Far Eastern New Century strictly adheres to its corporate spirit of “Sincerity, Diligence, Thrift, Prudence, and Innovation.” We focus on our core businesses, and continue to create new value for customers and shareholders. From petrochemical raw material in the upstream, polyester material in the mid-stream, to spinning, weaving, dyeing, and apparel manufacturing, from production to sales, we have established a comprehensive operation and marketing system.
Far Eastern New Century Corporation (Formerly known as Far Eastern Textile Limited, abbreviated as Far Eastern New Century below) established in 1954, we are the biggest manufacturer of diverse polyester, textile, and related products in Taiwan.

Far Eastern New Century is guided by a corporate spirit of “Sincerity, Diligence, Thrift, Prudence, and Innovation.” We focus on our core businesses, and continue to create new value for customers and shareholders. From petrochemical raw material in the upstream, polyester material in the mid-stream, to spinning, weaving, dyeing, and apparel manufacturing, from production to sales, we have established a comprehensive operation and marketing system.

On the basis of our 60 years of accumulated experience in the textile industry through diverse operational strategies, we have successfully transformed to become a corporation which includes different business units, such as, petrochemical, polyester, textile, land development and investment. Through active operational strategies, diverse and highly efficient asset activation, we continue to pursue growth in operating profit.

In response to the constantly changing investment environment Far Eastern New Century has accelerated its transformation. In order to reach the goals of dividing labor professionally and creating synergy, the Board of Directors resolved to re-organize the Company in July 2011. Four Business Industries – Petrochemical, Polyester, Textile, and Administrative, were established. Led by professional managers, we constructed complete organizational structure, which is leading Far Eastern New Century to another 60 years with steady steps and excellent growth.

Quick Review of Far Eastern New Century

- FENC is a world-class polyester manufacturer, adopting vertically integrated framework and concentrating on value-added product mix.
- FENC is dedicated to developing land assets and building prosperous communities.
- FENC is a flagship of Far Eastern Group, investing in major Group companies across industries.

<table>
<thead>
<tr>
<th>Quick Review of Far Eastern New Century</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headquarters:</td>
</tr>
<tr>
<td>Capital:</td>
</tr>
<tr>
<td>Main products:</td>
</tr>
<tr>
<td>Number of employees:</td>
</tr>
</tbody>
</table>
Founding Spirit

The Far Eastern Group’s Founder – Mr. Yu-Ziang Hsu – has always taken “trustworthiness” as the guiding principle of his business management. Beyond Group Founder’s commitment to constancy, honesty, and openness, he has enshrined “誠信勤慎創新” as Far Eastern’s founding motto.

Sincerity: Customers, the general public, and colleagues must all be treated with sincerity; cooperation and teamwork must be based on mutual trust.

Diligence: Everyone must always work diligently to renew themselves and the company. With diligence we may make up for our inadequacies and overcome hardships.

Thrift: Live a simple life and cherish your blessings; thus one may live a happy life with few earthly desires.

Prudence: Always make a careful assessment before undertaking any task; those who plan ahead are those who will succeed.

Innovation: The Far Eastern Group’s firmly held goal is to constantly create new value for customers and shareholders. The Group’s highest ideal is to make every enterprise under its flag a leading company in its industry.

Mission Statement

Having innovative thinking, superior technology, and excellent managerial skills, we aim to lead the polyester industry and maximize the value of our holdings in real estates and equity investments that shall bring happiness and prosperity to the community where we serve.

Products and Services

The main products of Far Eastern New Century include petrochemical, polyester, and textile products. We mainly export our products.

<table>
<thead>
<tr>
<th>Category of Products</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petrochemical Industry</td>
<td>Oriental Petrochemical (Taiwan) Corporation and Oriental Petrochemical (Shanghai) Corporation are two subsidiaries command supply of PTA, a crucial raw material for polyester products. In order to meet the increasing demands in China market, FENC also formed a joint-venture with Sinopec Group to build the third production base in Yangzhou, Jiangsu Province. After the completion of new lines in both Taiwan and China, FENC will become one of the top producers in the world.</td>
</tr>
<tr>
<td>Polyester Industry</td>
<td>FENC, as a world-class polyester supplier, is retaining its leadership position in areas including Solid State PET Resins, Amorphous PET Sheets, Staple Fibers used for non-apparel purposes, and Filaments used for industrial fabrics. The polyester products can be divided into two main categories: Polyethylene Terephthalate (PET) Resin and Polyester Fiber, which are applied to various applications, including food-grade and non-food packaging, industrial use, home décor, apparel and so on.</td>
</tr>
<tr>
<td>Textile Industry</td>
<td>The Textile Industry cooperates with top-notch international brands to capture market trend. FENC’s apparel textiles integrate technical and manufacturing know-how from upstream polyester fiber, nylon fiber, and cotton yarn to deliver performance fabrics and apparel. The Company’s industrial textiles focus on tire cords and conveyor belts; PET tire cord has been certified by global tire makers, while polyester base and dipping fabrics for conveyor belts continue to lead industry.</td>
</tr>
</tbody>
</table>

Connecting People’s Life

- Airbag
- Seat Belt
- Tire Cord

Easy Life

- Performance Clothing
- Upholstery and Fiberfill
- Home Textiles

Health Care

- Medical Textiles
- Hygiene Applications
- Biomedical Products

Driving Safety

- Water Bottle
- Soft Drink Bottle
- Beer Bottle

Food and Beverage

- Blister Packaging
- Protective Tray
- Optical Film

Electronic Products

- Fresh Foods Packaging
- Frozen Foods Packaging
- Microwaveable Packaging

Our Products
Locations

Petrochemical Industry
- Oriental Industries (Suzhou) Ltd.
- Far Eastern Industries (Shanghai) Ltd.
- Oriental Resources Development Co., Ltd.
- Far Eastern Apparel Co., Ltd.
- Far Eastern Construction Co., Ltd.
- Far Eastern General Contractor Inc.

Polyester Industry
- Far Eastern Apparel (Vietnam) Ltd.
- Pet Far Eastern (M) SDN. BHD.
- Far Eastern Apparel (Suzhou) Co. Ltd.
- Suqian Far Eastern Apparel Ltd.
- Shao-Belgium Beer (Suzhou) Ltd.
- Wuhan Far Eastern New Material Ltd.
- Oriental Petrochemical (Shanghai) Corp.
- Far Eastern Industries (Shanghai) Ltd.
- Martens Beers (Shanghai) Ltd.

Textile Industry
- Land Development Business

Far Eastern New Century - Hukou Mill
- Far Eastern New Century - Hsinpu Chemical Fiber Plant
- Far Eastern Group R&D Center
- Far Eastern New Century - Kuanyin Chemical Fiber Plant
- Far Eastern New Century - Kuanyin Dyeing and Finishing Plant
- Far Eastern New Century - Hai and Texturizing Plant
- Far Eastern New Century - Neili Texturizing Plant
- Far Eastern New Century - Hengyu Chemical Fiber Plant
- Far Eastern New Century - Hukou AVB

Far Eastern New Century - Hukou Mill
- Far Eastern New Century - Headquarter
- Far Eastern Apparel Co., Ltd.
- Far Eastern Resources Development Co., Ltd.
- Far Eastern Construction Co., Ltd.
- Far Eastern General Contractor Inc.

Far Eastern New Century - Yihai Garment Factory
Organization Chart

Affairs in Charge for Each Major Department

<table>
<thead>
<tr>
<th>Department</th>
<th>Affairs in Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petrochemical Industry</td>
<td>Production and sale of PTA</td>
</tr>
<tr>
<td>Polyester Industry</td>
<td>Production and sales of polyester chips, polyester staple fibers, polyester filament, polyester films and functional materials.</td>
</tr>
<tr>
<td>Textile Industry</td>
<td>Printing, dyeing and finishing of yarns, silks, fabrics and cloth; production and sales of miscellaneous natural, man-made, synthetic fiber yarns and fabrics, blended yarns and fabrics, and woven finished clothing and knitted finished clothing.</td>
</tr>
<tr>
<td>Corporate Management</td>
<td>Legal, human resources, general administration, shipping, security, labor safety and health, finance and accounting related matters.</td>
</tr>
<tr>
<td>Far Eastern Group R&amp;D Center</td>
<td>Research and development</td>
</tr>
</tbody>
</table>

For detailed contents of investment business, please refer to the website of the Far Eastern Group.
website: www.feg.com.tw
Using more than 60 years of industry groundwork, diversified development, and flexible arrangement of operational strategy, we at Far Eastern New Century have successfully transformed ourselves into an enterprise with a wide variety of interests, including petrochemicals, polyester, textile, land development, and investment business. In our first year after changing our name from Far Eastern Textile Limited to Far Eastern New Century Corporation, we have set in motion a five-year plan to double Manufacturing Business revenue, at the same time expanding our production capacity for petrochemicals, polyester, and textiles in China and Taiwan.

In 2012 the company’s operational performance saw steady and continuous growth, with our consolidated revenue reaching NT$240.4 billion, a 2% increase on the 2011 figure. Non-consolidated revenue was NT$60.7 billion, with a net income of NT$8.71 billion and EPS of NT$1.73.

### 2012 Operational Achievements

<table>
<thead>
<tr>
<th>Item</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>41,890,078</td>
<td>53,758,879</td>
<td>61,556,945</td>
<td>60,682,495</td>
</tr>
<tr>
<td>Cost of Goods Sold &amp; Operating Expenses</td>
<td>42,722,862</td>
<td>52,984,026</td>
<td>61,109,689</td>
<td>60,665,887</td>
</tr>
<tr>
<td>Salary and Wages</td>
<td>3,280,579</td>
<td>3,841,831</td>
<td>4,025,813</td>
<td>4,035,364</td>
</tr>
<tr>
<td>Operating Income (Loss)</td>
<td>(832,784)</td>
<td>774,853</td>
<td>447,256</td>
<td>16,608</td>
</tr>
<tr>
<td>Non-operating Income and Gains</td>
<td>10,396,075</td>
<td>13,775,287</td>
<td>12,549,582</td>
<td>10,203,097</td>
</tr>
<tr>
<td>Non-operating Expenses and Losses</td>
<td>1,427,584</td>
<td>1,540,040</td>
<td>1,135,236</td>
<td>1,588,098</td>
</tr>
<tr>
<td>Income Before Tax</td>
<td>8,135,707</td>
<td>13,009,200</td>
<td>11,361,602</td>
<td>8,631,607</td>
</tr>
<tr>
<td>Income Tax Benefit (Expense)</td>
<td>(47,011)</td>
<td>(159,030)</td>
<td>(774,106)</td>
<td>81,570</td>
</tr>
<tr>
<td>Net Income</td>
<td>8,088,696</td>
<td>12,850,170</td>
<td>11,887,496</td>
<td>8,713,177</td>
</tr>
<tr>
<td>EPS (NT$/share)</td>
<td>1.60</td>
<td>2.55</td>
<td>2.20</td>
<td>1.73</td>
</tr>
</tbody>
</table>

Note: EPS is calculated according to retroactively adjusted surplus and the number of shares after capital increase by capital surplus or stock dividend.

### Sales Market (2012)

- **Domestic Sales**: 22%
- **Exports**: 76%
- **Others**: 7%

- **Asia**: 49%
- **Americas**: 32%
- **Europe**: 12%

### Product Mix (% of Sales)

- **Polyester staple fiber**: 6.03%
- **Cotton yarn**: 8.65%
- **Apparel**: 7.19%
- **Textile Industry**: 17.85%
- **Solid-state polymer**: 39.00%
- **Anti-glare film**: 0.53%
- **PET film**: 0.78%
- **PET sheet**: 1.77%
- **Polyester chip**: 2.12%
- **PET bottle**: 2.11%
- **Drawn textured yarn**: 2.43%
- **High denier industrial yarn**: 3.94%
- **Others**: 0.77%

### Other Sales Items

- **Knitted finished fabrics**: 2.70%
- **Fabrics (Including yarn-dyed fabrics)**: 0.12%
- **Industrial fabrics**: 0.95%

### Percentage of Sales by Region

- **Asia**: 49%
- **Americas**: 32%
- **Europe**: 12%
- **Others**: 7%
About Far Eastern New Century

Far Eastern New Century is well equipped with foresight, technological advantages, and strong innovation. Driven by stable finances and talented individuals, other than achieving outstanding operational accomplishments, we have also received favorable comments and awards both domestically and internationally. In 2011, we won the "Global Chinese Business 1000 Awards" award in Yazhou Zhoukan, and were named as one of the top 13 Chinese enterprises in the world. We were the only corporation in Taiwan to win an award. In addition to this, in the magazine CommonWealth’s deliberations for its “Most Admired Company” award, Far Eastern New Century has been crowned industry champions for five years running (2008–2012), and is the enterprise which has garnered the most awards in the textiles industry.

Far Eastern New Century won the “Award for International Trade in 2012” from the Ministry of Economic Affairs, as well as the twin certifications of excellent and good "Hiring Disable Employees Lable" from the Department of Labor, Taipei City Government. In 2012 the company’s chairman Douglas Tong Hsu won the “Chinese Business Leaders Annual Award”, the only entrepreneur to be given this accolade. The recipients are voted for by ordinary people, academics, and media editors, and the evaluation standards comprise of the four areas of global vision, times insight, industry vision, and Chinese values.

## Awards Received

- **August 2011**: Silver medal for Taiwan TrainQuali System in Enterprises - Bureau of Employment and Vocational Training
  - Council of Labor Affairs, Executive Yuan
- **October 2011**: Taiwan Green Classics Awards - Ministry of Economic Affairs
- **October 2011**: 2011 Most Admired Company - CommonWealth magazine
- **October 2011**: Global Chinese Business 1000 Awards - Yazhou Zhoukan
- **November 2011**: Corporate Start-up Award for Companies over 40 - Ministry of Economic Affairs
- **November 2011**: Most Innovative Companies in Taiwan - Industrial Development Bureau, Ministry of Economic Affairs
- **November 2011**: Hsinpu Chemical Fiber Plant won “Greenhouse Gases Voluntary Deduction Award” - Taiwan Man-Made Fiber Industries Association
- **August 2012**: Sixth place in “Award for International Trade in 2012” - Conducted in cooperation by the Bureau of Foreign Trade and the Small and Medium Enterprise Administration, Ministry of Economic Affairs
- **October 2012**: 2011 Most Admired Company - CommonWealth magazine
- **November 2012**: “Hiring Disable Employees Lable” Twin certifications of excellent and good - Department of Labor, Taipei City Government
- **December 2011**: Chairman Douglas Tong Hsu was the “Chinese Business Leaders Annual Award” - ifeng.com, 21st Century Business Herald, China National Radio - China Business Radio

## Government Cooperation Plan

### Items of Government Cooperation Plan 2011-2012

<table>
<thead>
<tr>
<th>Units: NT$ thousands</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Categories</strong></td>
</tr>
<tr>
<td>Technology Development Program Subsidies</td>
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<tr>
<td>Exhibitions subsidies</td>
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<tr>
<td>Exhibitions subsidies</td>
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<tr>
<td>Human resources development</td>
</tr>
<tr>
<td>Technology Development Program Subsidies</td>
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</tbody>
</table>