

## IV. FUND RAISING

### I. Capital and Shares

#### 1-1 Source of Capital:

##### a. Shares Issued:

Unit: NT\$, Shares / As of April 24, 2009

Month / Year	Par Value	Authorized Capital		Paid-in Capital		Source of Capital	Capital Expansion by Assets other than Cash	Remark Document No. and Date of Approval
		Shares	Amount	Shares	Amount			
July/2002	10	900,000,000	9,000,000,000	772,031,899	7,720,318,990	Capitalization of profit	None	July 19, 2002 (91) Tai-Tsai-Cheng (I) No. 0910140565
July/2003	10	900,000,000	9,000,000,000	858,499,471	8,584,994,710	Capitalization of profit	None	July 17, 2003 (92) Tai-Tsai-Cheng (I) No. 0920132220
August/2004	10	960,000,000	9,600,000,000	915,160,436	9,151,604,360	Capitalization of profit	None	July 20, 2004 Chin-Kuan-Cheng-Yi-Tse No. 0930132295

Note: PCSC's initial paid-in capital in June 1987 was NT\$100,000,000. After the conversion of retained earnings into capital over the years, PCSC's paid-in capital is NT\$9,151,604,360 as of April 24, 2009.

##### b. Capital and Shares:

Unit: Shares

Type of Stock	Authorized Capital			Remark
	Outstanding Shares	Non-Issued	Total	
Common Stock, Inscribed	915,160,436	44,839,564	960,000,000	Publicly Traded

#### 1-2 Shareholder Structure:

Unit: Shares / As of April 12, 2009

Quantity \ Shareholder	Government Agencies	Financial Institutions	Other Juridical Persons	Domestic Individuals	Foreign Institutions & Individuals	Total
No. of Shareholders	1	0	157	21,293	517	21,968
Shareholding	5	0	493,283,357	55,025,403	366,851,671	915,160,436
Holding Percentage	0.00%	0.00%	53.90%	6.01%	40.09%	100%

#### 1-3 Distribution Profile of Shareholder Ownership:

Par Value NT\$10 / As of April 12, 2009

Tiers of Shareholding (Unit: Shares)	No. of Shareholders	Total Shareholding (Unit: Shares)	Holding Percentage
1~999	9,531	2,149,440	0.24%
1,000~5,000	9,814	19,662,515	2.15%
5,001~10,000	1,207	9,257,484	1.01%
10,001~15,000	374	4,706,488	0.51%
15,001~20,000	223	4,083,901	0.45%
20,001~30,000	174	4,506,692	0.49%
30,001~50,000	162	6,554,195	0.72%
50,001~100,000	131	9,701,086	1.06%
100,001~200,000	99	14,160,086	1.55%
200,001~400,000	77	23,104,904	2.53%
400,001~600,000	40	20,547,732	2.25%
600,001~800,000	16	11,101,975	1.21%
800,001~1,000,000	24	21,394,770	2.34%
Over 1,000,001	96	764,229,168	83.51%
Total	21,968	915,160,436	100.00%

## 1-4 Major Shareholders:

As of April 12, 2009

Shareholders	Shareholding (Shares)	Holding Percentage (%)
Uni-President Enterprise Corp.	415,489,816	45.401%
First State Asia Pacific Leaders Fund account in custody of Citigroup	16,460,000	1.799%
Templeton Developing Markets Trust account in custody of JPMorgan Chase Bank N.A. Taipei Branch	14,323,164	1.565%
Mathews International Fund account in custody of HSBC	13,316,000	1.455%
Chunghwa Post Co., Ltd.	13,211,404	1.444%
PCSC Employees Benefits Trust account in custody of Chinatrust Commercial Bank	12,248,397	1.338%
Government of Singapore Fund in custody of Citigroup	11,986,665	1.310%
Nan Shan Life Insurance Co., Ltd.	10,508,814	1.148%
Oppenheimer Developing Markets Fund in custody of JPMorgan Chase Bank N.A. Taipei Branch	10,033,074	1.096%
Templeton Emerging Markets Series account in custody of JPMorgan Chase Bank N.A. Taipei Branch.	9,787,010	1.069%

## 1-5 Share Prices, Net Value, Earnings, Dividends and Relevant Share Information for Last Two Years:

Unit: NT\$

Item	Year	2007	2008	As of April 24, 2009	
Market Price per Share	Highest	102.5	122.5	82.3	
	Lowest	73.9	65.9	68.9	
	Average	85.40	95.10	76.72	
Net Value per Share	Before Distribution	17.76	17.97	18.92	
	After Distribution	14.24	(Note)	(Note)	
Earnings per Share	Weighted Average Shares (Shares)	915,160,436	915,160,436	915,160,436	
	Earnings per Share (Undiluted)	3.96	3.85	0.84	
	Earnings per Share (Diluted)	3.96	(Note)	(Note)	
Dividend per Share	Cash Dividends	3.2	(Note)	–	
	Stock Dividends	Dividends from Retained Earnings	0	(Note)	–
		Dividend from Capital Surplus	0	(Note)	–
	Accumulated Undistributed Dividends	0	(Note)	–	
Return on Investment	Price/Earning Ratio	21.66	24.37	–	
	Price/Dividend Ratio	26.80	(Note)	–	
	Cash Dividend Yield Rate	3.73%	(Note)	–	

Note: As of March 31, 2009, the Shareholders' Meeting has not yet decided on the distribution of the earnings in 2008.

## 1-6 Dividend Policy and Implementation Status:

### a. Dividend Policy:

The dividend pool is net profit after tax, after the offsetting of previous losses, the payment of corporate income taxes, the allocation of 10% legal reserve and the adjustment of special retained earnings of the year at any amount deducted from shareholders' equity. The reverse of the deduction items in shareholders' equity afterwards may be included in the pool of the distributable earnings of the year. The remaining earnings of the year, along with undistributed earnings from the previous year are considered accumulated distributable earnings. The distribution of accumulated distributable earnings is carried out by the Board of Directors in consideration of industry conditions, the Company's future operations and investment plans. The proposal to distribute earnings shall take effect upon the approval from the Shareholders' Meeting.

The Shareholders' Meeting shall determine the distribution percentage of accumulated distributable earnings based on the following principles:

- (1) Directors and Supervisors' remunerations: 1% of the net profit of the year
- (2) Employees' bonuses: no less than 0.2% of the net profit of the year
- (3) Shareholders' dividends and bonuses: after deductions (1) and (2) from the accumulated distributable earnings, a range between 80% and 100% may be distributed. However, a percentage between 50% and 100% of such distributions should be paid as cash dividends. The remainder is booked as undistributed earnings.

- b. The 2008 earnings distribution proposal to be put to the 2009 annual Shareholders' Meeting, as approved at the Board Meeting held on March 19, 2009, was as follows: NT\$3.40 per share to be distributed from retained earnings, including a cash dividend of NT\$2.04 per share and a stock dividend of NT\$1.36 per share. Once approval has been obtained from the Shareholders' Meeting, the Board of Directors will propose a base date for the distribution of dividends.

### 1-7 Impact to the Company's Operating Performance and Earnings per Share from the Stock Dividend Proposed by the Shareholders' Meeting:

According to Guidelines for Disclosure of Financial Forecasts by Public Companies, PCSC is not required to release its 2009 financial forecasts. Therefore, under the decree of Tai-tsai-cheng (I) Letter No. 00371 issued on February 1, 2000, PCSC is not required to disclose this information.

### 1-8 Employees' Bonuses and Remunerations to Directors and Supervisors:

- a. According to PCSC's Articles of Incorporation, the dividend pool is net profit after tax, after the offsetting of previous losses, the allocation of 10% legal reserve and the adjustment of special retained earnings of the year at any amount deducted from shareholders' equity. The reverse of the deduction items in shareholders' equity afterwards may be included in the pool of the distributable earnings of the year. The remaining earnings of the year, along with undistributed earnings from the previous year are considered accumulated distributable earnings. The distribution of accumulated distributable earnings is carried out by the Board of Directors in consideration of industry conditions, the Company's future operations and investment plans. The proposal to distribute earnings shall take effect upon the approval from the Shareholders' Meeting. The remunerations of Directors and Supervisors are set at 1% of the total earnings and the employees' bonuses shall be no less than 0.2% of the total earnings of the year.
- b. The Board of Directors proposes the following allocation of employee bonuses and Directors' and Supervisors' remuneration from 2008 retained earnings:
- (1) Distribution of NT\$190,062,753 as employee cash bonuses, and distribution of NT\$31,677,125 as Directors' and Supervisors' remuneration.
  - (2) Proposed distribution of employee stock bonuses and value of employee stock bonuses as a percentage of total capitalized retained earnings: PCSC issues all employee bonuses in the form of cash.
- c. Allocation of employee bonuses and Directors' and Supervisors' remuneration from 2007 retained earnings:  
PCSC's distribution of employee bonuses and Directors' and Supervisors' remuneration from 2007 retained earnings was as follows:

Distribution (NT\$1,000)	Allocations Determined by the Shareholders' Meeting and the Board of Directors	
Employees' Bonuses	\$	260,814
Directors' and Supervisors' Remunerations	\$	32,602
Earnings per Share (Unit: NT\$)	\$	3.96
EPS after bonuses and remunerations	\$	3.64

### 1-9 Share Buyback: None

## 2. Status of Corporate Bonds, Preference Shares, GDR, Employee Stock Option Plan, Mergers, Acquisitions and Spin-Offs

### 2-1 Issuing of Corporate Bonds: None

### 2-2 Preference Shares: None

### 2-3 Global Depository Receipts: None

### 2-4 Employee Stock Option Plan: None

### 2-5 Issuance of New Shares to Merge or Acquire Other Companies: None

## 3. Status of Capital Utilization Plan

### 3-1 Capital Projection:

Any incomplete share issuance or private placement or any completed share issuance or private placement within the past three years from which benefits have not yet been reported, as of March 31, 2009: None.

### 3-2 Status of Implementations:

Individual analysis of the purpose of each capital investment project, and comparison of implementation with the originally anticipated benefits, as of March 31, 2009: None