	80.87	NT\$	679,289	NT\$	51,702	NT\$	41,812	Subsidiary
President Chain Store Corp.	President Development Corp.	Taiwan	Operation of transportation depots and facilities	NT\$	720,000	NT\$	720,000	72,000,000	20.00	NT\$	607,466	NT\$	101,513	NT\$	11,291	Note 1
President Chain Store Corp.	Uni-President Department Store Corp.	Taiwan	Department stores	NT\$	1,680,000	NT\$	1,680,000	112,000,000	70.00	NT\$	600,740	NT\$	(136,868)	NT\$	(95,807)	Subsidiary
President Chain Store Corp.	President Pharmaceutical Corp.	Taiwan	Medicines & medical instrument retail and wholesale	NT\$	330,216	NT\$	330,216	19,909,765	73.74	NT\$	585,963	NT\$	271,010	NT\$	202,920	Subsidiary
President Chain Store Corp.	President Musashino Corp.	Taiwan	Foods industry	NT\$	520,141	NT\$	520,141	48,519,891	90.00	NT\$	556,407	NT\$	13,439	NT\$	11,789	Subsidiary
President Chain Store Corp.	President Information Corp.	Taiwan	Business management consulting services	NT\$	320,741	NT\$	93,348	25,714,476	86.00	NT\$	463,855	NT\$	73,110	NT\$	42,604	Subsidiary
President Chain Store Corp.	Uni-President Cold-Chain Corp.	Taiwan	Low-temperature foods logistics including frozen foods	NT\$	237,437	NT\$	237,437	19,563,272	60.00	NT\$	456,790	NT\$	268,200	NT\$	160,244	Subsidiary
President Chain Store Corp.	Q-ware Systems & Services Corp.	Taiwan	Business management consulting services	NT\$	332,482	NT\$	332,482	24,382,922	86.76	NT\$	320,742	NT\$	73,133	NT\$	63,755	Subsidiary
President Chain Store Corp.	Muji (Taiwan) Co., Ltd.	Taiwan	Japanese department store & retail	NT\$	133,367	NT\$	41,000	8,431,269	51.00	NT\$	270,321	NT\$	205,591	NT\$	96,347	Subsidiary
President Chain Store Corp.	President Coffee Corp.	Taiwan	Coffee chain store	NT\$	59,400	NT\$	59,400	10,691,337	30.00	NT\$	263,122	NT\$	424,544	NT\$	127,363	Note 1
President Chain Store Corp.	Wisdom Distribution Service Corp.	Taiwan	Logistics of Magazines	NT\$	50,000	NT\$	50,000	10,847,421	100.00	NT\$	258,313	NT\$	102,102	NT\$	98,131	Subsidiary
President Chain Store Corp.	Books.com. Co., Ltd.	Taiwan	Online bookstore	NT\$	100,400	NT\$	100,400	10,000,000	50.03	NT\$	231,464	NT\$	221,828	NT\$	110,969	Subsidiary
President Chain Store Corp.	President YiLan Art and Culture Corp.	Taiwan	Art and cultural exhibition	NT\$	150,000	NT\$	150,000	15,000,000	100.00	NT\$	221,442	NT\$	55,966	NT\$	58,501	Subsidiary
President Chain Store Corp.	Retail Support International Corp.	Taiwan	Room-temperature food logistics	NT\$	91,414	NT\$	91,414	6,430,000	25.00	NT\$	152,442	NT\$	182,512	NT\$	45,410	Note 1
President Chain Store Corp.	Cold Stone Creamery	Taiwan	Ice cream stores	NT\$	170,000	NT\$	170,000	12,244,390	100.00	NT\$	145,585	NT\$	21,073	NT\$	21,073	Subsidiary

Chain Store Corp.	Taiwan Ltd.											
President	Duskin Serve Taiwan Co.	Taiwan	Cleaning products trade and cleaning service	NTS	102,000 NTS	102,000	10,200,000	51.00 NTS	143,270 NTS	74,604 NTS	38,023	Subsidiary
President	Ren-Hui Investment Corp.	Taiwan	Professional investment company	NTS	728,037 NTS	728,037	53,194,997	100.00 NTS	136,750 NTS	77 NTS	77	Subsidiary
President	Bank Pro E-Service Technology Co., Ltd.	Taiwan	Business management consulting services	NTS	74,304 NTS	74,304	7,200,000	53.33 NTS	109,554 NTS	41,750 NTS	22,272	Subsidiary
President	Capital Inventory Services Corp.	Others	skipped	NTS	1,802,369 NTS	1,389,584	-	- NTS	465,254 NTS	(12,567) NTS	(43,800)	Note 2

Note 1: Investee of the Company under the equity method.

Note 2: It is a subsidiary of the Company or an investee under the equity method

Name of investor	Name of invested company	Location	Major business activities	Initial amount of investment		End of previous period	Holding at ending			Income status of investees			The Company's recognized investment gain (loss)		
				Currency	End of current period		Currency	Quantity of share	Proportion	Currency	Book value	Currency	Amount	Currency	Amount
Retail Support International Corp., etc.	President Logistics International Corp., etc.	Others	skipped	NTS	\$ 189,124	NTS	\$ 168,400	-	-NTS	\$ 364,903	NTS	-	-NTS	-	skipped
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Labuan) Holdings Ltd.	Others	Professional investments	USD	20,684	USD	20,684	20,684,321	100	USD	21,951	USD	5,222	USD	- Subsidiary of a subsidiary
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Hong Kong) Holdings Limited	H.K.	Professional investments	USD	90,088	USD	36,945	90,088,347	100	USD	62,959	USD	(10,964)	USD	- Subsidiary of a subsidiary
President Chain Store (BVI) Holdings Ltd.	Presiclerc Limited, etc.	British Virgin Islands	Professional investments	USD	18,743	USD	18,743	-	-	USD	381	USD	-	USD	- Note
President Chain Store (Labuan) Holdings Ltd.	Philippine Seven Corp.	Philippines	Food and household goods retailing	USD	20,656	USD	20,656	196,160,457	57	USD	21,465	USD	4,801	USD	- Subsidiary of a subsidiary
President Chain Store (Hong Kong) Holdings Limited	President Chain Store (Shanghai) Ltd.	China	Chained convenient stores	USD	36,273	USD	14,633	-	100	USD	18,745	USD	(10,692)	USD	- Subsidiary of a subsidiary
President Chain Store (Hong Kong) Holdings Limited	Mister Donut Shanghai Co., Ltd.	China	Food retailing	USD	5,437	USD	3,562	-	50	USD	3,257	USD	(2,423)	USD	- Note
President Chain Store (Hong Kong) Holdings Limited	President Coffee (Cayman) Holdings Ltd.	Cayman Island	Professional investments	USD	1,800	USD	1,800	-	30	USD	14,325	USD	23,390	USD	- Note
President Chain Store (Hong Kong) Holdings Limited	Shanghai Cold Stone Ice Cream Corporation	China	Sale of ice cream	USD	14,455	USD	14,455	-	100	USD	3,498	USD	(882)	USD	- Subsidiary of a subsidiary
President Chain Store (Hong Kong) Holdings Limited	PCSC (Chengdu) Hypermarket Limited	China	Wholesaling and retailing of goods	USD	12,963	USD	12,963	-	100	USD	5,866	USD	(2,672)	USD	- Subsidiary of a subsidiary
President Chain Store (Hong Kong) Holdings Limited	Shan Dong President Yinzuo Commercial Limited	China	Supermarkets	USD	4,078	USD	4,078	-	55	USD	14,715	USD	4,373	USD	- Subsidiary of a subsidiary
President Chain Store (Hong Kong) Holdings Limited, etc.	PCSC Afternoon Tea Cayman Ltd., etc.	Others	skipped	USD	-	USD	-	-	-	USD	4,427	USD	-	USD	- skipped
President Coffee (Cayman) Holdings Ltd.	Shanghai President Starbucks Coffee Corp.	China	Coffee and accessories trade	USD	6,000	USD	6,000	-	100	USD	47,772	USD	25,237	USD	- Note
Uni-President Logistics (BVI) Holdings Limited, etc.	Zhejiang Uni-Champion Logistics Development Co., Ltd., etc.	Others	skipped	USD	-	USD	-	-	-	USD	5,659	USD	-	USD	- skipped

Note: Investees of the Company under equity method

2. Information disclosure of the invested company controlled by the Company directly or indirectly:

(1) Loans to third party:

No.	Lenders	Borrowers	Account titles	Maximum balance in current period	Balance at ending of period	Interest interval	Nature of loans	Amount of Business transactions	Reasons necessary for offering short-term loans	Allowance for bad debt	Name of collateral	Value	Limit of loans to particular borrower (Note 1)	Limit of total loans (Note 1)	Remarks
1	President Chain Store (Shanghai) Ltd.	Shanghai Cold Stone Ice Cream Corporation	Other receivables	\$ 44,446	\$ -	-	Note 2	\$ -	Operating cycle	\$ -	-	\$ -	\$ 50,000	\$ 227,039	Note 3
1	President Chain Store (Shanghai) Ltd.	Sato (Shanghai) Catering Mathematics Co., Ltd.	Other receivables	23,840	23,840	-	Note 2	-	Working capital	-	-	-	50,000	227,039	Note 3

Note 1: Total loan to others is limited to an amount equivalent to 40% of net asset value: The short-term financing to one single enterprise is limited to NT\$50,000,000.

Note 2: Necessary for granting short-term loans.

Note 3: Actual amount of loan at yearend is \$0.

(2) Endorsement and guarantee for third party:

No.	Name of Guarantee	Company Name	Affiliation	Limit of guarantee to particular enterprise (note)	Maximum Balance in current period	Balance at ending	Guarantee with Collateral	Accumulated amount of guarantee in proportion to the net asset value stated in the financial statements of the most recent period	Upper limit for guarantee (note)	Remarks
1	President Information Corp.	President Drugstore Business Corp.	A subsidiary of President Chain Store Corp.	\$ 82,561	\$ 2,000	\$ -	\$ -	\$ -	206,404	
2	Wisdom Distribution Service Corp.	President Drugstore Business Corp.	A subsidiary of President Chain Store Corp.	52,384	7,000	7,000	7,000	2.67	130,960	

Note: Total endorsement amount for others is limited to an amount equivalent to 50% of net asset value: The endorsement made for one single enterprise is limited to 20% of the net asset value.

(3) Marketable securities at yearend (Ending carrying amounts less than \$100,000 were stated aggregately.)

Holder of securities	Type and title of marketable securities	Relationship with the issuer	Account titles	Quantity of shares at ending	Book value	Proportion of shareholding	Market price	Remarks
Wisdom Distribution Service Corp.	UPAMC James Bond Market Money Fund	None	Financial assets-current-whose changes in fair value are recognized in earnings	8,382,099	\$ 135,169	skipped	\$ 135,169	
Vision Distribution Service Corp.	UPAMC James Bond Market Money Fund	"	"	4,414,002	71,147	"	71,147	
President YiLan Art and Culture Corp.	Yuanta Cosmos money market funds	"	"	4,822,398	70,436	"	70,436	
President Information Corp.	UPAMC James Bond Market Money Fund., etc	"	"	skipped	216,431	"	216,431	
President Coffee Corp.	Polar Treasury Fund, etc.	"	"	skipped	530,000	"	530,000	
President Logistics International Corp.	UPAMC James Bond Market Money Fund., etc	"	"	skipped	72,896	"	72,896	
Retail Support Taiwan Corp.	First Holdings Family Fund	"	"	124,186	21,368	"	21,367	
Bank Pro E-Service Technology Co., Ltd.	ING Taiwan Money Market Fund	"	"	1,332,374	15,758	"	15,758	
Chieh-Shuen Logistics International Corp.	UPAMC James Bond Market Money Fund., etc	"	"	skipped	27,559	"	27,559	
Retail Support International Corp.	First Holdings Family Fund	"	"	67,266	11,574	"	11,574	
Ren-Hui Investment Corp.	NITC Bond Fund	"	"	199,957	34,405	"	34,405	
Capital Inventory Services Corp.	Taiwan's first gold money market funds	"	"	662,471	9,764	"	9,764	
Uni-President Oven Bakery Corp.	Fuh-Hwa Bond Fund	"	"	3,583,690	50,000	"	50,000	
Q-ware Systems & Services Corp.	Prudential Well Poll money market fund Verbatim., etc	"	"	skipped	160,038	"	160,039	
President Pharmaceutical Corp.	Fuhua money market funds	"	"	8,245,776	115,046	"	115,046	
Ren-Hui Investment Corp.	Chimei Innolux Corporation	"	Financial assets in available-for-sale - noncurrent	7,957,569	97,082	"	97,082	
President Chain Store (BVI) Holdings Ltd.	Global Strategic Investment., etc	"	Financial assets at cost noncurrent — noncurrent	skipped	83,997	"	skipped	
President Logistics International Corp., etc.	Chieh-Shuen Logistics International Corp., etc	"	Long-term investments (Equity method)	"	103,874	"	"	
Wisdom Distribution Service Corp.	President Logistics International Corp., etc.	"	"	"	110,677	"	112,599	
Retail Support International Corp.	Retail Support Taiwan Corp., etc.	"	"	"	163,389	"	163,389	
Uni-President Cold-Chain Corp.	President Logistics International Corp., etc.	"	"	"	133,118	"	133,576	
Duskin Serve Taiwan Co., etc	DUSKIN CHINA (BVI) HOLDINH LIMITED, etc.	"	"	"	58,283	"	skipped	
President Coffe (Cayman) Holdings Ltd.	Shanghai President Starbucks Coffee Corp.	"	"	"	\$ 1,446,521	100.00	\$ 1,452,334	
PCSC Afternoon Tea Cayman Ltd. etc.	PCSC Afternoon Tea Shanghai Ltd., etc.	"	"	"	136,139	skipped	skipped	
President Chain Store (Hong Kong) Holdings Limited	President Chain Store (Shanghai) Ltd.	"	"	"	1,881,162	"	"	
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Labuan) Holdings Ltd.	"	"	"	2,646,333	"	"	
President Chain Store (Labuan) Holdings Ltd.	Philippine Seven Corp.	"	"	196,160,457	649,956	56.59	600,338	
Books.com. Co., Ltd., etc.	Books.com. Co., Ltd., (British Virgin Islands), etc.	"	"	skipped	102,930	skipped	skipped	

(4) The cumulative sales amount or purchases amount of one marketable security exceeds NT\$100 million or 20% of stock capital collected:

Trade company	Type and title of marketable securities	Account titles	Counter party	Affiliation	At beginning		Bought		Sold		Carrying cost	Disposition gain	Other adjustment (Note II)	End of current period	
					Units / number of shares	Amount	Units / number of shares	Amount	Units / number of shares	Amount				Units / number of shares	Amount
Retail Support International Corp.	First Holdings Family Bond Fund	Note 1	Not applicable	Not applicable	119,113	\$20,366	7,044,837	\$1,209,350	7,096,684	\$1,218,324	\$1,218,143	\$181	\$ 559	67,266	\$11,574
President Coffee Corp.	Capital Income Fund	Note 1	Not applicable	Not applicable	-	-	25,771,503	400,000	25,771,503	400,042	400,000	42	-	-	-
	Prudential Well Poll money market fund	Note 1	Not applicable	Not applicable	5,374,074	70,000	35,957,009	470,000	33,702,154	440,507	440,000	507	-	7,628,929	100,000
	Shinkong lucky-star money market funds	Note 1	Not applicable	Not applicable	-	-	24,166,221	360,000	24,166,221	360,224	360,000	224	-	-	-
	ING Taiwan Money Market Fund	Note 1	Not applicable	Not applicable	-	-	20,699,085	325,000	18,792,725	295,163	295,000	163	-	1,906,360	30,000
	Mega money market funds, the international Silmarullion Capital Income Fund	Note 1	Not applicable	Not applicable	-	-	8,333,472	100,000	8,333,472	100,032	100,000	32	-	-	-
	Taishin Lucky Fund	Note 1	Not applicable	Not applicable	4,203,501	65,000	10,963,100	170,000	15,166,601	235,144	235,000	144	-	-	-
	Taiwan's first gold money market funds	Note 1	Not applicable	Not applicable	9,374,707	100,000	24,302,436	260,000	33,677,143	360,408	360,000	408	-	-	-
	Polar Treasury Fund	Note 1	Not applicable	Not applicable	-	-	42,194,104	620,000	35,408,969	520,364	520,000	364	-	6,785,135	100,000
	Yuanta Cosmos money market funds	Note 1	Not applicable	Not applicable	6,946,495	80,000	51,918,957	600,000	50,236,505	580,530	580,000	530	-	8,628,947	100,000
	Jih Sun money market funds	Note 1	Not applicable	Not applicable	6,889,425	100,000	20,611,602	300,000	27,501,027	400,624	400,000	624	-	-	-
	Fuhua money market funds	Note 1	Not applicable	Not applicable	6,352,209	90,000	28,830,997	410,000	28,170,239	400,631	400,000	631	-	7,012,967	100,000
	Union Money Market funds	Note 1	Not applicable	Not applicable	1,442,502	20,000	33,081,471	460,000	34,523,973	480,378	480,000	378	-	-	-
	UPAMC James Bond Market Money Fund	Note 1	Not applicable	Not applicable	6,320,963	80,000	23,587,473	300,000	22,057,293	280,279	280,000	279	-	7,851,143	100,000
Vision Distribution Service Corp.					4,998,621	80,000	18,540,186	298,000	19,124,805	307,496	307,000	496	147	4,414,002	71,147

Trade company	Type and title of marketable securities	Account titles	Counter party	Affiliation	At beginning		Bought		Sold		Carrying cost	Disposition gain	Other adjustment (Note II)	End of current period	
					Units / number of shares	Amount	Units / number of shares	Amount	Units / number of shares	Amount				Units / number of shares	Amount
President Information Corp.	Fuhua money market funds	Note 1	Not applicable	Not applicable	5,652,001	\$78,278	12,020,201	\$167,000	14,034,657	\$195,000	\$194,691	\$309	\$165	3,637,545	\$50,752
	Yuanta Cosmos money market funds				4,709,628	68,103	11,616,321	169,000	12,437,252	181,000	180,501	499	196	3,888,697	56,798
President Being Corp.	UPAMC James Bond Market Money Fund	Note 1	Not applicable	Not applicable	1,362,356	21,841	-	-	1,362,356	21,852	21,841	11	-	-	-
Retail Support Taiwan Corp.	First Holdings Family Fund	Note 1	Not applicable	Not applicable	123,658	21,137	1,123,379	192,650	1,122,851	192,521	192,427	93	8	124,186	21,367
Chieh-Shuen Logistics International Corp.	UPAMC James Bond Market Money Fund	Note 1	Not applicable	Not applicable	1,085,162	17,396	12,862,735	206,700	12,673,574	213,660	213,564	96	8	1,274,323	10,540
	Prudential Well Poll money market fund Verbatim	Note 1	Not applicable	Not applicable	1,219,254	15,874	22,727,173	296,950	22,648,099	295,970	295,811	159	5	1,298,328	17,018
President Drugstore Business Corp.	Jih Sun money market funds	Note 1	Not applicable	Not applicable	-	-	9,342,176	\$133,000	9,342,176	\$133,033	\$133,000	33	-	-	-
	Mega money market funds, the international Silmarullion	Note 1	Not applicable	Not applicable	-	-	13,751,772	165,000	13,751,772	165,034	165,000	34	-	-	-
President Logistics International Corp.	First Bank Holdings Family Money Market Fund	Note 1	Not applicable	Not applicable	-	-	2,667,807	458,000	2,667,807	458,128	458,000	128	-	-	-
	Fuhua money market funds	Note 1	Not applicable	Not applicable	4,981,028	69,000	43,713,863	607,000	48,694,891	676,294	676,000	294	-	-	-
President Logistics International Corp.	UPAMC James Bond Market Money Fund	Note 1	Not applicable	Not applicable	395,671	6,343	33,949,511	545,390	31,208,587	519,935	519,828	107	7	3,136,595	31,912
	Prudential Well Poll money market fund Verbatim	Note 1	Not applicable	Not applicable	2,692,087	35,058	58,960,156	770,160	58,525,571	764,450	764,242	208	8	3,126,672	40,984
President Pharmaceutical Corp.	Fuhua money market funds	Note 1	Not applicable	Not applicable	1,442,658	20,000	62,329,564	867,000	55,526,446	772,209	771,980	230	25	8,245,776	115,046
President Chain Store (BVI) Holdings Ltd.	President Chain Store (Hong Kong) Holdings Limited	Note 3	Second Equity Offerings	Not applicable	36,945,112	542,636	53,143,236	1,609,177	-	-	-	-	(245,417)	90,088,347	1,906,396
President Chain Store (Hong Kong) Holdings Limited	President Chain Store (Shanghai) Ltd.	Note 3	Second Equity Offerings	Not applicable	-	216,381	-	655,245	-	-	-	-	(304,029)	-	567,597

Note 1: Recognized as “Financial assets-current-whose changes in fair value are recognized in earnings”.

Note 2: It is the changes in valuation adjustment of the financial assets that are with changes in fair value booked as profit and loss and the current investment gain and loss and accumulated translation adjustment valued with Equity Method.

Note 3: Recognized as “Long-term investments (Equity method)”.

(5) The purchase amount of real property exceeds NT\$100 million or 20% of stock capital collected: None.

Acquirity company	Real Property	Transaction date or event date	Trade amount	Payment	Counter party	Affiliation	Previous transfer data for counterparties who are related parties				Pricing criteria	Purpose of acquisition and application	Other provisions
							Owner	Relationship with the issuer	Transfer date	Amount			
President Musashino Corp.	Building	2011.5.1	\$278,500	An amount of \$174,063 has been paid	Chuan-Hsin Construction	None	Not applicable	Not applicable	Not applicable	Not applicable	Reference to the market condition and negotiation between the two parties	Operation purpose	None
President Transnet Corp.	Building	2011.9.1	\$135,643	Fully paid	Lih Hwa Construction Co., Ltd. and Shinryo Engineering Co., Ltd.	"	"	"	"	"	"	Transfer center and for operation purpose	"

(6) The amount of real property disposed exceeds NT\$100 million or 20% of stock capital collected: None

(7) The sales amount and purchase amount with the related party exceeds NT\$100 million or 20% of stock capital collected:

		Status of trade				Special terms and conditions of trade and reasons		Ratio of accounts and notes receivable (payable) to total AR/AP		
Purchase (sales)	Counter party	Affiliation	Purchase (sales)	Amount	Percentage to total purchase (sales)	Credit line	Unit price	Credit line	Balance	Ratio
Uni-President Cold-Chain Corp.	Uni-President Enterprises Corp.	Parent company	Purchase	\$ 7,910,912		38 OA 30~55 days	No significant difference	No significant difference	(\$ 870,087)	(26)
	President Musashino Corp.	A subsidiary of President Chain Store Corp.	"	1,541,609		7 OA 45 days	"	"	(269,813)	(8)
	21 Century Enterprise Co., Ltd.	Incorporation	"	124,615		1 OA 50 days	"	"	(34,545)	(1)
	Tung Ang Enterprise Corp.	Incorporation	"	108,287		1 OA 30 days	"	"	(9,641)	-
	Uni-President Oven Bakery Corp.	A subsidiary of President Chain Store Corp.	"	130,768		1 OA 50 days	"	"	(26,067)	(1)
	Kuang Chuan Dairy Co., Ltd.	Affiliate	"	162,716		1 OA 65 days	"	"	(41,904)	(1)
	President Chain Store Corp.	Parent company	sales	(22,559,849)	(99)	OA 20~70 days	"	"	3,396,395	98
	Hi-life International Co., Ltd.	Incorporation	"	(278,053)	(1)	OA 45 days	"	"	45,107	1
	Tait Marketing & Distribution Co., Ltd.	Affiliate	Purchase	143,768		1 OA 30~40 days	"	"	(25,527)	(1)
President Information Corp.	President Chain Store Corp.	Parent company	Services	(651,655)	(72)	OA 30 days	"	"	113,082	71
Wisdom Distribution Service Corp.	Vision Distribution Service Corp.	Subsidiary	Purchase	503,806		5 OA 65 days	"	"	(122,351)	(5)
	Q-ware Communications Co., Ltd.	An affiliate of the Company is the company's director	"	268,162		3 OA 60 days	"	"	(45,058)	(2)
	Cayenne Entertainment Technology Co., Ltd.	An affiliate of the Company is the company's director	"	373,072		4 OA 60 days	"	"	(35,081)	(1)
	President Chain Store Corp.	Parent company	sales	(10,341,864)	(92)	OA 30~60 days	"	"	1,187,300	95
President Musashino Corp.	Uni-President Cold-Chain Corp.	Affiliate	"	(1,537,641)	(100)	OA 45 days	"	"	269,852	100
	President Yamako Corp.	Affiliate	Purchase	111,645		10 OA 60 days	"	"	(23,819)	(8)
President Coffee Corp.	Tong Chang Enterprises Corp.	Affiliate	"	580,238		28 OA 30 days	"	"	(53,786)	(23)
	Retail Support International Corp.	Investees of President Chain Store Corp. under equity method	"	477,247		23 OA 30 days	"	"	(46,405)	(20)
	President Chain Store Corp.	Parent company	sales	(256,101)	(5)	OA 30 days	"	"	35,255	18
President Logistics International Corp.	Uni-President Cold-Chain Corp.	Affiliate	Logistics income	(874,290)	(44)	OA 20 days	"	"	73,480	38
	Retail Support International Corp.	Parent company	"	(637,421)	(32)	OA 20 days	"	"	61,254	32
	Wisdom Distribution Service Corp.	Affiliate	"	(243,127)	(12)	OA 20 days	"	"	35,548	18
Retail Support Taiwan Corp.	Retail Support International Corp.	Parent company	"	(258,573)	(78)	OA 15~20 days	"	"	27,282	73
Vision Distribution Service Corp.	Wisdom Distribution Service Corp.	Parent company	sales	(455,322)	(34)	OA 65 days	"	"	137,220	37
Q-ware Systems & Services Corp.	President Chain Store Corp.	Parent company	"	(464,180)	(76)	OA 40 days	"	"	99,125	82
Capital Inventory Services Corp.	President Chain Store Corp.	Parent company	Services income	(202,274)	(90)	OA 60 days	"	"	18,707	78

Purchase (sales)	Counter party	Affiliation	Purchase (sales)	Status of trade		Special terms and conditions of trade and reasons		Balance	Ratio of accounts and notes receivable (payable) to total AR/AP	
				Amount	Percentage to total purchase (sales)	Credit line	Unit price			Credit line
Chieh-Shuen Logistics International Corp.	President Transnet Corp.	A subsidiary of President Chain Store Corp.	Logistics income	(470,675)	(75)	OA 40 days	"	"	93,726	82
	President Logistics International Corp.	Parent company	"	(133,735)	(21)	OA 20 days	"	"	19,057	17
President Transnet Corp.	Retail Support International Corp.	Affiliate	Sales revenue	(197,796)	(3)	OA 30~45 days	"	"	24,487	3
President Drugstore Business Corp.	Retail Support International Corp.	Affiliate	Purchase	\$ 5,666,199		98 OA 52 days	No significant difference	No significant difference	(\$ 759,028)	(98)
Retail Support International Corp.	President Chain Store Corp.	Parent company	Sales	(46,280,743)	(87)	OA 10~54 days	"	"	3,852,138	80
	President Drugstore Business Corp.	Affiliate	"	(5,408,314)	(10)	OA 45~60 days	"	"	760,362	16
	Tung Ang Enterprise Corp.	Affiliate	Purchase	2,389,379		5 OA 30 days	"	"	(193,557)	(3)
	Uni-President Enterprises Corp.	Parent company	"	2,366,358		5 OA 30~95 days	"	"	(290,459)	(4)
	Lien Bo Enterprises Corp.	Affiliate	"	736,386		1 OA 15~70 days	"	"	(93,117)	(1)
	President Pharmaceutical Corp.	A subsidiary of President Chain Store Corp.	"	1,307,903		3 OA 30~70 days	"	"	(334,941)	(4)
	President Coffee Corp.	Affiliate	Sales	(536,201)	(1)	OA 15~28 days	"	"	59,463	10
	President Packaging Corp.	Affiliate	Purchase	284,358		1 OA 30~50 days	"	"	(52,528)	(1)
	Weilih Food Industry Co., Ltd.	Affiliate	"	291,462		1 OA 30~60 days	"	"	(45,157)	(1)
	Kuang Chuan Dairy Co., Ltd.	Affiliate	"	145,472		- OA 30~65 days	"	"	(29,939)	-
	President Transnet Corp.	Affiliate	"	192,295		- OA 30~45 days	"	"	(23,157)	-
	Tait Marketing & Distribution Co., Ltd.	Affiliate	"	129,495		- OA 30~90 days	"	"	(20,338)	-
21 Century Enterprise Co., Ltd.	Uni-President Cold-Chain Corp.	Affiliate	Sales	(155,947)	(20)	OA 50 days	"	"	35,121	36
Books.com. Co., Ltd.	President Pharmaceutical Corp.	Incorporation	Purchase	114,673		3 OA 60 days	"	"	(11,359)	(2)
Duskin Serve Taiwan Co.	President Chain Store Corp.	Parent company and subsidiary	Services income	(137,132)	(23)	OA 45 days	"	"	40,503	46
Uni-President Oven Bakery Corp.	Uni-President Cold-Chain Corp.	Incorporation	Sales	(130,588)	(36)	OA 50 days	"	"	26,188	80
President Pharmaceutical Corp.	Retail Support International Corp.	Affiliate	"	(1,556,609)	(51)	OA 75 days	"	"	323,621	51
	Books.com. Co., Ltd.	Affiliate	"	(105,253)	(3)	OA 30~90 days	"	"	13,140	2
Shanghai President Starbucks Coffee Corp.	Kunshan President Enterprises Food Co., Ltd.	Affiliate	Purchase	185,950		11 OA 45 days	"	"	9,329	(3)

(8) The accounts receivable from the related party exceeds NT\$100 million or 20% of stock capital collected:

Company of receivables on book	Counter party	Affiliation	Balance of Receivables With Related Party	Turnover Rate	Overdue Receivables with Related Parties		Receivables with Related Party After Period Collection	Allowance for bad debt
					Amount	Processing by		
Uni-President Cold-Chain Corp.	President Chain Store Corp.	Parent company	\$ 3,396,395	6.75	\$ -	-	\$ 3,396,395	\$ -
Retail Support International Corp.	President Chain Store Corp.	Investee of the company with Equity Method	3,852,138	12.81	-	-	2,199,044	-
Retail Support International Corp.	President Drugstore Business Corp.	A subsidiary of President Chain Store Corp.	760,362	7.26	-	-	760,362	-
Wisdom Distribution Service Corp.	President Chain Store Corp.	Parent company	1,187,300	5.30	-	-	1,187,300	-
President Musashino Corp.	Uni-President Cold-Chain Corp.	A subsidiary of President Chain Store Corp.	269,852	6.24	-	-	269,852	-
President Collect Services Co., Ltd.	President Transnet Corp.	A subsidiary of President Chain Store Corp.	563,339	1.00	-	-	563,339	-
President Transnet Corp.	President Chain Store Corp.	A subsidiary of President Chain Store Corp.	106,140	-	-	-	106,140	-
President Information Corp.	President Chain Store Corp.	A subsidiary of President Chain Store Corp.	113,082	7.34	-	-	16,353	-
Books.com. Co., Ltd.	President Chain Store Corp.	Parent company	222,821	16.39	-	-	180,011	-
Vision Distribution Service Corp.	Wisdom Distribution Service Corp.	Parent company	137,220	3.35	-	-	29,608	-
President Pharmaceutical Corp.	Retail Support International Corp.	A subsidiary of President Chain Store Corp.	323,621	4.33	-	-	323,621	-

(9) Trading of Derivative Products: None.

(III) Information on investment in Mainland China

1. Investment in Mainland China:

Names of investees in Mainland China	Major business activities	Paid-up Capital	Investment Method	Amount	Investment Remittance		Amount	The Company's Direct or Indirect Investment Holding Ratio	Investment Profit or Loss for Current Period (Note 7)	Book Value of Investment at the End of the Period	Investment return already remitted back as of the present term	Remarks
				remitted from Taiwan in accumulation at the beginning of the present term	Remittance	Regain	remitted from Taiwan in accumulation at the end of the present term					
Shanghai President Starbucks Coffee Corp.	Coffee and accessories trade	\$ 373,169	Invest in Mainland China by the invested company in third country (Note 1)	\$ 60,560	-	-	\$ 60,560	30.00	\$ 223,668	\$ 433,956	-	Note 7
Presiclere(Beijing) Supermarket Co., Ltd.	Food processing, packing and sales	240,500	Invest in Mainland China by the invested company in third country (Note 2)	-	-	-	-	36.94	(30,021)	(116,608)	-	Note 6
President Chain Store (Shanghai) Ltd.	Chain store operation	1,154,400	Invest in Mainland China by the invested company in third country (Note 3)	443,100	655,245	-	1,098,345	100.00	(323,767)	567,597	-	Note 6
Mister Donut Shanghai Co., Ltd.	Food retailing	499,620	Invest in Mainland China by the invested company in third country (Note 3)	107,863	56,775	-	164,638	50.00	(36,690)	98,624	-	Note 6
PCSC Afternoon Tea Shanghai Ltd.	Food retailing	268,886	Invest in Mainland China by the invested company in third country (Note 4)	77,214	59,918	-	137,132	51.00	(28,711)	42,024	-	Note 6
President Cosmed Chain Store (Shen Zhen) Co., Ltd.	Household goods retailing	481,000	Invest in Mainland China by the invested company in third country (Note 5)	263,315	-	-	263,315	65.00	(28,930)	53,190	-	Note 7
Wuhan Uni-President Oven Fresh Bakery Co., Ltd.	Food retailing	274,170	Invest in Mainland China by the invested company in third country (Note 3)	145,193	-	-	145,193	100.00	(15,618)	(91,280)	-	Note 7
Shan Dong President Yinzuo Commercial Limited	Wholesaling and retailing of goods	288,600	Invest in Mainland China by the invested company in third country (Note 3)	123,482	-	-	123,482	55.00	60,690	445,584	-	Note 7
PCSC (Sichuan) Hypermarket Limited	Wholesaling and retailing of goods	384,800	Invest in Mainland China by the invested company in third country (Note 3)	307,342	-	-	307,342	100.00	(40,523)	26,598	-	Note 7
PCSC (Chengdu) Hypermarket Limited	Wholesaling and retailing of goods	481,000	Invest in Mainland China by the invested company in third country (Note 3)	394,034	-	-	394,034	100.00	(80,908)	177,634	-	Note 7
Shanghai Cold Stone Ice Cream Corporation	Sale of ice cream	437,686	Invest in Mainland China by the invested company in third country (Note 3)	437,697	-	-	437,686	100.00	(26,708)	105,918	-	Note 6
Shanghai President Logistic Co., Ltd.	Logistics	60,560	Invest in Mainland China by the invested company in third country (Note 3)	60,560	-	-	60,560	100.00	(14,295)	32,453	-	Note 6
Sato (Shanghai) Catering Mathematics Co., Ltd.	Japanese cuisine	119,524	Invest in Mainland China by the invested company in third country (Note 3)	16,224	37,431	-	53,655	81.00	(21,771)	32,948	-	Note 6
President (Sanghai) Health Product Trading	Trade of commodities	16,351	Invest in Mainland China by the invested company in	16,351	15,443	-	31,794	74.00	(23,252)	258	-	Note 6

Names of investees in Mainland China	Major business activities	Paid-up Capital	Investment Method	Amount remitted from Taiwan in accumulation at the beginning of the present term	Investment Remittance or Regain during the fiscal Year Remittance Regain	Amount remitted from Taiwan in accumulation at the end of the present term	The Company's Direct or Indirect Investment Holding Ratio	Investment Profit or Loss for Current Period (Note 7)	Book Value of Investment at the End of the Period	Investment return already remitted back as of the present term	Remarks
Company Ltd.			third country								
President Royal Host (Shanghai) Ltd.	Japanese cuisine	60,590	Invest in Mainland China by the invested company in third country (Note 3)	30,901	- -	30,901	51.00	(15,660)	8,547		- Note 6
Zhejiang Uni-Champion Logistics Development Co., Ltd.	Logistics and warehouse	192,400	Invest in Mainland China by the invested company in third country	43,694	46,783	90,477	30.00	(9,084)	78,122		- Note 7
Duskin (Shanghai) Cleaning Products Rental Co.	Sale of cleaning products	135,261	Invest in Mainland China by the invested company in third country	20,288	-	20,288	8.00	-	20,288		- Note 7

Note 1: The investment in Mainland China is by the transfer invested company, President Coffee (Cayman) Holdings Ltd., of B.V.I.

Note 2: The investment in Mainland China is by the transfer invested company, Preciclerc Limited, of B.V.I.

Note 3: The investment in Mainland China is by the transfer invested company, President Chain Store (Hong Kong) Holdings Limited, of B.V.I

Note 4: The investment in Mainland China is by the transfer invested company, PCSC Afternoon Tea Cayman Ltd. of B.V.I

Note 5: The investment in Mainland China is by the transfer invested company, PCSC (China) Drugstore Limited, of PCSC (China) Limited.

Note 6: It is valued in accordance with the financial statements audited by international CPA firms that hold a cooperative relation with the CPA firms of the Republic of China.

Note 7: It is valued in accordance with the financial statements audited by the CPA firms of the parent company in Taiwan.

Company Name	Amount accumulated, remitted from Taiwan for investment in Mainland China at the end of the current term	Investment Amount Approved by Investment Commission of MOEAIC	Mainland China Investment Ceiling As Regulated by Investment Commission of MOEAIC
President Chain Store Corp.	\$ 2,576,919	\$ 4,183,061	\$ 12,416,585
President Pharmaceutical Corp.	90,840	91,748	257,452
Duskin Serve Taiwan Co.	21,196	21,196	168,553
Uni-President Cold-Chain Corp.	89,923	89,923	451,323

2. The information of the Company's direct and indirect investment in Mainland China by the invested company in third country, the price, payment term, unrealized gain and loss, and others that is helpful to understand the impact of investment in Mainland China on financial statements:

(1) Purchase amount and ratio; also, the corresponding payables yearend balance and ratio: None.

(2) Sales amount and ratio; also, the corresponding receivables yearend balance and ratio: None.

(3) Property trade amount and the corresponding gain and loss amount: None.

(4) Note endorsement & guarantee and balance and purpose of collateral: Please refer to Note XI (I) Material Transactions 2 .

(5) Maximum balance, yearend balance, interest rate interval, and total interest amount of fund financing: Please refer to Note XI(II) Transfer investment business information 2(1) for details.

(6) Other transactions that have a significant impact on the net income or financial status of the year: None.

XII. Operating segment information

Operating segment information is disclosed in the consolidated financial statements in accordance with SFAS No. 41 requirement.

President Chain Store Corp.
Cash and cash equivalence
December 31, 2011

Currency unit: NT\$1,000

Item	Summary	Amount
Petty Cash for stores		\$ 1,762,049
Current account deposits and checking account deposits		2,831,992
Deposit account - NT\$	Due on 2012.2.16~2013.07.09; 0.66% ~ 1.19% annum rate	1,316,838
Cash equivalence		
Short term bills	Due in one month; 0.65%~0.67% annual rate	3,900,143
		<u>\$ 9,811,022</u>

(Blank hereunder)

President Chain Store Corp.
Financial assets-current-whose changes in fair value are recognized in earnings
December 31, 2011

Currency unit: NT\$1,000

Name of financial instrument	Summary	Unit	Face value (NT\$)	Total amount	Interest rate	Acquisition cost	Fair value		Remarks
							Unit price (NT\$)	Total amount	
Domestic open-type fund									
UPAMC James Bond Market Money Fund		31,020,449	\$ 10	\$ 310,204	Not applicable	\$ 500,000	\$ 16.1184	\$ 500,000	
Prudential money market fund		32,756,170	\$ 10	327,562	Not applicable	500,000	15.2643	500,000	
Mega money market funds, the international Silmarullion		82,883,689	\$ 10	828,837	Not applicable	1,000,000	12.0651	1,000,000	
Yuanta Cosmos money market funds		92,427,136	\$ 10	924,271	Not applicable	1,350,000	14.6061	1,350,000	
Prudential Well Poll money market fund Verbatim		76,289,289	\$ 10	762,893	Not applicable	1,000,000	13.1080	1,000,000	
ING Taiwan Money Market Fund		63,545,321	\$ 10	635,453	Not applicable	1,000,000	15.7368	1,000,000	
Jih Sun money market funds		35,064,835	\$ 10	350,648	Not applicable	500,000	14.2593	500,000	
Shinkong lucky-star money market funds		33,443,250	\$ 10	334,433	Not applicable	500,000	14.9507	500,000	
						6,350,000		<u>\$ 6,350,000</u>	
Valuation Adjustment						-			
						<u>\$ 6,350,000</u>			

President Chain Store Corp.
Statement of Inventory
December 31, 2011

Currency unit: NT\$1,000

Item	Summary	Amount		Remarks
		Costs	Market price	
Merchandise		<u>\$ 3,658,771</u>	<u>\$ 3,906,647</u>	Market price is the net cash value

(Blank hereunder)

President Chain Store Corp.
Financial valued at the cost-noncurrent statement
January 1 ~ December 31, 2011

Currency unit: NT\$1,000

Name	At beginning		Increase of the year		Decrease of the year		End of current period		Collateral and mortgage
	Quantity of share	Book value	Quantity of share	Amount	Quantity of share	Amount	Quantity of share	Book value	
Stocks with no public quotation									
Presicarre Corp.	122,611,122	\$ 6,818,529	8,189,905	\$ -	-	\$ -	130,801,027	\$ 6,818,529	None
President Fair Development Corp.	209,000,000	2,321,500	-	-	-	-	209,000,000	2,321,500	"
President International Development Corp.	50,000,000	500,000	-	-	(5,900,000)	(59,000)	44,100,000	441,000	"
Dayeh Takashimaya Taiwan Inc.	20,000,000	260,433	-	-	(20,000,000)	(260,433)	-	-	"
Kaohsiung Rapid Transit Corp.	20,000,000	203,714	-	-	-	-	20,000,000	203,714	"
Tong Ho Development Corp.	19,930,000	199,300	-	-	-	-	19,930,000	199,300	"
President Investment Trust Corp., etc.	skipped	<u>244,211</u>	-	-	-	(<u>33,333</u>)	skipped	<u>210,877</u>	"
Subtotal		10,547,687		<u>\$ -</u>		<u>(\$ 352,766)</u>		10,194,920	
Accumulated impairment		(<u>1,934,667</u>)		<u>(\$ 722,520)</u>		<u>\$ 129,548</u>		(<u>2,527,639</u>)	
		<u>\$ 8,613,020</u>						<u>\$ 7,667,281</u>	

President Chain Store Corp.
Statement of Long-term equity investments (Equity method)
January 1 ~ December 31, 2011

Currency unit: NT\$1,000

Name	Balance at beginning of period		Increase of the year		Decrease of the year		Balance at ending of period			Market price or net equity value		Collateral and mortgage
	Quantity of share	Amount	Quantity of share	Amount	Quantity of share	Amount	Quantity of share	Proportion of shareholding	Amount	Unit price		
										(NT\$)	Total amount	
President Chain Store (BVI) Holdings Ltd.	77,052,937	\$ 2,081,638	29,522,259	\$ 1,041,823	-	(\$ 340,954)	106,575,196	100.00%	\$ 2,782,507	\$ 26.11	\$ 2,782,507	None
PCSC (China) Limited	50,513,148	1,001,117	-	-	(50,513,148)	(1,001,117)	-	-	-	-	-	"
President Drugstore Business Corp.	40,000,000	754,736	-	338,412	-	(267,200)	40,000,000	100.00%	825,948	20.65	825,948	"
President Transnet Corp.	70,000,000	616,148	-	176,858	-	-	70,000,000	70.00%	793,006	11.06	774,164	"
Mech-President Corp.	53,504,613	637,479	2,354,203	41,810	-	-	55,858,816	80.87%	679,289	11.31	632,012	"
President Development Corp.	72,000,000	596,175	-	11,291	-	-	72,000,000	20.00%	607,466	8.44	607,466	"
Uni-President Department Store Corp.	112,000,000	696,547	-	-	-	(95,807)	112,000,000	70.00%	600,740	5.36	600,740	"
President Pharmaceutical Corp.	17,520,594	472,631	2,389,171	201,189	-	(87,857)	19,909,765	73.74%	585,963	21.46	427,165	"
President Musashino Corp.	47,061,000	544,180	1,458,891	12,228	-	-	48,519,891	90.00%	556,407	10.47	507,846	"
President Information Corp.	16,744,310	216,128	8,970,166	269,997	-	(22,270)	25,714,476	86.00%	463,855	13.81	355,014	"
Uni-President Cold-Chain Corp.	19,563,272	434,374	-	164,574	-	(142,158)	19,563,272	60.00%	456,790	23.07	451,323	"
Q-ware Systems & Services Corp.	24,382,922	298,693	-	63,755	-	(41,706)	24,382,922	86.76%	320,742	12.61	307,589	"
Muji (Taiwan) Co., Ltd.	5,096,300	128,704	3,334,969	190,429	-	(48,813)	8,431,269	51.00%	270,321	25.84	217,849	"
President Coffee Corp.	10,691,337	224,497	-	127,363	-	(88,738)	10,691,337	30.00%	263,122	24.61	263,122	"
Wisdom Distribution Service Corp.	10,847,421	250,753	-	98,125	-	(90,565)	10,847,421	100.00%	258,313	24.15	261,915	"
Books.com. Co., Ltd.	10,000,000	205,494	-	110,969	-	(85,000)	10,000,000	50.03%	231,464	23.15	231,464	"
President YiLan Art and Culture Corp.	15,000,000	216,810	-	59,266	-	(54,635)	15,000,000	100.00%	221,442	14.55	218,294	"
Retail Support International Corp.	6,430,000	141,240	-	47,532	-	(36,330)	6,430,000	25.00%	152,442	22.47	144,490	"
Cold Stone Creamery Taiwan Ltd.	10,465,291	124,512	1,779,099	21,073	-	-	12,244,390	100.00%	145,585	11.89	145,585	"
Duskin Serve Taiwan Co.	10,200,000	133,768	-	38,430	-	(28,927)	10,200,000	51.00%	143,270	14.05	143,270	"
Ren-Hui Investment Corp.	53,194,997	360,280	-	77	-	(223,608)	53,194,997	100.00%	136,750	2.57	136,750	"
Bank Pro E-Service Technology Co., Ltd.	7,200,000	111,906	-	22,272	-	(24,624)	7,200,000	53.33%	109,554	14.14	101,782	"
Capital Inventory Services Corp., etc.	skipped	355,257	skipped	316,206	skipped	(206,209)	skipped	skipped	465,254	skipped	464,168	"
		<u>\$ 10,603,067</u>		<u>\$ 3,353,681</u>		<u>(\$ 2,886,517)</u>			<u>\$ 11,070,230</u>			

President Chain Store Corp.
Statement of changes in costs of fixed assets
January 1 ~ December 31, 2011

Currency unit: NT\$1,000

Item	Balance at beginning of period	Increase of the year	Decrease of the year	Transfer of the year	Balance at ending of period	Collateral and mortgage	Remarks
Land	\$ 1,432,614	\$ -	\$ -	\$ -	\$ 1,432,614	None	
Building						"	
Costs	906,835	-	-	-	906,835	"	
Revaluation increments	55,374	-	-	-	55,374	"	
Operating equipment	11,844,551	1,407,698	(963,271)	-	12,288,978	"	
Lease improvement	5,589,022	1,411,618	(665,854)	43,266	6,378,052	"	
Other equipment	9,660	-	(2,577)	-	7,083	"	
Prepayment for purchase of equipment	-	43,266	-	(43,266)	-	"	
	<u>\$ 19,838,056</u>	<u>\$ 2,862,582</u>	<u>(\$ 1,631,702)</u>	<u>\$ -</u>	<u>\$ 21,068,936</u>		

President Chain Store Corp.
Statement of changes in accumulated depreciation of fixed assets
January 1 ~ December 31, 2011

Currency unit: NT\$1,000

Item	Balance at beginning of period	Increase of the year	Decrease of the year	Transfer of the year	Balance at ending of period	Remarks
Building						
Costs	\$ 191,059	\$ 18,502	\$ -	\$ -	\$ 209,561	
Revaluation increments	4,093	1,365	-	-	5,458	
Operating equipment	8,236,817	1,168,462 (914,055)	-	8,491,224	
Lease improvement	3,631,709	735,487 (607,112)	-	3,760,084	
Other equipment	9,569	23 (2,509)	-	7,083	
	<u>\$ 12,073,247</u>	<u>\$ 1,923,839</u>	<u>(\$ 1,523,676)</u>	<u>\$ -</u>	<u>\$ 12,473,410</u>	

President Chain Store Corp.
Statement of Long-term debt payable
December 31, 2011

Currency unit: NT\$1,000

Creditor	Summary	Borrowing amount	Contract duration	Interest rate	Mortgage or security	Remarks
Taipei Fubon Commercial Bank Co., Ltd.	Credit loan	\$ 1,400,000	2011.11.09~2013.11.09	0.95%	None	
Canadian Bank of Nova Scotia Co., Ltd.	Credit loan	1,000,000	2011.01.31~2013.01.31	0.9197%	//	
HSBC (Taiwan) Commercial Bank	Credit loan	200,000	2011.08.05~2013.06.30	0.90%	//	
Chang Hwa Commercial Bank	Credit loan	500,000	2011.01.01~2013.02.28	1%	//	
Japanese Tokyo-Mitsubishi UFJ Bank of Communications Co., Ltd.	Credit loan	300,000	2011.07.31~2014.07.31	0.90%	//	
		<u>\$ 3,400,000</u>				

(Blank hereunder)

President Chain Store Corp.
Statement of Operating Income
January 1 ~ December 31, 2011

Currency unit: NT\$1,000

Item	Amount	Remarks
Store revenues	\$ 118,751,042	Revenues generated from the sales of foods, canned foods, beverages, and necessities.
Other operating revenue	3,961,683	It includes commission income for agency business and sales bonus collected from supplies
	<u>\$ 122,712,725</u>	

(Blank hereunder)

President Chain Store Corp.
Statement of Operating Cost
January 1 ~ December 31, 2011

Currency unit: NT\$1,000

Item	Amount
Inventory at beginning	\$ 2,931,645
Purchase current period	85,129,915
Purchase bonuses from suppliers	(1,428,885)
Compensation for deterioration of goods	(337,061)
Inventory at ending	(3,658,771)
Defective products	1,580,533
Others	220,040
Operating cost	<u>\$ 84,437,416</u>

(Blank hereunder)

President Chain Store Corp.
Statement of Marketing Expense
January 1 ~ December 31, 2011

Currency unit: NT\$1,000

Item	Amount
Performance bonuses for franchisee	\$ 12,497,792
Rental expenditures	5,234,904
Salary expenses	2,926,129
Utilities and gas expense	2,004,827
Depreciations	1,880,696
Other expenses	4,676,998
	<u>\$ 29,221,346</u>

(Blank hereunder)