



台北市寶慶路 27 號  
NO.27, PAO CHING ROAD, Taipei

## **Minutes of 2009 Annual General Shareholders' Meeting of Far Eastern Department Stores**

**Date:** Friday, 12 June 2009

**Time:** 9:00 a.m. Taipei time

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

### **Shareholders present:**

**Number of shareholders and shareholder representatives present:** 346 persons.

**Total shares represented by shareholders present:** 880,795,207 shares, which was 75.96% of total number of outstanding shares 1,159,542,238 shares (Excluding the shareholders who had no voting right stipulated in Article 179 of the Company Law).

### **Invited observers:**

Certified Public Accountant: Mr. Wu En-Ming, Mrs. Yeh Shu-Chuan

Attorney: Mr. Chiang Ta-Chung

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

**Recorder:** Mr. Frank Jou

The aggregate shareholding of the shareholders present constituted a quorum. The Chairman called the meeting to order.

The speech of Chairman (omitted)

The speech of invited observers (none)

### **A. Matters to be Reported.**

1) Messages to Shareholders (omitted)

2) 2008 financial statements (omitted)

3) Supervisors' audit report on 2008 business report and financial statements (omitted)

4) Report on offering of corporate bond (omitted)

Shareholder # 0212298 Mr. Liu Tai Ann raised questions with respect to issues such as the operation of Far Eastern A.mart Co. Ltd.; the questions and the management's responses were omitted)

### **B. Matters to be approved**

#### **1. To accept the 2008 financial statements.**

The Board of Directors proposes and recommends that each shareholder vote FOR the acceptance of 2008 business report and financial statements.

Explanatory Notes:

- i. FEDS's 2008 financial report, including balance sheet, income statement, statement of changes in shareholders' equity, and statement of cash flows, have been audited by independent auditors, Mr. Shih Ching-Pin and Ms. Yeh Shu-Chuan of Deloitte & Touche (please refer to P.3-P.14), and have been examined by and determined to be correct and accurate by Supervisors of FEDS. We thereby submit this report.
- ii. The 2008 business report, independent auditors' audit report, and the above-mentioned financial statements are attached within "Matters to be reported".
- iii. Please approve the above-mentioned business report and financial statements.

**Upon solicitation of comments by the Chairman, there was no objection voiced and the resolution was adopted unanimously by the shareholders present:**

**RESOLVED, that the 2008 business report and financial statements be and hereby were accepted as submitted.**

**2. To approve the proposal for the distribution of 2008 surplus earning.** The Board of Directors proposes and recommends that each shareholder vote FOR the distribution of 2008 surplus earning.

Explanatory Notes:

- i. All the closing transactions as of December 31, 2008 have been completely closed, and have been audited by the accounting firm, Deloitte and Touche. We thereby submit the proposal for distribution of 2008 profits:

1. Net Income of 2008	N.T\$ 286,863,814
2. 10% legal reserve (1*10%)	(28,686,381)
3. Undistributed profits of previous years	0
4. Reverse the special reserve provided pursuant to laws (Note)	483,468,810
5. Earnings available for distribution (4=1-2+3)	741,646,243

Note: To comply with the office letter of Securities and Futures Bureau, Ministry of Finance under (89) Tai-Tsai-Cheng (1) Tze No. 100116 dated January 3, 2000.

- ii. The earnings available for distribution are allocated as the following:

1. Dividend (60%)	N.T\$ 455,618,852
2. Cash bonus to shareholders (33%)	250,590,368

- |   |                   |
|---|-------------------|
| 4. Total Distribution                                     | 706,209,220       |
| iii. Undistributed earnings after distribution            | N.T\$ 35,437,023  |
| iv. Source of 2008 dividend :                             |                   |
| 1. Dividend of this year                                  | N.T\$ 455,618,852 |
| 2. Cash bonus to shareholders of this year                | 250,590,368       |
| 3. Total amount   | 706,209,220       |
| v. The major items of the Distribution of 2008 Dividend : |                   |
| 1.Cash dividends to common share holders                  |                   |
| (NT\$ 0.3 per share)                                      | N.T\$ 353,104,610 |
| 2.Stock dividends to common share holders                 |                   |
| (NT\$ 0.3 per share at par value)                         | 353,104,610       |
| 3.Total amount of 0.60 per share                          | 706,209,220       |
- vi. After being approved at the annual General Shareholders' meeting, the cash dividends to common shareholders will be distributed on the record date to be determined by the Board of Directors.
- vii. After being approved at the annual General Shareholders' meeting (2009), the cash dividends to common shareholders will be distributed on the record date to be determined by the Board of Directors.
- viii. Should FEDS subsequently repurchase its common shares or issue new common shares according to Article 28-2 of the ROC Securities and Exchange Law and other relevant regulations, the total numbers of common shares outstanding may change, and the ultimate cash and stock to be distributed to each common share may need to be adjusted accordingly. It is proposed that the Board of Directors of FEDS be authorized to adjust the cash and stock to be distributed to each common share based on the total amount of profits resolved to be distributed, the amount of earnings resolved to be capitalized, and the number of actual common shares outstanding on the record date for distribution.
- ix. Please approve the above mentioned proposal for the distribution of 2008 profits.

**Objection raised by Shareholder # 0212298 Mr. Liu Tai Ann**

**Upon decision by the Chairman, the proposal was put through to vote. The number of shares represented by the shareholders present at the time of voting was 880,795,207, and 706, 192,**

**866 votes were cast for the proposal, which was 80% of votes represented by the shareholders present. 113 votes were cast against the proposal, which was 0.00001% of votes represented by the shareholders present.**  
**RESOLVED, that the above proposals be and hereby were approved as proposed.**

### **C. Discussion and Election**

#### **1. To approve the capitalization of 2008 stock dividends.**

The Board of Directors proposes and recommends that each shareholder vote FOR the capital increase of 2008 stock dividends.

Please vote.

Board of Directors proposes:

#### Explanatory Notes:

- i. For the purpose of improving the financial structure, it is proposed that FEDS's paid-in capital be increased by capitalizing the stock dividends to common share holders of NT\$353,104,610. A total number of 35,310,461 common shares, at par value of NT\$ 10 each share, shall be issued for such capital increase.
- ii. After being approved at the Annual General Shareholders' Meeting and accepted by the regulatory authority in charge, the new shares will be distributed on a record date to be determined by the Board of Directors. Each common share holder will be entitled to receive a stock dividend of 30 common shares for each 1,000 common shares held by such shareholders. If the stock dividends include any fractional shares which are less than one full share, in accordance with Article 204 of the Company Law, the distribution will be made in the form of cash rounded to the nearest dollar amount calculated at par value. Such fractional shares will be purchased by Far Eastern Recreation Center Employee's Welfare Committee of FEDS. The new issued common shares should have the right to enjoy dividends of 2009 and the same rights & obligation as the previous issued common shares.
- iii. Should FEDS subsequently repurchase its common shares or issue new common shares according to Article 28-2 of the ROC Securities and Exchange Law and other relevant regulations, the total numbers of common shares outstanding may change, and the ultimate stock to be distributed to each common share may need to be adjusted accordingly. It is proposed that the Board of Directors of FEDS be authorized to adjust the cash and stock to be distributed to each common share based on the total amount of profits resolved to be distributed, the amount of earnings resolved to be capitalized, and the number of actual common shares outstanding on the record date for distribution.
- iv. Up to the year ended of February of 2009, the paid-in Capital is NT\$11,770,153,530, a total number of 1,177,015,353 common shares, at par value of NT\$10 each share. After the proposed capital increase has been issued, the paid-in capital is NT\$12,123,258,140, at par

value of NT\$10 each share, comes to total 1,212,325,814 common shares.

- v. Please approve the proposal for the capitalization of 2008 stock dividends.

**Upon solicitation of comments by the Chairman, there was no objection voiced and the resolution was adopted unanimously by the shareholders present:**

**RESOLVED, that the proposal to approve the capitalization of 2008 stock dividends be and hereby were accepted as submitted.**

**2. Proposal to amend certain provisions of the Company's "Procedures for Lending Capital to Others"**

**Please vote.**

**Board of Directors proposes:**

Explanatory Notes:

- i. We propose to amend Article 1, Article 2, Article 4, Article 5, Article 6, Article 8 and Article 9 of the Company's "Regulations for Granting Loan to Others" pursuant to the official letter of Financial Supervisory Commission, Executive Yuan under Ching-Kuan-Cheng-6-Tze No. 0980000271 dated January 15, 2009. The amended provisions are shown in the attached comparison table.
- ii. Please approve the proposed resolutions.

**Upon solicitation of comments by the Chairman, there was no objection voiced and the resolution was adopted unanimously by the shareholders present:**

**RESOLVED, that the proposal to amend certain provisions of the Company's "Procedures for Lending Capital to Others" be and hereby were accepted as submitted.**

**3. Proposal to amend certain provisions of the Company's "Regulations for Making Endorsements/Guarantees"**

**Please vote.**

**Board of Directors proposes:**

Explanatory Notes:

- i. We propose to amend Article 2, Article 4, Article 8 and Article 9 of the Company's "Regulations for Making Endorsements/Guarantees" pursuant to the official letter of Financial Supervisory Commission, Executive Yuan under Ching-Kuan-Cheng-6-Tze No. 0980000271 dated January 15, 2009. The amended provisions are shown in the attached comparison table.
- ii. Please approve the proposed resolutions.

**Upon solicitation of comments by the Chairman, there was no objection voiced and the resolution was adopted unanimously by the shareholders present:**

**RESOLVED**, that the proposal to amend certain provisions of the Company's "Regulations for Making Endorsements/Guarantees" be and hereby were accepted as submitted.

**4. Proposal to re-elect the Company's directors/supervisors as the term of office for the existing directors/supervisors will expire on June 1, 2009**

**Please vote.**

**Board of Directors proposes:**

Explanatory Notes:

- i. The Company's directors of 14th term and supervisors of 17th term were elected in the general shareholders' meeting on June 2, 2006. The term of office for the directors/supervisors will expire on June 1, 2009. Therefore, the directors/supervisors shall be re-elected in the general shareholders' meeting in 2009 in accordance with Article 18 of the Company's Articles of Incorporation.
- ii. We propose to elect 7 directors and 2 supervisors in accordance with Article 17 of the Company's Articles of Incorporation, and the term of office thereof shall commence from the date when they are elected.

**The list of the newly elected directors and supervisors with indication of votes received by each of them is as follows:**

**Directors**

Shareholder Number #	Company	Representative	Vote Received
000008		Douglas Tony Hsu	603,672,462
136279	Ding & Ding Management Consultants Co.	Nancy Hsu	542,067,975
000010	Far Eastern Textile Ltd.	C.S. Yeh	537,433,408
000010	Far Eastern Textile Ltd.	Alex Ro	536,991,827
000010	Far Eastern Textile Ltd.	Nicole Hsu	536,658,830
005757	Asia Cement Co.	Viginia Shao	535,988,734
005757	Asia Cement Co.	Jin Lin Liang	535,733,157

**supervisors**

Shareholder Number #	Company	Representative	Total Shares Approved
061739	YDT Technology International Co., Ltd	Charles Wang	538,259,452
010650	Yu Ming Trading Co.	Philby Chen	537,268,170

**5. Proposal to lift the restriction on non-competition of directors as defined in Article 209 of the Company Law**  
**Please vote.**

**Board of Directors proposes:**

Explanatory Notes:

i. According to Paragraph 1 of Article 209 of the Company Law, a director who performs any act for himself or on behalf of another person that is within the scope of the company's business shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.

ii. As the Company's new directors might have invested in or managed other companies engaged in the business identical with or similar to the Company's and assumed the position of director or manager in the companies, we hereby ask the shareholders' meeting to approve the relief of the Company's restrictions on the non-competition of new directors and their representatives in accordance with Article 209 of the Company Law.

**Upon solicitation of comments by the Chairman, there was no objection voiced and the resolution was adopted unanimously by the shareholders present:**

**RESOLVED, that the proposal to lift the restriction on non-competition of directors as defined in Article 209 of the Company Law be and hereby were accepted as submitted.**

title	Name	Duties in the same Industry	Main Businesses and Products of the Investee Company
Director	Douglas Tony Hsu	<ul style="list-style-type: none"> <li>• Board of Director for Far Eastern Aimai Co., Ltd</li> <li>• Director of Ya Tung Department Store Ltd.</li> <li>• Director of Pacific Sogo Department Store Co.</li> <li>• Director of Far Eastern City Super Ltd.</li> </ul>	Conducted mainly in retail 、 wholesale items for department stores 。
Director	Representative of Ding & Ding Management Consultants Co. : Nancy Shu	<ul style="list-style-type: none"> <li>• Director for Far Eastern Aimai Co.,Ltd</li> <li>• Director of Ya Tung Department Store Ltd.</li> <li>• Director of Far Eastern City Super Ltd.</li> </ul>	Conducted mainly in retail 、 wholesale items for department stores 。
Director	Representative of Far Eastern Textile Limited: Yeh C.S.	<ul style="list-style-type: none"> <li>• Director for Far Eastern Aimai Co., Ltd.</li> <li>• Director of Ya Tung Department Store Ltd.</li> <li>• Director of Far Eastern City Super Ltd</li> <li>• Director of Chongqing FEDS Co. Ltd.</li> <li>• Vice Director of TianJin FEDS Co.,Ltd.</li> </ul>	Conducted mainly in retail 、 wholesale items for department stores 。
Director	Representative of Far Eastern Textile Limited: Alex Ro	<ul style="list-style-type: none"> <li>• Director for Far Eastern Aimai Co.,Ltd.</li> <li>• Director of Shanghai Pacific Department Store Co., Ltd.</li> <li>• Director of Chengdou Chunxi Masion Pacific</li> </ul>	Conducted mainly in retail 、 wholesale items for department stores 。

		Department Store Co., Ltd. • Director of Chengdou Quanxing Masion Pacific Department Stores Co., Ltd. • Director of Chongqing Metropolitan Plaza Pacific Department Store Co., Ltd. • Director of Beijing Xidan Pacific Department Store Co., Ltd. • Director of Pacific Dept. Store (Dalian) Co.,Ltd. • Director of Liyang Department Store Co., Ltd.	
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Upon solicitation of comments by the Chairman, there was no objection voiced and the resolution was adopted unanimously by the shareholders present:

**RESOLVED**, that the proposal to amend certain provisions of the Company's "Regulations for Making Endorsements/Guarantees" be and hereby were accepted as submitted.

**D. Extempore motion: No.**

**E. Meeting adjourned.**

**Chairman:** Mr. Douglas T. Hsu

**Recorder:** Mr. Frank Jou



FAR EASTERN DEPARTMENT STORES, LTD.  
遠東百貨股份有限公司

BALANCE SHEETS  
資 產 負 債 表  
DECEMBER 31, 2008 AND 2007  
民國九十七年及九十六年十二月三十一日  
(In Thousands of New Taiwan Dollars, Except Par Value)  
(單位：除每股面額為新台幣元外，餘係新台幣仟元)

		2008		2007				2008		2007	
		九十七年十二月三十一日		九十六年十二月三十一日				九十七年十二月三十一日		九十六年十二月三十一日	
		Amount		Amount				Amount		Amount	
		金	額	金	額			金	額	金	額
		%	%	%	%			%	%	%	%
</											

The accompanying notes are an integral part of the financial statements.  
後附之附註係本財務報表之一部分  
(With Deloitte & Touche audit report dated March 3,2009)

董事長：徐旭東

經理人：徐雪芳

會計主管：鄒德祥

FAR EASTERN DEPARTMENT STORES, LTD.  
遠東百貨股份有限公司

STATEMENTS OF INCOME  
損 益 表

YEARS ENDED DECEMBER 31, 2008 AND 2007  
民國九十七年及九十六年一月一日至十二月三十一日  
(In Thousands of New Taiwan Dollars, Except Per Share Amounts)  
(單位：除每股盈餘為新台幣元外，餘係仟元)

		2008		2007	
		九 十 七 年 度		九 十 六 年 度	
		Amount		Amount	
		金 額	%	金 額	%
REVENUES	營業收入				
Sales	銷貨收入	\$ 20,809,508	99	\$ 20,244,063	99
Other operating revenues	其他營業收入	<u>223,914</u>	<u>1</u>	<u>270,656</u>	<u>1</u>
Total revenues	營業收入合計	<u>21,033,422</u>	<u>100</u>	<u>20,514,719</u>	<u>100</u>
COSTS	營業成本				
Cost of goods sold	銷貨成本	16,746,762	80	16,282,890	80
Other operating costs	其他營業成本	<u>47,496</u>	<u>-</u>	<u>47,483</u>	<u>-</u>
Total costs	營業成本合計	<u>16,794,258</u>	<u>80</u>	<u>16,330,373</u>	<u>80</u>
GROSS PROFIT	營業毛利	<u>4,239,164</u>	<u>20</u>	<u>4,184,346</u>	<u>20</u>
OPERATING EXPENSES	營業費用				
Selling	推銷費用	822,954	4	851,024	4
General and administrative	管理及總務費用	<u>2,711,469</u>	<u>13</u>	<u>2,659,196</u>	<u>13</u>
Total operating expenses	營業費用合計	<u>3,534,423</u>	<u>17</u>	<u>3,510,220</u>	<u>17</u>
OPERATING INCOME	營業淨利	<u>704,741</u>	<u>3</u>	<u>674,126</u>	<u>3</u>
NONOPERATING INCOME AND GAINS	營業外收入及利益				
Gain on disposal of property	處分資產已實現利益	-	-	363,639	2
Dividend income	股利收入	149,611	1	97,696	-
Equity in earning of equity-method investees, net	採權益法認列之投資淨益	-	-	476,300	2
Interest income	利息收入	4,649	-	6,131	-
Gain on disposal of investments, net	處分投資淨益	156,388	1	34,149	-
Other income	什項收入	<u>115,612</u>	<u>-</u>	<u>115,638</u>	<u>1</u>
Total nonoperating income and gains	營業外收入及利益合計	<u>426,260</u>	<u>2</u>	<u>1,093,553</u>	<u>5</u>
NONOPERATING EXPENSES AND LOSSES	營業外費用及損失				
Equity in loss of equity-method investees, net	採權益法認列之投資淨損	611,509	3	-	-
Interest expense	利息費用	190,572	1	182,944	1
Loss on disposal of property and idle assets	處分及報廢固定及閒置資產損失	13,985	-	22,351	-
Other expenses	什項支出	<u>94,869</u>	<u>-</u>	<u>78,204</u>	<u>-</u>
Total nonoperating expenses and losses	營業外費用及損失合計	<u>910,935</u>	<u>4</u>	<u>283,499</u>	<u>1</u>
INCOME BEFORE INCOME TAX	稅前淨利	220,066	1	1,484,180	7
INCOME TAX	所得稅利益	( <u>66,798</u> )	<u>-</u>	( <u>122,972</u> )	( <u>1</u> )
NET INCOME	淨 利	<u>\$ 286,864</u>	<u>1</u>	<u>\$ 1,607,152</u>	<u>8</u>

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(Continued)

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		2008		2007	
		九 十 七 年 度		九 十 六 年 度	
		Before Tax	After Tax	Before Tax	After Tax
		稅 前	稅 後	稅 前	稅 後
EARNINGS PER SHARE	每股盈餘				
Basic	基本每股盈餘	<u>\$ 0.19</u>	<u>\$ 0.25</u>	<u>\$ 1.29</u>	<u>\$ 1.40</u>
Diluted	稀釋每股盈餘	<u>\$ 0.19</u>	<u>\$ 0.25</u>		

Pro forma information on the assumption that the Company's shares traded or held by subsidiaries are treated as investments instead of treasury stocks:  
 假設子公司持有母公司股票不視為庫藏股票而作為投資時之擬制資料稅後金額

		2008		2007	
		九 十 七 年 度		九 十 六 年 度	
		Before Tax	After Tax	Before Tax	After Tax
		稅 前	稅 後	稅 前	稅 後
EARNINGS PER SHARE	每股盈餘				
Basic	基本每股盈餘	<u>\$ 0.63</u>	<u>\$ 0.69</u>	<u>\$ 1.30</u>	<u>\$ 1.40</u>
Diluted	稀釋每股盈餘	<u>\$ 0.63</u>	<u>\$ 0.69</u>		

The accompanying notes are an integral part of the financial statements.  
 後附之附註係本財務報表之一部分  
 (With Deloitte & Touche audit report dated March 3, 2009)  
 (參閱勤業眾信會計師事務所民國九十八年三月三日會計師查核報告)

(Concluded)

董事長:徐旭東

經理人:徐雪芳

會計主管:鄒德祥

FAR EASTERN DEPARTMENT STORES, LTD.  
遠東百貨股份有限公司

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY  
股東權益變動表  
YEARS ENDED DECEMBER 31, 2008 AND 2007  
民國九十七年及九十六年一月一日至十二月三十一日  
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)  
(單位：除每股現金股利為新台幣元外，係新台幣仟元)

		Other Equity Adjustments															
		Capital Stock	Capital Surplus			Retained Earnings			股 東 權 益 其 他 調 整 項 目								
		股 本	資 本	公 積	保 留 盈 餘							Total					
		Issued and Outstanding	Additional Paid-in Capital - Share Issuance in Excess of Par	Treasury Stock Transactions	Long-term Investments	Legal Reserve	Special Reserve	Unappropriated Earnings	Cumulative Translation Adjustments	Net Loss Not Recognized as Pension Cost	Unrealized Valuation Gains (Losses) on Financial Instruments	Unrealized Asset Revaluation Increment	Treasury Stock	Stockholders' Equity			
		普 通 股	股 票 發 行 溢 價	庫 藏 股 票 交 易	長 期 投 資	法 定 盈 餘 公 積	特 別 盈 餘 公 積	未 分 配 盈 餘	累 積 換 算 調 整 數	未 認 列 為 退 休 金 成 本 之 淨 損 失	金 融 商 品 未 實 現 ( 損 ) 益	未 實 現 重 估 增 值	庫 藏 股 票	股 東 權 益 合 計			
BALANCE, JANUARY 1, 2007	九十六年一月一日餘額	\$ 10,778,529	\$ 2,606,859	\$ 267,469	\$ 345,117	\$ 1,277,311	\$ 2,159,977	\$ 634,461	(\$ 19,354)	(\$ 11,660)	\$ 2,121,567	\$ 883,944	(\$ 181,950)	\$ 20,862,270			
Appropriation of prior year's earnings:	九十五年度盈餘分配																
Legal reserve	法定盈餘公積	-	-	-	-	58,615	-	( 58,615)	-	-	-	-	-	-			
Reversal of special reserve	迴轉特別盈餘公積	-	-	-	-	-	( 3,389)	3,389	-	-	-	-	-	-			
Cash dividends - NT\$0.5 per share	現金股利－每股 0.5 元	-	-	-	-	-	-	( 538,926)	-	-	-	-	-	( 538,926)			
Employee bonuses	員工紅利	-	-	-	-	-	-	( 23,034)	-	-	-	-	-	( 23,034)			
Remuneration to directors and supervisors	董監事酬勞	-	-	-	-	-	-	( 17,275)	-	-	-	-	-	( 17,275)			
Capital surplus transferred to common stock	資本公積轉增資	431,141	( 431,141)	-	-	-	-	-	-	-	-	-	-	-			
Adjustment due to subsidiaries' disposal of parent's stocks	子公司處分母公司股票之調整	-	-	45,213	-	-	-	-	-	-	-	-	16,458	61,671			
Translation adjustments on long-term equity investments	外幣長期股權投資換算調整數	-	-	-	-	-	-	-	( 5,349)	-	-	-	-	( 5,349)			
Adjustment reported by equity-method investees	採權益法認列被投資公司調整	-	-	-	( 21,222)	-	-	-	8,541	( 691)	1,287,362	-	-	1,273,990			
Valuation gain on available-for-sale financial assets	備供出售金融資產未實現損益之變動	-	-	-	-	-	-	-	-	-	1,057,070	-	-	1,057,070			
Net income in 2007	九十六年度淨利	-	-	-	-	-	-	1,607,152	-	-	-	-	-	1,607,152			
BALANCE, DECEMBER 31, 2007	九十六年十二月三十一日餘額	11,209,670	2,175,718	312,682	323,895	1,335,926	2,156,588	1,607,152	( 16,162)	( 12,351)	4,465,999	883,944	( 165,492)	24,277,569			
Appropriation of prior year's earnings:	九十六年度盈餘分配																
Legal reserve	法定盈餘公積	-	-	-	-	160,715	-	( 160,715)	-	-	-	-	-	-			
Reversal of special reserve	迴轉特別盈餘公積	-	-	-	-	-	( 672,555)	672,555	-	-	-	-	-	-			
Stock dividends – 5%	股票股利－5%	560,484	-	-	-	-	-	( 560,484)	-	-	-	-	-	-			
Cash dividends - NT\$1.3 per share	現金股利－每股 1.3 元	-	-	-	-	-	-	( 1,457,257)	-	-	-	-	-	( 1,457,257)			
Employee bonuses	員工紅利	-	-	-	-	-	-	( 57,858)	-	-	-	-	-	( 57,858)			
Remuneration to directors and supervisors	董監事酬勞	-	-	-	-	-	-	( 43,393)	-	-	-	-	-	( 43,393)			
Adjustment due to subsidiaries' disposal of parent's stocks	子公司處分母公司股票之調整	-	-	522,909	-	-	-	-	-	-	-	-	69,769	592,678			
Translation adjustments on long-term equity investments	外幣長期股權投資換算調整數	-	-	-	-	-	-	-	4,648	-	-	-	-	4,648			
Adjustment arising from changes in percentage of ownership in investees	未按持股比例認購被投資公司現金增資調整	-	-	-	( 27,047)	-	-	-	-	-	-	-	-	( 27,047)			
Adjustment reported by equity-method investees	採權益法認列被投資公司調整	-	-	-	75,309	-	-	-	329,257	5,767	( 1,972,773)	-	-	( 1,562,440)			
Valuation loss on available-for-sale financial assets	備供出售金融資產未實現損益之變動	-	-	-	-	-	-	-	-	-	( 1,367,735)	-	-	( 1,367,735)			
Net income in 2008	九十七年度淨利	-	-	-	-	-	-	286,864	-	-	-	-	-	286,864			
BALANCE, DECEMBER 31, 2008	九十七年十二月三十一日餘額	\$ 11,770,154	\$ 2,175,718	\$ 835,591	\$ 372,157	\$ 1,496,641	\$ 1,484,033	\$ 286,864	\$ 317,743	(\$ 6,584)	\$ 1,125,491	\$ 883,944	(\$ 95,723)	\$ 20,646,029			

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

後附之附註係本財務報表之一部分。

(With Deloitte & Touche audit report dated March 3, 2009)

(參閱勤業眾信會計師事務所民國九十八年三月三日會計師查核報告)

董事長：徐旭東

經理人：徐雪芳

會計主管：鄒德祥

FAR EASTERN DEPARTMENT STORES, LTD.

遠東百貨股份有限公司

STATEMENTS OF CASH FLOWS

現金流量表

YEARS ENDED DECEMBER 31, 2008 AND 2007

民國九十七年及九十六年一月一日至十二月三十一日

(In Thousands of New Taiwan Dollars)

(單位：新台幣仟元)

		2008 九 十 七 年 度	2007 九 十 六 年 度
CASH FLOWS FROM OPERATING ACTIVITIES	營業活動之現金流量		
Net income	淨 利	\$ 286,864	\$ 1,607,152
Depreciation	折 舊	409,153	429,095
Amortization of deferred charges	攤 銷	7,280	9,034
Amortization of leasehold rights included in rental expense	租賃權益攤銷	74,822	74,667
Gain on disposal of investments, net	處分投資淨益	( 156,388 )	( 34,149 )
Cash dividends from equity-method investees	權益法計價之被投資公司發放現金股利	827,538	337,193
Equity in losses (earnings) of equity-method investees, net	權益法認列之投資淨損 ( 益 )	611,509	( 476,300 )
Loss on disposal of property and idle assets, net	處分及報廢固定及閒置資產淨損失	13,985	22,332
Realized gain on disposal of assets	處分資產已實現利益	-	( 363,639 )
Other losses	其他損失	198	-
Deferred income taxes	遞延所得稅	( 66,900 )	( 128,733 )
Increase in prepaid pension cost	預付退休金增加	( 50,842 )	( 32,216 )
Net changes in operating assets and liabilities	營業資產及負債之淨變動		
Notes receivable	應收票據	1,796	178,435
Accounts receivable	應收帳款	69,171	( 16,857 )
Accounts receivable - related parties	應收關係人款項	30,191	( 82,363 )
Other receivables	其他應收款	( 7,548 )	118,505
Inventories	存 貨	( 34,178 )	( 48,760 )
Prepayments	預付款項	5,168	( 5,448 )
Other current assets	其他流動資產	11,236	( 6,775 )
Accounts payable	應付帳款	( 258,174 )	( 200,921 )
Accounts payable -related parties	應付關係人款項	58,480	21,100
Accrued expenses	應付費用	( 13,994 )	69,866
Income tax payable	應付所得稅	-	( 42,630 )
Advanced receipts	預收款項	153,534	452,932
Other current liabilities	其他流動負債	( 41,565 )	203,411
Net cash provided by operating activities	營業活動之淨現金流入	<u>1,931,336</u>	<u>2,084,931</u>
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動之現金流量		
Proceeds from disposal of available-for-sale financial assets	處分備供出售金融資產價款	240,236	53,905
Decrease in pledged time deposits	質押定存單減少	-	1,000
Acquisition of investments accounted for by the using equity method	取得採權益法之長期股權投資價款	( 1,140,000 )	( 1,931,076 )
Proceeds from the disposal of property and idle assets	處分固定資產價款	704	551,679
Acquisition of property	購置固定資產價款	( 1,319,665 )	( 1,654,643 )
Decrease in refundable deposits	存出保證金減少	1,113	1,106
Increase in other assets	其他資產－其他增加	( 2,228 )	( 1,358 )
Net cash used in investing activities	投資活動之淨現金流出	<u>( 2,219,840 )</u>	<u>( 2,979,387 )</u>

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(Continued)

		2008 九 十 七 年 度	2007 九 十 六 年 度
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量		
Increase (decrease) in short-term debts	短期借款增加（減少）	\$ 900,000	( \$ 170,000 )
Increase (decrease) in short-term notes and bills payable	應付短期票券增加（減少）	1,095,030	( 249,583 )
Repayments of bonds issued	償還到期公司債	( 1,200,000 )	( 2,000,000 )
Issuance of bonds	發行應付公司債	1,200,000	-
(Decrease)Increase in long-term borrowings	長期借款（減少）增加	( 116,064 )	2,593,590
Decrease in deposits received	存入保證金減少	( 3,286 )	( 13,900 )
Decrease in other liabilities	其他負債－其他減少	( 563 )	( 35 )
Cash dividends, bonuses paid to employees and remuneration paid to supervisors and directors	發放現金股利、董監事酬勞及員工紅利	( 1,530,573 )	( 595,985 )
Net cash provided by (used in) financing activities	融資活動之淨現金流入（出）	344,544	( 435,913 )
NET INCREASE (DECREASE) IN CASH	現金淨增加（減少）	56,040	( 1,330,369 )
CASH , BEGINNING OF YEAR	年初現金餘額	232,948	1,563,317
CASH , END OF YEAR	年底現金餘額	\$ 288,988	\$ 232,948
SUPPLEMENTAL CASH FLOW INFORMATION	現金流量資訊之補充揭露		
Interest paid	當年度支付利息	\$ 315,255	\$ 301,416
Less: Capitalized interest	減：資本化利息	147,918	140,978
Interest paid, excluding capitalized interest	不含資本化利息之當年度支付利息	\$ 167,337	\$ 160,438
Income tax paid	支付所得稅	\$ 1,389	\$ 83,283
NONCASH INVESTING AND FINANCING ACTIVITIES	不影響現金流量之投資及融資活動		
Dividends receivable from equity-method investees	應收採權益法計價之被投資公司現金股利（帳列應收關係人款項）	\$ 464,861	\$ 323,994
Idle assets reclassified into construction-in-progress	閒置資產重分類為未完工程	\$ -	\$ 68,247
Adjustment to advance receipts and depreciation	預收裝修補助款沖減折舊	\$ 116,667	\$ 126,847
Current portion of bonds issued	一年內到期之應付公司債	\$ -	\$ 1,200,000
Current portion of long-term borrowings	一年內到期之長期借款	\$ 698,875	\$ 597,133
Current portion of franchise liabilities	一年內到期之應付權利金負債	\$ -	\$ 298,588
CASH PAID FOR ACQUISITION OF PROPERTY	購置固定資產支付現金		
Acquisition of property	固定資產增加	\$ 860,440	\$ 647,002
Acquisition of leasing	租賃權益增加	192,685	-
Decrease in construction in progress	未完工程減少	( 9,083 )	( 1,976 )
(Increase) decrease in balance payable - property	應付工程設備款（增加）減少	( 22,965 )	706,923
Decrease in franchise liabilities	應付權利金負債減少	298,588	302,694
	支付現金	\$ 1,319,665	\$ 1,654,643

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

後附之附註係本財務報表之一部分

(With Deloitte & Touche audit report dated March 3, 2009)

（參閱勤業眾信會計師事務所民國九十八年三月三日會計師查核報告）

(Concluded)

董事長：徐旭東

經理人：徐雪芳

會計主管：鄒德祥