

**EVERGREEN MARINE CORP. (TAIWAN)
LTD.
FINANCIAL STATEMENTS AND REPORT OF
INDEPENDENT ACCOUNTANTS
DECEMBER 31, 2012 AND 2011**

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Evergreen Marine Corporation

We have audited the accompanying balance sheets of Evergreen Marine Corporation (the "Company") as of December 31, 2012 and 2011, and the related statements of income, of changes in stockholders' equity, and of cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. The financial statements of certain investee companies accounted for under the equity method as of and for the years ended December 31, 2012 and 2011, were audited by other auditors, whose reports have been furnished to us. Our opinion, insofar as it relates to the amounts included in the financial statements and information disclosed in Note 11 relating to these long-term equity investments, is based solely on the reports of other auditors. Long-term equity investments in these investee companies amounted to 23,223,055 and 25,329,398 thousand New Taiwan dollars, constituting 24.10% and 27.39% of the total assets as of December 31, 2012 and 2011, respectively, and the related investment loss was 1,355,367 and 1,089,769 thousand New Taiwan dollars for the years then ended, respectively.

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

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Evergreen Marine Corporation as of December 31, 2012 and 2011, and the results of its operations and its cash flows for the years then ended in conformity with the “Rules Governing Preparation of Financial Statements by Securities Issuers” and generally accepted accounting principles in the Republic of China.

We have also audited the consolidated financial statements of Evergreen Marine Corporation and its subsidiaries as of and for the years ended December 31, 2012 and 2011, on which we have issued an unqualified opinion with explanatory paragraph thereon.

PricewaterhouseCoopers, Taiwan

March 26, 2013

Taipei, Taiwan

Republic of China

The accompanying financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

EVERGREEN MARINE CORP. (TAIWAN) LTD.

BALANCE SHEETS

DECEMBER 31,

(Expressed in thousands of New Taiwan dollars)

ASSETS	Notes	2012	2011
Current Assets			
Cash and cash equivalents	4(1)	\$ 12,669,230	\$ 5,670,482
Financial assets at fair value through profit or loss - current	4(2)	1,407,989	2,230,854
Held-to-maturity financial assets - current	4(4)	-	800,000
Notes receivable, net		6,666	1,328
Accounts receivable, net	4(6)	807,394	686,843
Accounts receivable, net - related parties	4(6) and 5	134,339	139,751
Other receivables		144,823	438,831
Other receivables - related parties	5	80,845	77,729
Inventory		465,730	342,769
Prepaid expenses		148,762	154,581
Prepayments		8,837	7,689
Deferred income tax assets - current	4(19)	269,483	254,120
Restricted assets	6	125,888	121,790
Other current assets	4(7) and 5	953,575	2,267,675
Total current assets		<u>17,223,561</u>	<u>13,194,442</u>
Funds and Investments			
Financial assets at fair value through profit or loss - non-current	4(2)	76,648	62,959
Available-for-sale financial assets - non-current	4(3)	640,209	602,904
Held-to-maturity financial assets - non-current	4(4)	370,000	370,000
Financial assets carried at cost - non-current	4(5)	1,341,391	1,344,119
Long-term equity investments accounted for under the equity method	4(8) and 6	58,949,038	61,672,912
Other long-term investments		312	312
Total funds and investments		<u>61,377,598</u>	<u>64,053,206</u>
Property, Plant and Equipment, Net			
Land	4(9), 5, 6 and 7	1,972,540	1,972,540
Buildings		1,360,388	1,360,388
Loading and unloading equipment		4,273,562	4,261,946
Computer and communication equipment		127,618	120,766
Transportation equipment		11,349,824	12,076,977
Ships		6,371,111	3,596,904
Office equipment		194,449	203,662
Cost and revaluation increments		25,649,492	23,593,183
Less: Accumulated depreciation		(14,089,081)	(13,504,192)
Construction in progress and prepayments for equipment		6,006,297	4,918,166
Total property, plant and equipment, net		<u>17,566,708</u>	<u>15,007,157</u>
Intangible Assets			
Deferred pension costs	4(14)	12,858	14,465
Other Assets			
Refundable deposits		39,896	46,037
Deferred expenses		133,354	145,886
Total other assets		<u>173,250</u>	<u>191,923</u>
TOTAL ASSETS		<u>\$ 96,353,975</u>	<u>\$ 92,461,193</u>

(Continued)

EVERGREEN MARINE CORP. (TAIWAN) LTD.

BALANCE SHEETS

DECEMBER 31,

(Expressed in thousands of New Taiwan dollars)

LIABILITIES AND STOCKHOLDERS' EQUITY	Notes	2012	2011
Current Liabilities			
Financial liabilities at fair value through profit or loss - current	4(10)	\$ -	\$ 5,163
Accounts payable		1,043,339	1,524,667
Accounts payable - related parties	5	79,108	50,977
Income tax payable	4(19)	-	29,698
Accrued expenses		742,687	719,424
Other payables - related parties	5	831	-
Other payables		27,350	21,096
Receipts in advance		2,708	999
Long-term liabilities - current portion	4(11)	4,374,618	4,459,233
Other current liabilities	5	803,478	340,929
Total current liabilities		<u>7,074,119</u>	<u>7,152,186</u>
Long-term Liabilities			
Bonds payable	4(12)	3,548,791	-
Long-term loans	4(13)	23,683,803	21,209,534
Total long-term liabilities		<u>27,232,594</u>	<u>21,209,534</u>
Other Liabilities			
Accrued pension liabilities	4(14)	1,304,752	1,331,985
Guarantee deposits received		48	48
Deferred income tax liabilities - non-current	4(19)	1,229,628	1,273,685
Deferred credit		415,867	327,929
Total other liabilities		<u>2,950,295</u>	<u>2,933,647</u>
TOTAL LIABILITIES		<u>37,257,008</u>	<u>31,295,367</u>
Stockholders' Equity			
Capital			
Common stock	4(15)	34,749,407	34,734,581
Capital Surplus			
Paid-in capital in excess of par value of common stock	4(16)	5,817,899	5,805,861
Capital reserve from donated assets		446	372
Capital reserve from long-term investments		1,606,562	1,606,562
Capital reserve from stock warrants		58,271	60,884
Capital reserve - other		6,713	6,713
Retained Earnings			
Legal reserve	4(17)	9,102,785	9,102,785
Special reserve		3,593,280	4,579,324
Undistributed earnings		9,976,596	8,862,023
Other Adjustments to Stockholders' Equity			
Cumulative translation adjustments		(4,877,940)	(2,656,053)
Unrecognized pension cost		(1,284,299)	(1,229,959)
Unrealized gain or loss on financial instruments		347,247	292,733
Total stockholders' equity		<u>59,096,967</u>	<u>61,165,826</u>
Commitments and Contingent Liabilities	7		
Subsequent Events	9		
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		<u>\$ 96,353,975</u>	<u>\$ 92,461,193</u>

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated March 26, 2013.

EVERGREEN MARINE CORP. (TAIWAN) LTD.

STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31,

(Expressed in thousands of New Taiwan dollars, except earnings (loss) per share)

Items	Notes	2012		2011	
Operating income	4(18) and 5	\$	16,220,232	\$	15,361,235
Operating costs	4(21) and 5	(	<u>15,076,970</u>)	(	<u>14,631,091</u>)
Gross profit			1,143,262		730,144
Operating Expenses					
General and administrative expenses	4(21) and 5	(	<u>1,476,096</u>)	(	<u>1,505,462</u>)
Operating loss		(	<u>332,834</u>)	(	<u>775,318</u>)
Non-operating Income and Gains					
Interest income			92,661		37,721
Dividend income			700		59,605
Gain on disposal of property, plant and equipment	5		589,585		959,039
Gain on disposal of investments			45,055		61,589
Foreign exchange gain			174,974		27,049
Rental income	5		100,475		99,340
Gain on valuation of financial assets	4(2)		16,340		-
Gain on valuation of financial liabilities	4(10)		-		236,346
Other non-operating income	4(5)		<u>128,153</u>		<u>149,451</u>
Total Non-operating Income and Gains			<u>1,147,943</u>		<u>1,630,140</u>
Non-operating Expenses and Losses					
Interest expense		(	419,780)	(	341,288)
Investment loss accounted for under the equity method	4(8)	(	256,934)	(	3,595,320)
Loss on disposal of property, plant and equipment		(	1,661)	(	7,919)
Financing charges		(	35,634)	(	17,207)
Impairment loss	4(5)	(	1,844)		-
Loss on valuation of financial assets	4(2)		-	(	33,383)
Loss on valuation of financial liabilities	4(10)	(	54,733)		-
Other non-operating losses		(	<u>4,057</u>)	(	<u>6,413</u>)
Total Non-operating Expenses and Losses		(	<u>774,643</u>)	(	<u>4,001,530</u>)
Income (loss) from continuing operations before income tax			40,466	(	3,146,708)
Income tax benefit	4(19)		<u>88,065</u>		<u>54,347</u>
Net income (loss)		\$	<u>128,531</u>	(\$	<u>3,092,361</u>)
			<u>Before Tax</u>		<u>After Tax</u>
Basic earnings (loss) per share	4(20)				
Net income (loss)		\$	<u>0.01</u>	\$	<u>0.04</u>
		(\$	<u>0.91</u>)	(\$	<u>0.89</u>)
Diluted earnings (loss) per share	4(20)				
Net income (loss)		\$	<u>0.01</u>	\$	<u>0.04</u>
		(\$	<u>0.91</u>)	(\$	<u>0.89</u>)

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated March 26, 2013.

EVERGREEN MARINE CORP. (TAIWAN) LTD.
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31,
(Expressed in thousands of New Taiwan dollars)

	Retained Earnings					Other Adjustments to Stockholders' Equity			Total
	Common Stock	Capital Surplus	Legal reserve	Special reserve	Undistributed earnings	Cumulative translation adjustments	Unrecognized pension cost	Unrealized gain or loss on financial instruments	
<u>2011</u>									
Balance at January 1, 2011	\$ 31,248,395	\$ 7,202,990	\$ 7,586,240	\$ 957,344	\$ 23,407,874	(\$ 5,055,677)	(\$ 707,771)	\$ 1,184,125	\$ 65,823,520
Appropriations of 2010 earnings (Note)									
Legal reserve	-	-	1,516,545	-	(1,516,545)	-	-	-	-
Special reserve	-	-	-	3,621,980	(3,621,980)	-	-	-	-
Stock dividends	3,157,544	-	-	-	(3,157,544)	-	-	-	-
Cash dividends	-	-	-	-	(3,157,544)	-	-	-	(3,157,544)
Conversion of convertible bonds into common stock	328,642	349,337	-	-	-	-	-	-	677,979
Stock warrants of convertible bonds	-	(67,494)	-	-	-	-	-	-	(67,494)
Adjustments to stockholders' equity accounted for under the equity method	-	(4,441)	-	-	123	318,021	(212,794)	(539,536)	(438,627)
Translation adjustments arising from investees' financial statements denominated in foreign currencies	-	-	-	-	-	2,081,603	-	-	2,081,603
Unrealized loss on available-for-sale financial assets	-	-	-	-	-	-	-	(351,856)	(351,856)
Unrecognized pension cost	-	-	-	-	-	-	(309,394)	-	(309,394)
Net loss for 2011	-	-	-	-	(3,092,361)	-	-	-	(3,092,361)
Balance at December 31, 2011	<u>\$ 34,734,581</u>	<u>\$ 7,480,392</u>	<u>\$ 9,102,785</u>	<u>\$ 4,579,324</u>	<u>\$ 8,862,023</u>	<u>(\$ 2,656,053)</u>	<u>(\$ 1,229,959)</u>	<u>\$ 292,733</u>	<u>\$ 61,165,826</u>
<u>2012</u>									
Balance at January 1, 2012	\$ 34,734,581	\$ 7,480,392	\$ 9,102,785	\$ 4,579,324	\$ 8,862,023	(\$ 2,656,053)	(\$ 1,229,959)	\$ 292,733	\$ 61,165,826
Appropriation of 2011 earnings									
Special reserve	-	-	-	(986,044)	986,044	-	-	-	-
Donated assets	-	74	-	-	(2)	-	-	-	72
Conversion of convertible bonds into common stock	14,826	12,038	-	-	-	-	-	-	26,864
Stock warrants of convertible bonds	-	(2,613)	-	-	-	-	-	-	(2,613)
Adjustments to stockholders' equity accounted for under the equity method	-	-	-	-	-	(488,052)	(104,160)	15,686	(576,526)
Translation adjustments arising from investees' financial statements denominated in foreign currencies	-	-	-	-	-	(1,733,835)	-	-	(1,733,835)
Unrealized gain on available-for-sale financial assets	-	-	-	-	-	-	-	38,828	38,828
Unrecognized pension cost	-	-	-	-	-	-	49,820	-	49,820
Net income for 2012	-	-	-	-	128,531	-	-	-	128,531
Balance at December 31, 2012	<u>\$ 34,749,407</u>	<u>\$ 7,489,891</u>	<u>\$ 9,102,785</u>	<u>\$ 3,593,280</u>	<u>\$ 9,976,596</u>	<u>(\$ 4,877,940)</u>	<u>(\$ 1,284,299)</u>	<u>\$ 347,247</u>	<u>\$ 59,096,967</u>

Note: Directors' and supervisors' remuneration of \$55,000 and employees' bonuses of \$40,000 have been deducted from the statement of income.

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated March 26, 2013.

EVERGREEN MARINE CORP. (TAIWAN) LTD.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,
(Expressed in thousands of New Taiwan dollars)

	2012	2011
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Net income (loss)	\$ 128,531	(\$ 3,092,361)
Adjustments to reconcile net income (loss) to net cash provided by operating activities		
Depreciation	1,596,929	1,559,320
Amortization	11,518	13,555
Reclassification of depreciation of loading and unloading equipment to operating costs and others	185,966	248,744
Reclassification of amortization of deferred charges to others	29,899	43,029
Net gain on disposal of property, plant and equipment	(590,962)	(951,120)
Excess of equity-accounted investment loss over cash dividends	416,593	4,500,822
Realized loss (income) from capital reduction of financial assets carried at cost - non-current	1,844	(61,631)
Amortization of bond discounts	114,134	190,021
Gain on disposal of available-for-sale financial assets	(20,889)	(42,500)
Changes in assets and liabilities		
Financial assets and liabilities at fair value through profit or loss	807,258	(535,113)
Notes and accounts receivable	(120,477)	27,168
Other receivables	290,892	(2,634)
Other financial assets	-	158,383
Inventories	(122,961)	(38,884)
Prepaid expenses and prepayments	4,671	(1,590)
Restricted assets	(4,097)	153,961
Agent accounts	356,293	(239,952)
Agency reciprocal accounts	1,477,581	(275,787)
Other current assets	(57,626)	(1,153)
Refundable deposits	6,141	(3,621)
Notes and accounts payable	(453,196)	120,131
Income tax payable	(29,698)	29,698
Accrued expenses	23,263	365,353
Other payables	6,284	(118,864)
Receipts in advance	1,709	(1,569)
Other current liabilities	401	(9,528)
Accrued pension liabilities	24,194	56,133
Deferred income tax assets / liabilities	(59,420)	(111,224)
Net cash provided by operating activities	4,024,775	1,978,787

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EVERGREEN MARINE CORP. (TAIWAN) LTD.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,
(Expressed in thousands of New Taiwan dollars)

	2012	2011
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Financial assets and liabilities at fair value through profit or loss	\$ -	(\$ 343,479)
Proceeds from disposal of available-for-sale financial assets - non current	22,412	44,849
Proceeds from disposal of held-to-maturity financial assets	800,000	-
Proceeds from capital reduction of financial assets carried at cost - non-current	884	62,107
Acquisition of long-term equity investments accounted for under the equity method	(3,080)	(2,873)
Acquisition of property, plant and equipment	(4,401,702)	(6,446,569)
Proceeds from disposal of property, plant and equipment	738,958	1,956,321
Increase in deferred expenses	(35,217)	(35,064)
Net cash used in investing activities	(2,877,745)	(4,764,708)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Decrease in short-term loans	-	(2,603,172)
Increase in corporate bonds payable	500,000	-
Increase in long-term loans	5,351,646	10,735,397
Payment of cash dividends	-	(3,157,544)
Proceeds from disposal of donated treasury stock	72	-
Net cash provided by financing activities	5,851,718	4,974,681
Increase in cash and cash equivalents	6,998,748	2,188,760
Cash and cash equivalents at beginning of year	5,670,482	3,481,722
Cash and cash equivalents at end of year	\$ 12,669,230	\$ 5,670,482
<u>SUPPLEMENTAL INFORMATION OF CASH FLOW</u>		
Interest paid	\$ 377,615	\$ 207,353
Less: Interest capitalized	(94,286)	(45,572)
Interest paid, excluding interest capitalized	\$ 283,329	\$ 161,781
Income tax paid	\$ 11,096	\$ 2,510
<u>FINANCING ACTIVITIES NOT AFFECTING CASH FLOWS</u>		
Long-term liabilities - current portion	\$ 4,374,618	\$ 4,459,233
Conversion of convertible bonds into common stock	\$ 25,500	\$ 658,600

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated March 26, 2013.

EVERGREEN MARINE CORP. (TAIWAN) LTD.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

(Expressed in thousands of New Taiwan Dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

Established on September 25, 1968, Evergreen Marine Corporation (the "Company") is mainly engaged in domestic and international marine transportation, shipping agency services, and the distribution of containers. The Company was approved by the Securities and Futures Commission (SFC), Ministry of Finance (MOF) (currently known as the Securities and Futures Bureau (SFB), Financial Supervisory Commission, Executive Yuan) to be a public company on November 2, 1982 and was further approved by the SFC to be a listed company on July 6, 1987. The Company's shares have been publicly traded on the Taiwan Stock Exchange since September 21, 1987. The Company had 1,289 employees as of December 31, 2012.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements are prepared in conformity with the "Rules Governing preparation of Financial Statements by Securities Issuers" and accounting principles generally accepted in the Republic of China. The Company's significant accounting policies are summarized below:

(1) Translation of financial statements of foreign subsidiaries

Assets and liabilities of foreign subsidiaries are translated into New Taiwan dollars using the exchange rates at the balance sheet date. Equity accounts are translated at historical rates except for beginning retained earnings, which are carried forward from prior year's balance. Dividends are translated at the rates prevailing at the date of declaration. Profit and loss accounts are translated at weighted-average rates of the year. The resulting translation differences are included in "cumulative translation adjustments" under stockholders' equity.

(2) Foreign currency transactions

- A. Transactions denominated in foreign currencies are translated into New Taiwan Dollars at the spot exchange rates prevailing at the transaction dates. Exchange gains or losses due to the difference between the exchange rate on the transaction date and the exchange rate on the date of actual receipt and payment are recognized in current year's profit or loss.
- B. Monetary assets and liabilities denominated in foreign currencies are translated at the spot exchange rates prevailing at the balance sheet date. Exchange gains or losses are recognized in profit or loss.
- C. When a gain or loss on a non-monetary item is recognized directly in equity, any exchange component of that gain or loss shall be recognized directly in equity. Conversely, when a gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss shall be recognized in profit or loss. However, non-monetary items that are measured on a historical cost basis are translated using the exchange rate at the date of the transaction.

(3) Classification of current and non-current assets and liabilities

A.Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

- a) Assets arising from operating activities that are expected to be realized or consumed, or are intended to be sold within the normal operating cycle;
- b) Assets held mainly for trading purposes;
- c) Assets that are expected to be realized within twelve months from the balance sheet date;
- d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

B.Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

- a) Liabilities arising from operating activities that are expected to be paid off within the normal operating cycle;
- b) Liabilities arising mainly from trading activities;
- c) Liabilities that are to be paid off within twelve months from the balance sheet date;
- d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date.

(4) Cash and cash equivalents

Cash and cash equivalents include cash on hand and in banks and other short-term highly liquid investments which are readily convertible to known amount of cash and which are subject to insignificant risk of changes in value resulting from fluctuations in interest rates.

The Company's statement of cash flow is prepared on the basis of cash and cash equivalents.

(5) Financial assets and financial liabilities at fair value through profit or loss

A.Equity financial instruments are recognized and derecognized using trade date accounting; whereas debt, beneficiary certificate, and derivative financial instruments are recognized and derecognized using settlement date accounting. These instruments are initially recognized at their fair values.

B.These financial instruments are subsequently remeasured and stated at fair value, and the gain or loss is recognized in profit or loss. The fair value of listed stocks, OTC stocks and closed-end mutual funds is based on latest quoted fair prices of the accounting period. The fair value of open-end and balanced mutual funds is based on the net asset value at the balance sheet date.

C.When a derivative is an ineffective hedging instrument, it is initially recognized at fair value on the date a derivative contract is entered into and is subsequently remeasured at its fair value. If a derivative is a non-option derivative, the fair value initially recognized is zero.

D.For call options, put options and conversion rights without character of equity, which are embedded in bonds payable, please refer to Note 2 (15).

E. Financial assets and financial liabilities designated as at fair value through profit or loss at inception are those that conform to one of the following conditions:

a) Hybrid products.

b) As a result of the designation, measurement and recognition inconsistency could be decreased significantly or eliminated.

c) The financial products are managed under the method of risk management and investment strategy established by the Company and performance of the product is assessed using fair value.

(6) Available-for-sale financial assets

A. Equity financial instruments are recognized and derecognized using trade date accounting. These instruments are initially recognized at their fair values plus transaction costs that are directly attributable to the acquisition.

B. The financial assets are remeasured and stated at fair value, and the gain or loss is recognized in equity, until the financial asset is derecognized, at which time the cumulative gain or loss previously recognized in equity shall be recognized in profit or loss. The fair values of listed stocks, OTC stocks and closed-end mutual funds are based on latest quoted fair prices of the accounting period. The fair values of open-end and balanced mutual funds are based on the net asset value at the balance sheet date.

C. If there is any objective evidence that the financial asset is impaired, the cumulative loss that has been recognized directly in equity shall be transferred from equity to profit or loss. When the fair value of an equity instrument subsequently increases, impairment losses recognized previously in profit or loss shall not be reversed. When the fair value of a debt instrument subsequently increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss shall be reversed to the extent of the loss recognized in profit or loss.

(7) Held-to-maturity financial assets

A. Held-to-maturity financial asset is recognized or derecognized using trade date accounting and is stated initially, at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

B. The financial assets are carried at amortized cost.

C. If there is any objective evidence that the financial asset is impaired, the impairment loss is recognized in profit or loss. If the fair value of the financial asset subsequently increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss shall be reversed to the extent of the loss previously recognized in profit or loss. The book value after such reversal should not exceed the amortized cost had no impairment loss been recognized.

(8) Financial assets and financial liabilities carried at cost

A. Financial assets and financial liabilities carried at cost are recognized or derecognized using trade date accounting and are stated initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

B. If there is any objective evidence that the financial asset is impaired, the impairment loss is recognized in profit or loss. Such impairment loss shall not be reversed when the fair value of the asset subsequently increases.

(9) Notes and accounts receivable, other receivables

A. Notes and accounts receivable are claims resulting from the sale of goods or services. Receivables arising from transactions other than the sale of goods or services are classified as other receivables. Notes and accounts receivable and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

B. The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. If such evidence exists, a provision for impairment of financial asset is recognized. The amount of impairment loss is determined based on the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the fair value of the asset subsequently increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss shall be reversed to the extent of the loss previously recognized in profit or loss. Such recovery of impairment loss shall not result to the asset's carrying amount greater than its amortized cost where no impairment loss was recognized. Subsequent recoveries of amounts previously written off are recognized in profit or loss.

(10) Inventories

Ship fuel is physically measured by the crew of each ship and reported back to the Head Office through telegraph for recording purposes at the balance sheet date. Valuation of ship fuel is based on FIFO by the exchange rate prevailing at the balance sheet date.

(11) Long-term equity investments accounted for under the equity method

A. Long-term equity investments in which the Company holds more than 20% of the investee company's voting shares or has significant influence on the investee's operational decisions are accounted for under the equity method. Effective January 1, 2006, the excess of the initial investment cost over the acquired net asset value of the investee attributable to goodwill is no longer amortized. Retrospective adjustment of the amount of goodwill amortized in previous year is not required. The excess of acquired net asset value of investee over the initial investment cost is allocated proportionately and applied as a reduction to the book values of identifiable non-current assets, and any remaining amount of such excess after this allocation is credited to extraordinary gains. Negative goodwill, created before December 31, 2005, should

still be amortized.

B. Exchange differences arising from translation of financial statements of overseas investee companies accounted for under the equity method are recorded as “cumulative translation adjustments” under stockholders’ equity.

(12) Property, plant and equipment

A. Property, plant and equipment are stated at cost. Interests incurred on the loans used to bring the assets to the condition and location necessary for their intended uses are capitalized.

B. Depreciation is provided under the straight-line method based on the assets’ estimated economic service lives. Salvage value of the fully depreciated assets that are still in use is depreciated based on the re-estimated economic service lives.

C. Major improvements and renewals are capitalized and depreciated accordingly. Maintenance and repairs are expensed as incurred.

(13) Deferred expenses

Deferred expenses refer to the expenses incurred for dock and wharf equipment, computer software and cable installation. The expenses incurred for dock and wharf equipment are amortized on a straight-line basis over the lease period while the other deferred expenses are amortized by 3 years.

(14) Impairment of non-financial assets

The Company recognizes impairment loss when there is indication that the recoverable amount of an asset is less than its carrying amount. The recoverable amount is the higher of the fair value less costs to sell and value in use. When the impairment no longer exists, the impairment loss recognized in prior years shall be recovered.

(15) Corporate bonds payable

A. The difference between the issue price and face value of corporate bonds is accounted for as premium or discount which is required to be amortized over the period from the date of issuance to maturity date using the interest method and is recorded as “interest expense”.

B. For the bonds payable issued after January 1, 2006, in which call option, put option and conversion rights are embedded, the issuer of a financial instrument shall classify the instrument, or its component parts, on initial recognition as a financial liability, a financial asset or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument. These bonds are accounted for as follows:

(a) The difference between the issue price and face value of corporate bonds is accounted for as premium or discount which is required to be amortized over the period from the date of issuance to maturity date using the interest method and is recorded as “interest expense”.

(b) The value of any derivative features (such as a call option and put option) embedded in the compound financial instrument is recognized as “financial assets or financial liabilities at fair value through profit or loss”. These derivative features are subsequently remeasured and

stated at fair value on each balance sheet date, and the gain or loss is recognized in “gain or loss on valuation of financial assets or financial liabilities”. At the expiration date, if the fair value of common stock exceeds the exercise price of put option, the fair value of the put option is recognized as “paid-in capital”; however, if the fair value of common stock is lower than the exercise price, the fair value of the put option is recognized as “gain or loss”.

(c) A conversion option embedded in the bonds issued by the Company, which is convertible to an equity instrument, is recognized in “capital reserve from stock warrants”. When a bondholder exercises his/her conversion rights, the liability component of the bonds (including corporate bonds and embedded derivatives) shall be revalued at fair value on the conversion date, and the resulting difference shall be recognized as “gain or loss” in the current period. The book value of the common stock issued due to the conversion shall be based on the adjusted book value of the above-mentioned liability component plus the book value of the stock warrants.

(d) Costs incurred on issuance of convertible bonds are proportionally charged to the liabilities and equities of the underlying instruments based on initial recognition costs.

C.If the bondholders have the right, within one year, to exercise the put option embedded in bonds, the Company should classify the bond under current liability. After the right expires, the corporate bonds unconverted or not exchanged should be reclassified under non-current liability.

(16) Pension

Under the defined benefit pension plan, net periodic pension costs are recognized in accordance with the actuarial calculations. Net periodic pension costs include service cost, interest cost, and expected return on plan assets, amortization of unrecognized net transition obligation and gains or losses on plan assets. Unrecognized net transition obligation is amortized on a straight-line basis over 15 years. Under the defined contribution pension plan, net periodic pension costs are recognized as incurred.

(17) Income tax

A.Inter-period and intra-period income tax allocation methods are employed. Over or under provision of prior years’ income tax liabilities is included in current year’s income tax. When a change in the tax laws is enacted, the deferred tax liability or asset is recomputed accordingly in the period of change. The difference between the new amount and the original amount, that is, the effect of changes in the deferred tax liability or asset, is recognized as an adjustment to current income tax expense (benefit).

B.Investment tax credits arising from expenditures incurred on acquisitions of equipment or technology, research and development, employees’ training, and equity investments are recognized in the year the related expenditures are incurred.

C.An additional 10% tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to distribute the earnings.

(18) Employees' bonuses and directors' and supervisors' remuneration

Effective January 1, 2008, pursuant to EITF 96-052 of the Accounting Research and Development Foundation, R.O.C., dated March 16, 2007, "Accounting for Employees' Bonuses and Directors' and Supervisors' Remuneration", the costs of employees' bonuses and directors' and supervisors' remuneration are accounted for as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be estimated reasonably. However, if the accrued amounts for employees' bonuses and directors' and supervisors' remuneration are significantly different from the actual distributed amounts resolved by the stockholders at their annual stockholders' meeting subsequently, the differences shall be recognized as gain or loss in the following year. In addition, according to EITF 97-127 of the Accounting Research and Development Foundation, R.O.C., dated March 31, 2008, "Criteria for Listed Companies in Calculating the Number of Shares of Employees' Stock Bonus", the Company calculates the number of shares of employees' stock bonus based on the closing price of the Company's common stock at the previous day of the stockholders' meeting held in the year following the financial reporting year, and after taking into account the effects of ex-rights and ex-dividends.

(19) Revenue, cost and expense recognition

Revenues are recognized when the earning process is substantially completed and are realized or realizable. Costs and expenses are recognized as incurred.

(20) Use of estimates

A. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses during the reporting period. Actual results could differ from those assumptions and estimates.

B. Accrued expenses are recorded at the amounts stated in the original supporting documents. Foreign port charges without supporting documents are estimated based on past records and period-end sailing schedules. Differences between the expenses actually incurred in the following year and the estimated accrued expenses are credited or charged to operating costs or expenses in the following year.

(21) Operating segments

A. The information on operating segments is consistent with that of internal management reports provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

B. In accordance with R.O.C. SFAS No. 41, "Operating Segments", segment information is disclosed in the consolidated financial statements rather than in the separate financial statements of the Company.

3. CHANGES IN ACCOUNTING PRINCIPLES

(1) Notes and accounts receivable, other receivables

Effective January 1, 2011, the Company adopted the amendments of R.O.C. SFAS No. 34, "Financial Instruments: Recognition and Measurement". An impairment loss is incurred if there is objective evidence of impairment. This change in accounting principle had no effect on net loss and loss per share for the year ended December 31, 2011.

(2) Operating segments

Effective January 1, 2011, the Company adopted the newly issued R.O.C. SFAS No. 41, "Operating Segments" to replace the original R.O.C. SFAS No. 20, "Segment Reporting". In accordance with such standard, the Company re-prepared the segment information for 2010 upon the first adoption of R.O.C. SFAS No. 41. This change in accounting principle had no significant effect on the net loss and loss per share for the year ended December 31, 2011.

4. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Cash	\$ 7,938	\$ 5,639
Checking accounts	352,068	1,017,505
Demand deposits	941,428	760,072
Foreign currency deposits	506,257	204,937
Time deposits (New Taiwan Dollars)	9,395,000	3,065,000
Time deposits (Foreign currencies)	668,090	314,517
Cash equivalents	798,937	299,664
(Less) Add: Unrealized foreign exchange (loss) gain	(488)	3,148
	<u>\$ 12,669,230</u>	<u>\$ 5,670,482</u>

(2) Financial assets at fair value through profit or loss

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Current items:		
Trading financial assets		
Listed (TSE and OTC) stocks	\$ 290	\$ 10,292
Beneficiary certificates	1,398,138	2,343,997
Embedded Derivatives	<u>3,923</u>	<u>-</u>
	1,402,351	2,354,289
Adjustments	<u>5,638</u>	<u>(123,435)</u>
	<u>\$ 1,407,989</u>	<u>\$ 2,230,854</u>
Non-current items:		
Financial assets designated as at fair value through profit or loss		
Corporate bonds	\$ 100,000	\$ 100,000
Adjustments	<u>(23,352)</u>	<u>(37,041)</u>
	<u>\$ 76,648</u>	<u>\$ 62,959</u>

A. As of December 31, 2012 and 2011, the Company recognized net gain of \$16,340 and net loss of \$33,383, respectively.

B. Hedge accounting for these derivative instruments held for hedging activities was not adopted.

(3) Available-for-sale financial assets

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Non-current items:		
Listed (TSE and OTC) stocks		
Central Reinsurance Corp.	\$ 490,801	\$ 490,801
Fubon Financial Holding Co., Ltd.	<u>-</u>	<u>1,523</u>
	490,801	492,324
Adjustments	<u>149,408</u>	<u>110,580</u>
	<u>\$ 640,209</u>	<u>\$ 602,904</u>

(4) Held-to-maturity financial assets

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Current items:		
Financial bonds	<u>\$ -</u>	<u>\$ 800,000</u>
Non-current items:		
Financial bonds	<u>\$ 370,000</u>	<u>\$ 370,000</u>

(5) Financial assets carried at cost

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Non-current items:		
Unlisted stocks	\$ 1,343,235	\$ 1,344,119
Accumulated impairment	(1,844)	-
	<u>\$ 1,341,391</u>	<u>\$ 1,344,119</u>

A. In July 2012, Power World Fund Inc., an investee accounted for under the cost method, reduced its capital. The conversion rate on the capital reduction was 6.8565%, and the amount returned to the stockholders was \$10 (in dollars) (par value) per share. As a result of the capital reduction, the proceeds received by the Company based on its proportionate equity interest in Power World Fund Inc. amounted to \$884 and the carrying amount of Company's investment was reduced by \$884.

B. In June 2011, Fu-Ji Management Consultancy Co., Ltd. (formerly Fubon Securities Finance Co., Ltd.), an investee accounted for under the cost method, reduced its capital. The conversion rate on the capital reduction was 98.44%, and the amount returned to the stockholders was \$10 (in dollars) (par value) per share. As a result of the capital reduction, the proceeds received by the Company based on its proportionate equity interest in Fu-Ji Management Consultancy Co., Ltd. amounted to \$62,107 and the carrying amount of the Company's investment in Fu-Ji Management Consultancy Co., Ltd. was reduced by \$476. Accordingly, a gain of \$61,631 was generated, which was recorded under "non-operating income – others".

C. The Company has evaluated the above financial assets and recognized impairment loss of \$1,844 for the year ended December 31, 2012.

D. The Company's investments in unlisted securities were measured at cost since its fair value cannot be measured reliably.

(6) Accounts receivable

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Non-related parties	\$ 809,077	\$ 686,108
(Less) Add : Unrealized foreign exchange (loss) gain	(1,683)	735
	807,394	686,843
Related parties	134,339	139,751
	<u>\$ 941,733</u>	<u>\$ 826,594</u>

(7) Other current assets

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Agency accounts	\$ 230,512	\$ 446,048
Agency reciprocal accounts	614,941	1,771,130
Temporary debits	108,122	50,497
	<u>\$ 953,575</u>	<u>\$ 2,267,675</u>

A. Agency accounts

These accounts occur when domestic and foreign agencies, based on the agreement with the Company, deal with foreign port formalities regarding arrival and departure of ships, cargo loading, discharging and forwarding, collection of freight, and payment of expenses incurred in the foreign port.

B. Agency reciprocal accounts

These pertain to temporary accounts between the Company and Evergreen International S.A., Gaining Enterprise S.A., Greencompass Marine S.A., Italia Marittima S.p.A., Evergreen Marine (UK) Ltd., Evergreen Marine (Hong Kong) Ltd. and Evergreen Marine (Singapore) Pte. Ltd.. These accounts occur as these ship owners incur foreign port expenses and related rental expenses.

(8) Long-term equity investments accounted for under the equity method

A. Details of long-term equity investments accounted for under the equity method are set forth below:

<u>Investee company</u>	December 31, 2012	<u>Carrying amount</u>	
	Percentage of ownership	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Peony Investment S.A.	100.00%	\$ 42,401,968	\$ 44,769,469
Everport Terminal Services Inc.	100.00%	12,370	3,028
Evergreen Marine (Latin America), S.A.	17.50%	3,089	-
Taiwan Terminal Service Co., Ltd.	55.00%	68,318	87,777
Charng Yang Development Co., Ltd.	40.00%	645,914	609,794
Evergreen International Storage	39.74%	7,866,147	7,991,293
Evergreen Security Corporation	31.25%	100,851	89,111
EVA Airways Corporation	19.32%	7,060,503	7,315,432
Taipei Port Container Terminal Corporation	21.03%	789,878	807,008
		<u>\$ 58,949,038</u>	<u>\$ 61,672,912</u>

B. Investment income (loss) accounted for under the equity method for the years ended December 31, 2012 and 2011 are set forth below:

Investee company	For the years ended December 31,	
	2012	2011
Peony Investment S.A.	(\$ 633,989)	(\$ 3,998,886)
Everport Terminal Services Inc.	9,635	-
Evergreen Marine (Latin America), S.A.	40	-
Taiwan Terminal Service Co., Ltd.	6,286	4,767
Charng Yang Development Co. Ltd.	63,059	59,868
Evergreen International Storage and Transport Corporation	206,072	305,923
Evergreen Security Corporation	11,740	11,766
EVA Airways Corporation	97,353	40,375
Taipei Port Container Terminal Corporation	(17,130)	(19,133)
	<u>(\$ 256,934)</u>	<u>(\$ 3,595,320)</u>

C. On July 23, 2009, the Company issued its first domestic secured exchangeable bonds based on the resolution by the Board of Directors. Pursuant to the terms of issuance, the bondholders may exchange the exchangeable bonds into the common stocks of Evergreen International Storage and Transport Corporation (EITC) during the period from one month after the exchangeable bonds are issued to 10 days before the maturity of the exchangeable bonds. The Company has already appropriated 86,595 thousand shares of common stock of Evergreen International Storage and Transport Corporation to the account in Taiwan Depository and Clearing Corporation, for the use of exchange from exchangeable bonds to common stock of EITC. (For details of the issuance terms of the exchangeable bonds, please refer to Note 4(12)).

D. The great potential for development in the market of Latin America in the future and for the requirement of business expansion in this market, the board of directors meeting on November 9, 2012 resolved to invest in a new company— Evergreen Marine (Latin America), S. A.. Evergreen Marine (Latin America), S. A. was incorporated with 600 thousand shares (par value of USD 1 per share). The investment in which the company has the ability to exercise significant influence on the investee's operational decisions is accounted for under the equity method.

(9) Property, plant and equipment

December 31, 2012			
Asset	Initial cost	Accumulated depreciation	Net book value
Land	\$ 1,972,540	\$ -	\$ 1,972,540
Building	1,360,388	(538,145)	822,243
Loading and unloading equipment	4,273,562	(3,966,340)	307,222
Computer and communication equipment	127,618	(102,638)	24,980
Transportation equipment	11,349,824	(7,391,602)	3,958,222
Ships	6,371,111	(1,919,273)	4,451,838
Office equipment	194,449	(171,083)	23,366
	25,649,492	(14,089,081)	11,560,411
Prepayment for equipment	6,006,297	-	6,006,297
	<u>\$ 31,655,789</u>	<u>(\$ 14,089,081)</u>	<u>\$ 17,566,708</u>
December 31, 2011			
Asset	Initial cost	Accumulated depreciation	Net book value
Land	\$ 1,972,540	\$ -	\$ 1,972,540
Building	1,360,388	(511,419)	848,969
Loading and unloading equipment	4,261,946	(3,813,161)	448,785
Computer and communication equipment	120,766	(93,263)	27,503
Transportation equipment	12,076,977	(6,887,305)	5,189,672
Ships	3,596,904	(2,023,869)	1,573,035
Office equipment	203,662	(175,175)	28,487
	23,593,183	(13,504,192)	10,088,991
Prepayment for equipment	4,918,166	-	4,918,166
	<u>\$ 28,511,349</u>	<u>(\$ 13,504,192)</u>	<u>\$ 15,007,157</u>

A. All the aforementioned ships have been insured based on the market value of each vessel or the requirement of the creditor banks. As of December 31, 2012 and 2011, the insurance coverage amounted to USD160,440 and USD109,620, respectively. In addition, the ships were covered by the protection and indemnity insurance with GARD. The indemnity amounts were unlimited except for oil pollution which was limited to USD8,000,000 as of December 31, 2012 and 2011.

B. The Company's loading and unloading equipment were covered by the general insurance for construction machinery with insurance coverage amounting to \$930,463 and \$1,135,682 as of December 31, 2012 and 2011, respectively. The fire and car insurance coverage for the office equipment and building was \$731,142 and \$742,135 as of December 31, 2012 and 2011, respectively. Container facilities were insured with full coverage amounting to USD235,743 and USD255,161 as of December 31, 2012 and 2011, respectively.

C. Interest capitalized to the property, plant and equipment amounted to \$94,286 and \$45,572 for the years ended December 31, 2012 and 2011, respectively.

(10) Financial liabilities at fair value through profit or loss

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Current item:		
Trading financial liabilities		
Embedded derivatives	\$ <u> -</u>	\$ <u> 5,163</u>

A. As of December 31, 2012 and 2011, the Company recognized net loss of \$54,733 and net gain of \$236,346, respectively.

B. Hedge accounting for these derivative instruments held for hedging activities was not adopted.

(11) Long-term liabilities - current portion

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Corporate bonds payable	\$ <u> -</u>	\$ <u> 2,955,661</u>
Long-term bank loans	<u> 4,374,618</u>	<u> 1,503,572</u>
	<u>\$ <u> 4,374,618</u></u>	<u>\$ <u> 4,459,233</u></u>

(12) Corporate bonds payable

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Domestic unsecured convertible bonds	\$ <u> 568,600</u>	\$ <u> 594,100</u>
Domestic secured exchangeable bonds	<u> -</u>	<u> 2,500,000</u>
Domestic secured corporate bonds	<u> 3,000,000</u>	<u> -</u>
Less: discount on corporate bonds	(<u> 19,809</u>)	(<u> 138,439</u>)
	<u> 3,548,791</u>	<u> 2,955,661</u>
Less: current portion	<u> -</u>	(<u> 2,955,661</u>)
	<u>\$ <u> 3,548,791</u></u>	<u>\$ <u> -</u></u>

A. On July 23, 2009, the Company issued its first domestic secured exchangeable bonds (referred herein as the “Exchangeable Bonds”) at face value, totaling \$2,500,000. The major terms of the issuance are set forth below:

a) Period: 3 years (July 23, 2009 to July 23, 2012)

b) Coupon rate: 0% per annum

c) Principal repayment and interest payment

Unless the Exchangeable Bonds are redeemed, exchanged or deregistered before maturity, or other events occur due to regulatory reasons, the principal of the Exchangeable Bonds shall be repaid in lump sum by cash at maturity based on the face value of the Bonds.

d) Collaterals

(a) The redemption of the Exchangeable Bonds are guaranteed by Bank Sinopac and Credit Agricole Corporate and Investment Bank, referred herein as the “Guarantors”. The guaranty period is from the issuance date of the Exchangeable Bonds to the date all the debts are repaid. Additionally, the portion the Guarantors insure includes principal plus accrued interest and debt ancillary to the main liability.

(b) If the bondholders file a claim with the Guarantors to redeem the Exchangeable Bonds, the Guarantors should pay within 14 days after being informed of the claim.

(c) During the guarantee period, if the Company is unable to repay the principal and interest on the bonds on schedule, violates the consignment contract with consigned bank or guaranty contract with the Guarantors, or violates events approved by official authority, to a certain extent that trespass on the bondholders’ rights and interests happens, all the Exchangeable Bonds are deemed to be at maturity effective immediately.

e) Object exchanged

Common stock of Evergreen International Storage and Transport Corporation (EITC) which belongs to the Company (Related information is stated in Note 4 (8)).

f) Redemption at the Company’s option

(a) During the period from one month after the issuance of the Exchangeable Bonds to 40 days before the maturity of the Exchangeable Bonds, if the closing price of common stock of EITC at the block trade market is equal to or more than 30% of the exchange price for a period of 30 consecutive trading days, the Company may redeem the outstanding bonds in cash at the face value of the Exchangeable Bonds within 30 trading days after the abovementioned 30 consecutive trading days.

(b) During the period from one month after the Exchangeable Bonds are issued to 40 days before the maturity of the Exchangeable Bonds, if the total amount of the Exchangeable Bonds outstanding is less than 10% of the total issued amount, the Company may redeem the outstanding bonds in cash at their face value any time during the 40 days before the maturity of the Exchangeable Bonds.

(c)When the Company issues its redemption notice, and the bondholders do not reply in written form before the effective redemption date, the Company may convert the bonds held by those bondholders into common stock at the exchange price in effect at the expiration of the notice period.

g) Terms of exchange

(a)Exchange period

The bondholders may exchange the Exchangeable Bonds into the common stock of EITC during the period from one month after the Exchangeable Bonds are issued to 10 days before the maturity of the Exchangeable Bonds.

The bondholders are prohibited from exercising their exchange right during the period from 3 trading days before the announcement of cash or stock dividends to the date of distribution of the cash or stock dividends.

(b)Exchange price

The base day for setting exchange price is July 15, 2009. The exchange price can be any of the three average closing prices of the common stock of EITC during the 1, 3 and 5 trading days before the base day multiplied by the number ranging from 101.00% to 110.00%. If any cash or stock dividends are distributed before the base day, the closing price used in the computation of the exchange price must be adjusted for the effect of the dividend distribution. If any cash or stock dividends are distributed during the period from the date on which the exchange price is set to the date on which the Exchangeable Bonds are issued, the exchange price is required to be adjusted in accordance with the adjusting formula specified in the bond agreement. The exchange price at the issuance of the Exchangeable Bonds was set at \$30.31 (in dollars).

h) Entitlement to cash dividends or stock dividends

The bondholders who request to exchange the Exchangeable Bonds during the period from January 1 of the current year to any date which is more than 3 trading days before the announcement of cash or stock dividends are entitled to the cash or stock dividends resolved by the stockholders in the current year. Exchange of the Exchangeable Bonds is prohibited during the period from 3 trading days before the announcement of cash or stock dividends to the ex-dividend date. The bondholders who request to exchange the Exchangeable Bonds during the period from the date following the ex-dividend date to December 31 of the current year are not entitled to the cash or stock dividends resolved by the stockholders in the current year, but are entitled to the cash or stock dividends resolved by the stockholders in the following year.

B. On August 7, 2009, the Company issued its third domestic unsecured convertible bonds (referred herein as the "Third Bonds") at face value, totaling \$2,500,000. The major terms of the issuance are set forth below:

a) Period: 5 years (August 7, 2009 to August 7, 2014)

b) Coupon rate: 0% per annum

c) Principal repayment and interest payment

Unless the Third Bonds are redeemed, repurchased, resold, converted or deregistered before maturity, or other events occur due to regulatory reasons, the principal of the Third Bonds shall be repaid in lump sum by cash at maturity based on the face value of the Bonds.

d) Collaterals

The Third Bonds are unsecured. However, if the Company subsequently issues other convertible bonds secured with collaterals, the rights of the holders of the Third Bonds to claim their credits and the collaterals are set at the same rank as the holders of the convertible bonds issued subsequently.

e) Redemption at the Company's option

(a) During the period from one month after the issuance of the Third Bonds to 40 days before the maturity of the Third Bonds, if the closing price of the Company's common stock at the Taiwan Stock Exchange is equal to or more than 30% of the conversion price for a period of 30 consecutive trading days, the Company may redeem the outstanding bonds in cash at the face value of the Third Bonds within 30 trading days after the abovementioned 30 consecutive trading days.

(b) During the period from one month after the Third Bonds are issued to 40 days before the maturity of the Third Bonds, if the total amount of the Third Bonds outstanding after the conversion by the bondholders is less than \$250 million (10% of the total issued amount), the Company may redeem the outstanding bonds at their face value any time during the 40 days before the maturity of the Third Bond.

(c) When the Company issues its redemption notice, if the bondholders do not reply before the effective redemption date, the Company may convert the bonds held by those bondholders into common stock at the conversion price in effect at the expiration of the notice period.

f) Redemption at the bondholders' option

During the period from 30 days before the 2-year maturity of the Third Bonds to the date of maturity, or from 30 days before the 3-year maturity of the Third Bonds to the date of maturity, the bondholders may require the Company to redeem their bonds in cash at the face value plus interest compensation. The redemption price for the former is 101.00% of the face value with a yield rate of 0.50% per annum, and 101.51% of the face value with a yield rate of 0.50% for the latter.

g) Terms of conversion

(a) Conversion period

The bondholders may convert the Third Bonds into the Company's common stock during the period from one month after the Third Bonds are issued to 10 days before the maturity of the Third Bonds.

The bondholders are prohibited from exercising their conversion right during the period from 3 trading days before the announcement of cash or stock dividends to the date of distribution of the cash or stock dividends.

(b) Conversion price

The base day for setting conversion price is July 30, 2009. The conversion price can be any of the three average closing prices of the Company's common stock during the 1, 3 and 5 trading days before the base day multiplied by 101.00%. If any cash or stock dividends are distributed before the base day, the closing price used in the computation of the conversion price must be adjusted for the effect of the dividend distribution. If any cash or stock dividends are distributed during the period from the date on which the conversion price is set to the date on which the Third Bonds are issued, the conversion price is required to be adjusted in accordance with the adjusting formula specified in the bond agreement. The conversion price at the issuance of the Third Bonds was set at \$20.04 (in dollars). Until the report release date, the conversion price of the Exchangeable Bonds was set at \$17.20 (in dollars).

h) Entitlement to cash dividends or stock dividends

The bondholders who request to convert the Third Bonds during the period from January 1 of the current year to any date which is more than 3 trading days before the announcement of cash or stock dividends are entitled to the cash or stock dividends resolved by the stockholders in the current year. Conversion of the Third Bonds is prohibited during the period from 3 trading days before the announcement of cash or stock dividends to the ex-dividend date. The bondholders who request to convert the Third Bonds during the period from the date following the ex-dividend date to December 31 of the current year are not entitled to the cash or stock dividends resolved by the stockholders in the current year, but are entitled to the cash or stock dividends resolved by the stockholders in the following year.

i) As of December 31, 2012, the Third Bond holders to request convertible bonds of the Company common stock, total convertible bonds face value was \$1,931,400. Convertible for the Third Bonds to increase conversion transaction capital surplus - paid-in capital in excess of par value of common stock \$1,016,996, and reduce the capital reserves from stock warrants \$197,933.

C. On April 26, 2012, the Company issued its twelfth domestic secured corporate bonds (referred herein as the "Twelfth Bonds"), totaling \$3,000,000. The Twelfth Bonds are categorized into Bond A and B, depending on the guarantee institution. Bond A and B amounted to \$2,000,000 and \$1,000,000, respectively. The major terms of the issuance are set forth below:

a) Period: 5 years (April 26, 2012 to April 26, 2017)

b) Coupon rate: 1.28% fixed per annum

c) Principal repayment and interest payment

Repayments for the Twelfth Bonds are paid annually on coupon rate, starting a year from the issuance date. The principal of the Twelfth Bonds shall be repaid in lump sum at maturity.

d) Collaterals

The Twelfth Bonds are secured. Bond A are guaranteed by Bank Sinopac, and Bond B are guaranteed by Far Eastern International Bank.

D. The conversion rights and debt component of the Third Bonds are recognized separately in accordance with R.O.C. SFAS No. 36. The issuance cost of the Third Bonds is allocated to debt and equity components by the amount initially recognized. Accordingly, the account of “capital reserve from stock warrants” amounted to \$256,205. The net value of the rights of repurchase and resold embedded in bonds payable was separated from bonds payable, and was recognized in “financial liabilities at fair value through profit or loss” in accordance with R.O.C. SFAS No. 34.

(13) Long-term loans

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Secured bank loans	\$ 5,952,892	\$ 2,400,000
Unsecured bank loans	22,231,284	20,277,412
(Less) Add : unrealized foreign exchange (gain) loss	(113,228)	41,890
Less: deferred charges - hosting fee credit	(12,527)	(6,196)
	28,058,421	22,713,106
Less: current portion	(4,374,618)	(1,503,572)
	<u>\$ 23,683,803</u>	<u>\$ 21,209,534</u>

Please refer to Note 6 for details of the collaterals pledged for the above long-term loans.

(14) Pension

A. In accordance with the Labor Pension Act (“the Act”), effective July 1, 2005, which adopted a defined contribution scheme, employees of the Company may choose to be subject to either the Act, maintaining their seniority before the enforcement of the Act, or the pension mechanism of the Labor Standards Law. Under the defined benefit plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 15% of the employees’ monthly salaries and wages to the retirement fund deposited with Department of Trust of Bank of Taiwan under the name of Labor Pension Fund Supervisory Committee.

B. The following sets forth the pension information based on the actuarial report:

a) Actuarial assumptions

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Discount rate	1.75%	2.00%
Increase in future salary level	2.00%	2.00%
Expected rate of return on plan assets	1.75%	2.00%

b) Reconciliation of the funded status of the plan to the carrying amount of accrued pension liability is as follows:

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Benefit obligations:		
Vested benefit obligation (VBO)	(\$ 341,044)	(\$ 243,725)
Non-vested benefit obligation	(1,353,424)	(1,459,512)
Accumulated benefit obligation (ABO)	(1,694,468)	(1,703,237)
Effects of future salary increments	(138,929)	(209,470)
Projected benefit obligation (PBO)	(1,833,397)	(1,912,707)
Fair value of plan assets	<u>389,716</u>	<u>371,252</u>
Funded status	(1,443,681)	(1,541,455)
Unrecognized net transaction obligation	-	-
Unamortized prior service cost	12,858	14,465
Unrecognized loss on plan assets	998,404	1,118,765
Additional accrued pension liability	(872,333)	(923,760)
Accrued pension liability	<u><u>(\$ 1,304,752)</u></u>	<u><u>(\$ 1,331,985)</u></u>

c) The pension costs is comprised of the following:

	<u>2012</u>	<u>2011</u>
Service cost	\$ 16,579	\$ 20,797
Interest cost	37,523	37,168
Expected return on plan assets	(8,370)	(9,949)
Deferred amortization		
Unrecognized net transition obligation	-	-
Prior service cost	1,607	1,607
Unrecognized loss on plan assets	<u>66,250</u>	<u>56,999</u>
Net pension costs	<u><u>\$ 113,589</u></u>	<u><u>\$ 106,622</u></u>

C. Effective July 1, 2005, the Company established a funded defined contribution plan (the “New Plan”) under the Labor Pension Act (“the Act”). Employees have the option to be covered under the New Plan. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits are to be paid monthly or in lump sum upon termination of employment.

D. The pension costs under the defined benefit plan and the defined contribution plan for the years ended December 31, 2012 and 2011 were \$126,916 and \$132,760, respectively.

(15) Capital stock

A.As of December 31, 2012, the Company’s authorized capital was \$36,000,000, and the paid-in capital was \$34,749,407, divided into 3,474,941 thousand shares of common stocks, with a par value of \$10 (in dollars) per share.

B.Details of the common stock converted from the unsecured domestic convertible bonds issued by the Company for the years ended December 31, 2012 and 2011 are set forth below:

	For the years ended December 31,			
	2012		2011	
	No. of Shares (in 000's)	Amount	No. of Shares (in 000's)	Amount
Third unsecured convertible bonds	1,483	\$ 14,826	32,864	\$ 328,642

(16) Capital surplus

A.Pursuant to the R.O.C. Company Law, capital reserve arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital reserve to be capitalized mentioned above should not exceed 10% of the paid-in capital each year. Capital reserve should not be used to cover accumulated deficit unless the legal reserve is insufficient.

B.Information related to “capital reserve from stock warrants” is stated in Note 4(12).

(17) Appropriation of retained earnings and dividend policy

A.According to the Company’s Articles of Incorporation, if there is any profit for a fiscal year, the Company shall first make provision for income tax, and cover prior years’ losses, then appropriate 10% of the residual amount as legal reserve. Dividends shall be proposed by the Board of Directors and resolved by the stockholders. Bonuses paid to employees shall be at least 0.5% of the total distributed amount and the remuneration paid to the directors and supervisors shall not exceed 5% of the total distributed amount.

B.The Company is currently at the stable growth stage. In order to facilitate future expansion plans, dividends to stockholders are distributed mutually in the form of both cash and stocks with the

basic principle that the ratio of cash dividends to total stock dividends shall not be lower than 10%.

C. Legal reserve

Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

D. Special reserve

If there is any negative stockholders' equity item recognized by the Company, such as unrealized loss on the decline in market value of long-term equity investments and cumulative translation adjustments, the Company is required to set aside an amount equal to the amount of the negative stockholders' equity item as special reserve from the after-tax net income. If the negative stockholders' equity items are subsequently reversed, an amount not exceeding the reversed amount can be appropriated from the special reserve.

E. Appropriations of the 2011 and 2010 earnings as resolved by the stockholders on June 15, 2012 and June 24, 2011, respectively, are set forth below:

	2011		2010	
	Total Amount	Dividend per share (in dollars)	Total Amount	Dividend per share (in dollars)
Legal reserve	\$ -		\$ 1,516,545	
Special reserve	(986,044)		3,621,980	
Cash dividends	-	\$ -	3,157,544	\$ 1.0
Stock dividends	-		3,157,544	1.0

F. On March 26, 2013, the Board of Directors resolves not to distribute the 2012 earnings except for the following in order to facilitate future operating plans:

	2012
Legal reserve	\$ 12,853
Special reserve	2,221,713

As of March 26, 2013, the above mentioned 2012 earnings appropriation had not been approved by the stockholders.

G. On June 15, 2012, the earnings available for appropriation had been resolved not to appropriated by the stockholders in order to facilitate future operating plans.

H. The information on the appropriation of the Company's employees' bonus and directors' and supervisors' remuneration as resolved by the Board of Directors and approved by the stockholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(18) Operating revenue

	For the years ended December 31,	
	2012	2011
Marine freight income	\$ 15,269,280	\$ 14,558,973
Ship rental income	206,045	204,844
Commission income and Agency service income	268,909	244,236
Others	475,998	353,182
	<u>\$ 16,220,232</u>	<u>\$ 15,361,235</u>

(19) Income tax

A. Income tax benefit and income tax (refundable) payable are reconciled as follows:

	For the years ended December 31,	
	2012	2011
Income tax benefit	(\$ 88,065)	(\$ 54,347)
Add (Less):		
Prepaid and withholding taxes	(11,097)	(3,985)
Adjustments for changes in tax estimates	33,684	(23,194)
Net change in deferred income tax assets/ liabilities	<u>59,420</u>	<u>111,224</u>
Income tax (refundable) payable	<u>(\$ 6,058)</u>	<u>\$ 29,698</u>

B. Deferred income tax assets and liabilities

	December 31, 2012	December 31, 2011
Total deferred income tax assets-current	\$ 285,566	\$ 254,120
Total deferred income tax assets-non-current	86,354	69,952
Total deferred income tax liabilities-current	(16,083)	-
Total deferred income tax liabilities-non-current	(1,315,982)	(1,343,637)
Valuation allowance for deferred income tax assets	<u>-</u>	<u>-</u>
	<u>(\$ 960,145)</u>	<u>(\$ 1,019,565)</u>

C.Details of temporary differences, loss carryforwards and investment tax credits resulting in deferred income tax assets and liabilities are as follows:

	<u>December 31, 2012</u>		<u>December 31, 2011</u>	
	<u>Amount</u>	<u>Tax effect</u>	<u>Amount</u>	<u>Tax effect</u>
Current items:				
Bad debts expense	\$ 2,377	\$ 404	\$ 1,937	\$ 329
Unrealized foreign exchange (gain) loss	(94,608)	(16,083)	28,843	4,903
Loss on valuation of financial assets	131,424	22,342	131,434	22,342
Deferred profit from disposal of loading and unloading equipment	18,656	3,171	383	65
Loss carryforwards	853,459	145,088	1,186,162	201,648
Investment tax credits	-	<u>114,561</u>	-	<u>24,833</u>
		<u>\$ 269,483</u>		<u>\$ 254,120</u>
Non-current items:				
Pension expense	\$ 435,043	\$ 73,957	\$ 408,225	\$ 69,398
Equity-accounted investment income	(7,741,073)	(1,315,982)	(7,903,745)	(1,343,637)
Deferred profit from disposal of loading and unloading equipment	72,923	<u>12,397</u>	3,258	<u>554</u>
		<u>(\$ 1,229,628)</u>		<u>(\$ 1,273,685)</u>

D.The Company is eligible for investment tax credits under the Statute for Upgrading Industry. Details as of December 31, 2012 are as follows:

<u>Qualifying item</u>	<u>Total tax credits</u>	<u>Unused tax credits</u>	<u>Final year tax credits are due</u>
Machinery and equipment	\$ 18,398	\$ 18,398	2013
Personnel training	163	163	2013
Significant public works	36,000	36,000	2015
Significant public works	<u>60,000</u>	<u>60,000</u>	2016
	<u>\$ 114,561</u>	<u>\$ 114,561</u>	

E.As of December 31, 2012, losses available to be carried forward were as follows:

<u>Year in which loss was incurred</u>	<u>Amount filed</u>	<u>Losses available to be carried forward</u>	<u>Unused loss carryforwards</u>	<u>Final year losses can be carried forward</u>
2009	\$ 2,456,334	\$ 417,577	\$ 145,088	2019

F.As of December 31, 2012, the Company's income tax returns through 2009 has been assessed and approved by the Tax Authority.

G.Unappropriated retained earnings

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Earnings generated in and before 1997	\$ 6,527,940	\$ 5,570,596
Earnings generated in and after 1998	<u>3,448,656</u>	<u>3,291,427</u>
	<u>\$ 9,976,596</u>	<u>\$ 8,862,023</u>

H.As of December 31, 2012 and 2011, the balance of the imputation tax credit account was \$1,059,125 and \$1,013,143, respectively. The creditable tax rate is estimated to be 30.71% for 2012 and was 30.78% for 2011.

(20) Earnings (loss) per share

	<u>For the year ended December 31, 2012</u>					
	<u>Amount</u>		<u>Weighted-average outstanding common shares (in thousands)</u>	<u>Earnings per share (in dollars)</u>		
	<u>Before tax</u>	<u>After tax</u>		<u>Before tax</u>	<u>After tax</u>	
<u>Basic EPS</u>						
Net income	\$ 40,466	\$ 128,531	3,474,576	<u>\$ 0.01</u>	<u>\$ 0.04</u>	
Dilutive effect of common stock equivalents:						
Convertible bonds	<u>NOTE</u>	<u>NOTE</u>	<u>NOTE</u>			
<u>Dilutive EPS</u>						
Net income attributable to common stockholders plus dilutive effect of common stock equivalents	<u>\$ 40,466</u>	<u>\$ 128,531</u>	<u>3,474,576</u>	<u>\$ 0.01</u>	<u>\$ 0.04</u>	

Note : In accordance with R.O.C. SFAS No. 24, "Earnings Per Share", the potential common stock should not be considered in calculation of diluted earnings per share, due to net loss from continuing operation, which leads to anti-dilutive effect.

For the year ended December 31, 2011

	Amount		Weighted-average outstanding common shares (in thousands)	Loss per share (in dollars)	
	Before tax	After tax		Before tax	After tax
	<u>Basic LPS</u>				
Net loss	(\$ 3,146,708)	(\$ 3,092,361)	3,469,771	(\$ 0.91)	(\$ 0.89)
Dilutive effect of common stock equivalents:					
Convertible bonds	<u>NOTE</u>	<u>NOTE</u>	<u>NOTE</u>		
<u>Diluted LPS</u>					
Net loss attributable to common stockholders plus dilutive effect of common stock equivalents	(\$ 3,146,708)	(\$ 3,092,361)	3,469,771	(\$ 0.91)	(\$ 0.89)

Note : In accordance with R.O.C. SFAS No. 24, "Earnings Per Share", the potential common stock should not be considered in calculation of diluted loss per share, due to net loss from continuing operation, which leads to anti-dilutive effect.

(21) Personnel, depreciation and amortization expenses

Personnel, depreciation and amortization expenses are summarized as follows:

	For the year ended December 31, 2012		
	Operating cost	Operating expense	Total
Personnel expenses			
Salaries	\$ 329,808	\$ 791,119	\$ 1,120,927
Labor and health insurance	19,633	61,545	81,178
Pension	42,484	84,431	126,915
Others	20,300	27,940	48,240
Depreciation	1,555,865	41,064	1,596,929
Amortization	185,966	11,518	197,484
	For the year ended December 31, 2011		
	Operating cost	Operating expense	Total
Personnel expenses			
Salaries	\$ 293,980	\$ 773,142	\$ 1,067,122
Labor and health insurance	17,024	57,711	74,735
Pension	26,033	106,727	132,760
Others	17,030	25,293	42,323
Depreciation	1,520,794	38,526	1,559,320
Amortization	248,744	13,555	262,299

5. RELATED PARTY TRANSACTIONS

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

<u>Related Party</u>	<u>Relationship with the Company</u>
Evergreen International S.A. (EIS)	Major stockholder of the Company
Taiwan Terminal Services Co., Ltd. (TTSC)	Subsidiary of the Company
Peony Investment S.A. (Peony)	Subsidiary of the Company
Everport Terminal Services Inc. (ETS)	Subsidiary of the Company (Established in April 2011)
Evergreen International Storage and Transport Corporation (EITC)	Investee accounted for under the equity method
EVA Airways Corporation (EVA)	Investee accounted for under the equity method
Evergreen Security Corporation (ESRC)	Investee accounted for under the equity method
Chang Yang Development Co., Ltd. (CYD)	Investee accounted for under the equity method
Taipei Port Container Terminal Corporation (TPCT)	Investee accounted for under the equity method
Evergreen Marine (Latin America), S.A.	Investee accounted for under the equity method (Established in October 2012)
Evergreen International Corporation (EIC)	Investee of the Company's major stockholder
Evergreen Airline Services Corporation (EGAS)	Investee of the Company's major stockholder
Evergreen Marine (Singapore) Pte. Ltd. (EMS)	Investee of the Company's major stockholder
Evergreen Marine (Hong Kong) Ltd. (EGH)	Investee of the Company's major stockholder
Seaside Transportation Service LLC. (STS)	Investee of the Company's major stockholder
Chang Yung-Fa Charity Foundation	Its chairman is a member of the Company's board of directors
Chang Yung-Fa Foundation	Its chairman is a member of the Company's board of directors
Shenzhen Greentrans Transportation Co., Ltd. (SGTC)	Indirect subsidiary of the Company (Completely liquidated in May 2012)
Kingtrans International Logistics (Tianjin) Co., Ltd. (KTIL)	Indirect subsidiary of the Company
Vigor Enterprise S.A. (VIGOR)	Indirect subsidiary of the Company
Clove Holding Ltd. (CLOVE)	Indirect subsidiary of the Company

Related Party	Relationship with the Company
PT. Multi Bina Transport (MBT)	Indirect subsidiary of the Company
PT. Multi Bina Pura International (MBPI)	Indirect subsidiary of the Company
Greencompass Marine S.A. (GMS)	Indirect subsidiary of the Company
Evergreen Heavy Industrial Co., (Malaysia) Berhad. (EHIC(M))	Indirect subsidiary of the Company
Evergreen Marine (UK) Limited (EMU)	Indirect subsidiary of the Company
Evergreen Shipping Agency (Deutschland) GmbH (EGD)	Indirect subsidiary of the Company
Evergreen Shipping Agency (U.K.) Limited (EGU)	Indirect subsidiary of the Company
Evergreen Shipping Agency (Switzerland) S.A. (EGDL)	Indirect subsidiary of the Company
Evergreen Shipping Agency (Austria) GmbH (EGDV)	Indirect subsidiary of the Company
Evergreen Shipping Agency (Ireland) Ltd. (EGUD)	Indirect subsidiary of the Company
Evergreen Shipping Agency (Netherlands) B.V. (EGN)	Indirect subsidiary of the Company
Evergreen Shipping Agency (Poland) SP.ZO.O (EGD-WWX)	Indirect subsidiary of the Company
Evergreen Argentina S.A. (EGB)	Indirect subsidiary of the Company
Evergreen Shipping Agency France S.A.S. (EGF)	Indirect subsidiary of the Company
Evergreen Shipping (Spain) S.L. (EES)	Indirect subsidiary of the Company
Evergreen Shipping Agency (Italy) S.p.A. (EIT)	Indirect subsidiary of the Company
Evergreen Shipping Agency (Vietnam) Corp. (EGV)	Indirect subsidiary of the Company
Island Equipment LLC. (Island)	Indirect subsidiary of the Company
Armand Investment (Netherlands) N.V. (Armand N.V.)	Indirect subsidiary of the Company
Evergreen Shipping Agency (Australia) Pty. Ltd. (EMA)	Indirect subsidiary of the Company
PT. Evergreen Shipping Agency Indonesia (EMI)	Indirect subsidiary of the Company
Evergreen Shipping Agency (Thailand) Co., Ltd. (EGT)	Indirect subsidiary of the Company
Evergreen Shipping Agency (Singapore) Pte. Ltd. (EGS)	Indirect subsidiary of the Company
Evergreen Shipping Agency (India) Pvt. Ltd. (EGI)	Indirect subsidiary of the Company
Evergreen Shipping Agency (Russia) Ltd. (ERU)	Indirect subsidiary of the Company
Evergreen Agency (South Africa) (PTY) Ltd.(ESA)	Indirect subsidiary of the Company
Evergreen Shipping Agency (Korea) Corporation (EGK)	Indirect subsidiary of the Company
Ample Holding Ltd. (Ample)	Indirect subsidiary of the Company (Completely liquidated in December 2012)

Related Party	Relationship with the Company
Armand Estate B.V. (Armand B.V.)	Indirect subsidiary of the Company
Whitney Equipment LLC. (Whitney)	Indirect subsidiary of the Company
Hemlock Equipment LLC. (Hemlock)	Indirect subsidiary of the Company
Luanta Investment (Netherlands) N.V. (Luanta)	Investee of Peony
Balsam Investment (Netherlands) N.V. (Balsam)	Investee of Peony
Ningbo Victory Container Co., Ltd. (NVC)	Investee of Peony
Qingdao Evergreen Container Storage and Transportation Co., Ltd. (QECT)	Investee of Peony
Colon Container Terminal S.A. (CCT)	Investee of Peony
Green Peninsula Agencies SDN. BHD. (GPA)	Investee of Peony
Evergreen Container Terminal (Thailand) Ltd. (ECTT)	Investee of Peony (Disposal of in March, 2011)
Evergreen Shipping Agency Co. (U.A.E.) LLC. (UAE)	Investee of Peony (Acquisition of in December, 2011)
Taranto Container Terminal S.p.A. (TCT)	Investee of Luanta
Italia Marittima S.p.A. (ITS)	Investee of Balsam
Gaining Enterprise S.A. (GESA)	Investee of EITC

(2) Significant transactions and balances with related parties

A. Operating revenues

	For the years ended December 31,			
	2012		2011	
	Amount	% of Total Operating Revenues	Amount	% of Total Operating Revenues
EIC	\$ 1,718,039	11	\$ 1,900,307	12
EITC	91,676	1	91,125	1
GMS	126,057	1	87,171	1
EIS	62,081	-	59,764	1
EMS	58,916	-	54,812	-
EMU	41,444	-	33,821	-
GESA	32,888	-	31,026	-
EGH	24,544	-	23,644	-
ITS	15,128	-	40,625	-
Others	2,966	-	2,946	-
	<u>\$ 2,173,739</u>	<u>13</u>	<u>\$ 2,325,241</u>	<u>15</u>

The business terms on which the Company transacts with related parties are of no difference from those with non-related parties.

B. Expenditures on services rendered by related parties

	For the years ended December 31,			
	2012		2011	
	Amount	% of Total Operating Costs and Expenses	Amount	% of Total Operating Costs and Expenses
TTSC	\$ 724,580	4	\$ 684,593	4
EITC	354,889	2	551,703	3
EIC	348,239	2	360,052	2
TPCT	73,237	1	77,080	1
ESRC	47,948	1	45,174	1
GESA	1,539,802	9	1,552,673	10
EGH	46,036	1	33,555	-
EMI	27,233	-	28,170	-
EGT	22,227	-	20,732	-
EGV	19,751	-	10,111	-
EGS	12,003	-	11,744	-
EMS	3,796	-	32,821	-
GMS	36	-	41,749	1
Others	39,126	-	39,239	-
	<u>\$ 3,258,903</u>	<u>20</u>	<u>\$ 3,489,396</u>	<u>22</u>

The business terms on which the Company transacts with related parties are of no difference from those with non-related parties.

C. Asset transactions

a) Acquisitions of property, plant and equipment

	Items	2012	2011
ESRC	Office equipment	\$ 3,563	\$ -
EIC	Office equipment	-	3,351
EITC	Vessel	-	1,465,571
EHIC(M)	Transportation equipment - containers	-	1,690,051
		<u>\$ 3,563</u>	<u>\$ 3,158,973</u>

b) Disposal of property, plant and equipment

		For the years ended December 31,			
		2012		2011	
	Item	Price	Gain on disposal	Price	Gain on disposal
EITC	Loading and unloading equipment	\$ 2,508	\$ 2,447	\$ 9,666	\$ 9,644
"	Office equipment	5	3	32	32
"	Computer and communication equipment	-	-	163	21
EIC	Office equipment	134	6	-	-
EVA	Office equipment	-	-	1,626	-
EMI	Ships equipment	128,819	91,147	-	-
		<u>\$ 131,466</u>	<u>\$ 93,603</u>	<u>\$ 11,487</u>	<u>\$ 9,697</u>

D. Lease

a) Rental income (recorded as non-operating income and gains) generated from the operating premises and parking lots leased to the related parties are as follows:

		For the years ended December 31,			
		2012		2011	
	Leasehold Property	Amount	% of Total Rental Income	Amount	% of Total Rental Income
EIC	Office building	\$ 93,331	94	\$ 95,040	96
"	Vehicles	681	-	1,056	1
EVA	Office building	2,961	3	1,595	2
ESRC	Parking lots	24	-	96	-
Chang Yung-Fa Charity Foundation	Office building	241	-	218	-
		<u>\$ 97,238</u>	<u>97</u>	<u>\$ 98,005</u>	<u>99</u>

b) Rental expense (recorded as general and administrative expenses) incurred for operating premises leased from the related parties are as follows:

		For the years ended December 31,			
		2012		2011	
	Leasehold Property	Amount	% of Total Rental Expenses	Amount	% of Total Rental Expenses
EIC	Office buildings	\$ 45,325	99	\$ 43,456	99
EVA	Office buildings	79	-	53	1
		<u>\$ 45,404</u>	<u>99</u>	<u>\$ 43,509</u>	<u>100</u>

c) Rental expense incurred for the vessels and slot leased from the related parties are recorded as direct operating costs. Details are set forth below:

	For the years ended December 31,			
	2012		2011	
	Amount	% of Total Charter and Slotting Expenses	Amount	% of Total Charter and Slotting Expenses
EITC	\$ 192,368	8	\$ 369,925	14
GESA	1,539,802	65	1,552,673	61
EMS	3,796	-	32,821	1
ITS	48	-	3,499	-
GMS	36	-	41,749	2
	<u>\$ 1,736,050</u>	<u>73</u>	<u>\$ 2,000,667</u>	<u>78</u>

E. Receivables from and payables to related parties

The receivables from and payables to related parties bear no interest, and are set forth as follows:

	December 31, 2012		December 31, 2011	
	Amount	% of Account Balance	Amount	% of Account Balance
	<u>Accounts receivable</u>			
EIC	\$ 84,612	9	\$ 71,856	9
EITC	20,915	2	22,889	3
ITS	1,301	-	19,939	2
Others	27,511	3	25,067	3
	<u>\$ 134,339</u>	<u>14</u>	<u>\$ 139,751</u>	<u>17</u>
	December 31, 2012		December 31, 2011	
	Amount	% of Account Balance	Amount	% of Account Balance
<u>Other receivables</u>				
EIC	\$ 66,828	30	\$ 71,416	14
Others	14,017	6	6,313	1
	<u>\$ 80,845</u>	<u>36</u>	<u>\$ 77,729</u>	<u>15</u>

	December 31, 2012		December 31, 2011	
	Amount	% of Account Balance	Amount	% of Account Balance
<u>Accounts Payable</u>				
TTSC	\$ 50,001	5	\$ 38,695	2
EITC	15,051	1	9,018	1
Others	14,056	1	3,264	-
	<u>\$ 79,108</u>	<u>7</u>	<u>\$ 50,977</u>	<u>3</u>

(3) Endorsements and guarantees with related parties

Endorsements and guarantees provided for its related parties are as follows:

	December 31, 2012		December 31, 2011	
PEONY	USD	14,800	USD	14,800
EMU	USD	1,584,763	USD	1,730,816
GMS	USD	948,837	USD	915,837
Whitney	USD	108,164	USD	94,164
Balsam	USD	78,400	USD	49,000
Hemlock	USD	57,810	USD	57,810
TCT	USD	20,250	USD	20,250
CCT	USD	9,600	USD	9,600

(4) Significant contracts with related parties

A. The Company entered into an agreement with EIC for consulting services on business management, computer information, and shipping affairs. Except for payments made on behalf of the Company which are charged on actual amounts, the remaining fees are charged on an hourly basis or by cost plus method. The contract took effect on July 1, 1996 and continues to be effective unless terminated.

B. The Company entered into an agreement with EIC for services, such as cargo-forwarding and freight-collecting. As of December 31, 2012 and 2011, the receivables were \$84,612 and \$71,856, respectively. The contract took effect since 2002 unless terminated.

C. The Company entered into an agreement with ESRC for security service in the Taipei office, the Kaohsiung office, and the Kaohsiung container yards. The monthly service fees were \$940 for Taipei and \$1,614 for Kaohsiung.

D. The Company entered into agency agreements with its related parties to manage petty cash required by their vessels, and payments of Taiwanese crew salaries and insurance premiums. The transactions are recorded as “temporary debits”. As of December 31, 2012 and 2011, the debit balances of the account are as follows:

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
GMS	\$ 14,688	\$ 15,396
EMS	13,396	10,436
EMU	10,880	7,793
GESA	6,852	7,345
EIS	5,503	3,468
EGH	3,286	4,308
	<u>\$ 54,605</u>	<u>\$ 48,746</u>

E. The Company entered into agency agreements with its related parties, whereby the related parties act as the Company’s overseas agents to deal with foreign port formalities, such as arrival and departure of the Company’s ships, cargo stevedoring and forwarding, freight collection, and payment of expenses incurred in foreign ports. The transactions are recorded as “agency accounts in other assets (liabilities) – current”. As of December 31, 2012 and 2011, the balances of the accounts are as follows:

a) Debit balances of agency accounts

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
EMI	\$ 29,276	\$ 21,245
EGI	16,333	76,227
EGT	12,623	9,660
EIT	1,580	12,822
Others	5,146	6,047
	<u>\$ 64,958</u>	<u>\$ 126,001</u>

b) Credit balances of agency accounts

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
EIC	\$ 87,266	\$ 16,486
EGN	10,523	83,252
Others	22,123	5,112
	<u>\$ 119,912</u>	<u>\$ 104,850</u>

F. Temporary accounts, between the Company and Evergreen International S.A., Gaining Enterprise S.A., Greencompass Marine S.A., Italia Marittima S.p.A., Evergreen Marine (UK) Ltd., Evergreen Marine (Hong Kong) Ltd., and Evergreen Marine (Singapore) Pte. Ltd. incurred due to foreign port formalities and pier rental expenses are recognized as “agency reciprocal accounts in other assets (liabilities) – current”. Details of the balance as of December 31, 2012 and 2011 are as follows:

a) Debit balances of agency reciprocal accounts

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
EIS	\$ 459,741	\$ 864,693
ITS	132,983	95,531
GESA	22,217	20,853
GMS	-	719,628
EMU	-	43,956
EMS	-	26,469
	<u>\$ 614,941</u>	<u>\$ 1,771,130</u>

b) Credit balances of agency reciprocal accounts

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
EMS	\$ 175,783	\$ -
GMS	156,845	-
EMU	53,822	-
EGH	32,395	97,454
	<u>\$ 418,845</u>	<u>\$ 97,454</u>

G. The Company has been commissioned by its related parties to manage their vessel affairs. The management fees are charged monthly and are recorded as operating revenues. Details of the management fees recognized for the years ended December 31, 2012 and 2011 are as follows:

	<u>For the years ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
EITC	\$ 84,849	\$ 85,711
GMS	88,497	78,576
EIS	57,052	54,520
EMU	34,821	28,313
EMS	33,744	29,423
GESA	24,810	23,088
EGH	21,520	21,243
ITS	8,465	9,073
	<u>\$ 353,758</u>	<u>\$ 329,947</u>

(5) Disclosure of managements' salaries, bonuses, and allowance

	For the years ended December 31,	
	2012	2011
Salaries and bonuses	\$ 33,906	\$ 32,868
Administrative fees	2,882	2,606
	<u>\$ 36,788</u>	<u>\$ 35,474</u>

A. "Salaries and bonuses" includes salaries, premiums, pensions, severance pay, bonuses, and incentives.

B. Administrative fees include travel allowances, discretionary allowances, stipends, and provision of vehicles and housing, etc.

6. PLEDGED ASSETS

The Company's assets pledged as collaterals as of December 31, 2012 and 2011 are as follows:

Pledged assets	Book value		Purpose
	December 31, 2012	December 31, 2011	
Restricted assets			
-Pledged time deposits	\$ 125,888	\$ 121,790	Performance guarantee
Property, plant and equipment			
-Land	1,800,093	1,800,093	Long-term loan
-Buildings	788,120	813,889	"
-Ships	4,451,838	-	"
Long-term equity investments accounted for under the equity method - EITC	-	1,631,851	Exchange corporate bonds payable as subject
	<u>\$ 7,165,939</u>	<u>\$ 4,367,623</u>	

7. COMMITMENTS AND CONTINGENT LIABILITIES

A. As of December 31, 2012, the Company had delegated Deutsche Bank to issue Letter of Credit amounting to USD5,000.

B. As for the list and amount of the Company's endorsement and guarantee, please refer to Note 5, Related Party Transactions.

C. A former stockholder of the Company sold some of its shares through issuance of global depository receipts (GDRs). The issuance of GDRs was approved by the SEC on June 19, 1996 as per Letter (85) Tai-Cai-Zheng (1) No. 35410. On August 2, 1996, the GDRs were approved by the UK governing authority to be listed on the London Stock Exchange and were issued in Asia, Europe and the US. The initial number of units issued was 5,449,592, representing 54,495,920 shares of the Company's common stock at \$50.50 (in dollars) per share, and the number of supplementary units issued was 817,438. In total, the number of units issued was 6,267,030, representing 62,670,300 shares of the Company's common stock at \$50.50 (in dollars) per share, and the GDRs issued amounted to USD115,000. Another 2,085,856 units, representing 20,858,634 shares of the Company's common stock, were issued during the period from 1997 to December 31, 2012. As of December 31, 2012, 7,996,386 units were redeemed and 356,500 units were outstanding, representing 3,565,074 shares

of the Company's common stock.

D.As of December 31, 2012, the long-term loan facilities granted by the financial institutions with the resolution from the Board of Directors to finance the Company's purchase of new containers and general working capital requirement amounted to \$41,995,249 and the unutilized credits was \$13,924,302.

E.As of December 31, 2012, the estimated amount of charter expense in the following years under long-term contracts is set forth as follows:

<u>Year</u>	<u>Amount</u>
within 1 year	USD 42,565
1-2 years	639
2-3 years	639
3-4 years	640
4-5 years	568
	<u>USD 45,051</u>

F.As of December 31, 2012, the amount of guarantee notes issued by the Company for loans borrowed was \$28,457,441.

G.For operational needs, the Company signed the shipbuilding contracts for thirteen container vessels with Samsung Heavy Industries Co. on July 2, 2010, and September 28, 2010. The total contract price is USD1,339,000. However, in order to meet the fleet configuration needs within the group, the Company signed a tripartite agreement and transferred nine container vessels to indirect subsidiary, Greencompass Marine S.A. and Evergreen Marine (UK) Limited on October 29, 2010 and June 3, 2011. As of December 31, 2012, the Company has signed remains shipbuilding contracts totaling USD412, 000 of which USD154, 500 unpaid.

H.To meet operational needs, the Company signed the shipbuilding contracts for three container vessels with Taiwan Shipbuilding Corporation on May 20, 2011. As of December 31, 2012, the total price of shipbuilding contracts amounted to USD309, 000, of which USD267, 800 remains unpaid.

8. SIGNIFICANT CATASTROPHE

None.

9. SUBSEQUENT EVENTS

The Company's Board of Directors proposed the appropriation of earnings on March 26, 2013 and the related information is described in Note 4(17).

10. OTHERS

(1) Financial statement presentation

Certain accounts in the 2011 financial statements were reclassified to conform with the 2012 financial statement presentation.

(2) Fair value information of financial instruments

	December 31, 2012		
	Book value	Fair value	
		Quotations in an active market	Estimated using a valuation technique
<u>Non-derivative financial instruments:</u>			
Assets			
Cash and cash equivalents	\$12,669,230	\$ -	\$12,669,230
Notes and accounts receivable	1,174,067	-	1,174,067
Financial assets at fair value through profit or loss			
Equity securities	243	243	-
Beneficiary certificates	1,403,823	1,403,823	-
Corporate bonds	76,648	-	76,648
Restricted assets	125,888	-	125,888
Available-for-sale financial assets-non-current	640,209	640,209	-
Held-to-maturity financial assets-non-current	370,000	-	370,000
Financial assets carried at cost-non-current	1,341,391	-	-
Refundable deposits	39,896	-	39,896
Liabilities			
Notes and accounts payable	1,893,315	-	1,893,315
Corporate bonds payable	3,548,791	-	3,548,791
Long-term loans (including current portion)	28,058,421	-	28,058,421
Guarantee deposits received	48	-	48
<u>Derivative financial instruments:</u>			
Assets			
Embedded derivatives	3,923	-	3,923

	December 31, 2011		
	Book value	Fair value	
		Quotations in an active market	Estimated using a valuation technique
<u>Non-derivative financial instruments:</u>			
Assets			
Cash and cash equivalents	\$ 5,670,482	\$ -	\$ 5,670,482
Notes and accounts receivable	1,344,482	-	1,344,482
Financial assets at fair value through profit or loss			
Equity securities	10,003	10,003	-
Beneficiary certificates	2,220,851	2,220,851	-
Corporate bonds	62,959	-	62,959
Held-to-maturity financial assets-current	800,000	-	800,000
Restricted assets	121,790	-	121,790
Available-for-sale financial assets-non-current	602,904	602,904	-
Held-to-maturity financial assets-non-current	370,000	-	370,000
Financial assets carried at cost-non-current	1,344,119	-	-
Refundable deposits	46,037	-	46,037
Liabilities			
Notes and accounts payable	2,316,164	-	2,316,164
Corporate bonds payable (including current portion)	2,955,661	-	2,955,661
Long-term loans (including current portion)	22,713,106	-	22,713,106
Guarantee deposits received	48	-	48
<u>Derivative financial instruments:</u>			
Liabilities			
Embedded derivatives	5,163	-	5,163

The methods and assumptions used to estimate the fair values of the above financial instruments are summarized below:

- A. For short-term instruments, the fair values were determined based on their carrying values because of the short maturities of the instruments. This method was applied to cash and cash equivalents, notes receivable, accounts receivable, restricted assets, refundable deposits (guarantee deposits received), notes payable, and accounts payable.
- B. For financial assets at fair value through profit or loss and available-for-sale financial assets with quoted market price available in an active market, the fair value is determined using the quoted market price. When there is no quoted market price for reference, a substitute valuation technique is used to measure the fair value which incorporates all factors that market participants would consider in making estimations and assumptions for setting a price and

wherein such information is available to the Company.

- C. Held-to-maturity financial assets are those with fixed or determinable payments and a fixed time-to-maturity which the Company has positive intent and ability to hold. Upon measurement, held-to-maturity financial assets are carried at amortized cost. Any profits or losses incurred due to changes in fair value should be recognized in the statement of income when the financial asset is derecognized, impaired or amortized.
- D. Financial assets carried at the cost, consists of unlisted stocks or those not actively traded in an active market. Their fair value could not be measured reliably; hence, such instruments are measured at cost in compliance with applicable accounting standards.
- E. Fair values of long-term loans are estimated based on the present values of future cash flows. For bank loans associated with floating interest rate, the carrying value represents its fair value.
- F. Fair values of corporate bonds payable are determined as the quoted market prices when available. When the quoted market prices are not available, fair values are estimated based on financial information or other information.
- G. The fair values of derivative financial instruments are determined based on the estimated amounts to be received or paid upon termination of contracts on the balance sheet date. Unrealized gains or losses arising from unsettled contracts are generally included. Quotation prices from counterparties are available for reference in setting fair values of the Company's derivative financial instruments.

(3) Information on significant gain/loss on financial instruments and equity items

- A. For the years ended December 31, 2012 and 2011, total interest income from financial assets and liabilities that are not at fair value through profit or loss amounted to \$88,662 and \$33,721, respectively; whereas the total interest expense amounted to \$419,780 and \$341,288, respectively.
- B. For the years ended December 31, 2012 and 2011, the adjustment of shareholders' equity resulting from available-for-sale financial assets was debit \$38,828 and credit \$387,812; respectively; whereas the total loss or gain deducted from the adjustment of shareholders' equity resulting from available-for-sale financial assets were \$19,373 and \$35,957, respectively.

(4) Information on interest rate risk positions

As of December 31, 2012 and 2011, the financial assets with cash flow risk due to the change of interest rate amounted to \$1,447,218 and \$964,377, respectively; whereas the financial liabilities with cash flow risk due to the change of interest rate amounted to \$23,270,948 and \$19,719,302, respectively.

(5) Risk policy and hedging strategy

The financial instruments held by the Company, other than derivative instruments, are composed of cash and cash equivalents, stocks, funds, bank loan, and corporate bonds. Such financial instruments are held for maintaining adequate operating capital. The Company also held other financial assets and liabilities, such as accounts receivable and payable generated from operating

activity.

The transactions associated with derivative instruments mainly include oil swap and cross currency swap. The primary objective is to avoid the fuel price variation and exchange rate risk arising from operating and financing activities.

The primary risks of financial instruments are cash flow risk associated with interest rate fluctuations, exchange rate risk, credit risk, and liquidity risk. The risk management policies are set forth below:

Cash flow risk associated with interest rate fluctuations

The Company's major exposure to cash flow risk associated with interest rate variations comes primarily from long-term financing with floating interest. The Company adopts a combination of fixed and floating interest rates methods upon issuance of loans to manage such interest rate risks. In addition, the Company also engages in interest rate swaps to minimize cost of borrowings.

As of December 31, 2012, the carrying values of the Company's financial instruments exposed to interest rate are summarized in the order of maturity as follows:

a) Fixed interest rate

	<u>Within 1 year</u>	<u>1-2 years</u>	<u>2-3 years</u>	<u>over 3 years</u>	<u>Total</u>
Cash and cash equivalents	\$ 10,862,041	\$ -	\$ -	\$ -	\$ 10,862,041
Restricted assets	125,888	-	-	-	125,888
Bank loan	(200,000)	(200,000)	(2,200,000)	(2,200,000)	(4,800,000)
Corporate bonds payable	-	-	-	(3,000,000)	(3,000,000)

b) Floating interest rate

	<u>Within 1 year</u>	<u>1-2 years</u>	<u>2-3 years</u>	<u>over 3 years</u>	<u>Total</u>
Cash and cash equivalents	\$ 1,447,218	\$ -	\$ -	\$ -	\$ 1,447,218
Bank loan	(4,174,618)	(5,855,102)	(4,168,007)	(9,073,221)	(23,270,948)

The interest of financial instruments associated with the floating interest rates is remeasured within 1 year period and the interest for financial instruments associated with the fixed interest rate is fixed to maturity. The financial instruments not included in the above table are not subject to interest payments and thus, do not have inherent interest rate risk.

Exchange rate risk

Although the Company is exposed to exchange rate risk, the Company has stable cash inflows denominated in foreign currencies for meeting cash outflows denominated in foreign currency due to the fact that the Company operates in international transportation industry. In order to minimize exchange rate risk, the Company also engages in activities, such as borrowing of US dollar loans, etc. The Company is engaged in the business which involves a number of non-functional currencies. Details of the foreign currency and exchange rate are as follows:

	December 31, 2012		December 31, 2011	
	Foreign currency amount	Exchange rate	Foreign currency amount	Exchange rate
Financial assets :				
<u>Monetary</u>				
USD	\$ 77,199	29.0480	\$ 58,670	30.2765
<u>Non-monetary</u>				
USD	16,033	29.0480	11,321	30.2765
Long-term equity investments accounted for under the equity method				
USD	1,465,226	29.0480	1,484,110	30.2765
Financial liabilities :				
<u>Monetary</u>				
USD	229,595	29.0480	141,710	30.2765

Credit risk

The Company only deals with third parties with good credit standings. In compliance with the Company's policies, strict credit assessment is to be performed by the Company prior to providing credit to customers. The occurrence of bad debts is also minimized by the Company's practices in continuously monitoring and assessing collections on notes and accounts receivable and making adjustments to the credit terms granted for each customer based on the conclusion drawn from such assessment. Moreover, the Company is restricted from engaging in credit trading with other business units operating under other functional currencies unless permission from the highest instruction unit has been received.

Other financial instruments held by the Company are subject to credit risk arising from the failure of counterparty to settle their contractual obligations as and when they fall due. Since the Company only deals with third parties with qualifying credit standings, no collateral is required by the Company which also represents that the maximum credit exposure amount equals to the relative carrying value. The maximum credit exposure amount for various financial assets held by the Company is analyzed below:

Financial instruments	December 31, 2012	
	Book value	Maximum credit exposure amount
Financial assets at fair value through profit or loss		
Trading financial assets	\$ 1,404,066	\$ 1,404,066
Financial assets designated as at fair value through profit or loss	76,648	76,648
Held-to-maturity financial assets		
Financial bonds	370,000	370,000
Available-for-sale financial assets		
Equity security	640,209	640,209
Financial assets carried at cost		
Equity security	1,341,391	1,341,391
Financial instruments	December 31, 2011	
Financial instruments	Book value	Maximum credit exposure amount
Financial assets at fair value through profit or loss		
Trading financial assets	\$ 2,230,854	\$ 2,230,854
Financial assets designated as at fair value through profit or loss	62,959	62,959
Held-to-maturity financial assets		
Corporate bonds	1,170,000	1,170,000
Available-for-sale financial assets		
Equity security	602,904	602,904
Financial assets carried at cost		
Equity security	1,344,119	1,344,119

Credit risk refers to the risk of counterparty's failure to settle contractual obligations as and when they fall due. The credit risk presented in the above table is the positive net amount of all contracts with positive fair values at the balance sheet date. The credit risk amount presented is the loss that may be incurred by the Company in the case of counterparty's default. Since the counterparties of the Company are business enterprises or financial institutions with good credit rating, the potential credit risk event is remote. In addition, since the Company is not concentrated in transactions with one individual or counterparty, no concentration of credit risk is evident.

Liquidity risk

The Company achieves the objectives of effective use of capital and stabilization of capital by adjusting capital through the use of cash and cash equivalents, financial instruments held for trading, bank loans and corporate bonds, etc. The operating capital of the Company is sufficient in meeting capital on demand; therefore, no significant liquidity risk is expected.

11. ADDITIONAL DISCLOSURES REQUIRED BY THE SECURITIES AND FUTURES

(1) Related information of significant transactions

- A. Loans granted during the year ended December 31, 2012 : None.
 B. Endorsements and guarantees provided the year ended December 31, 2012

Unit : Thousands of New Taiwan Dollars

Number (Note 1)	Endorser/guarantor	Party being endorsed/ guaranteed	Relationship with the endorser/guarantor (Note 2)	Limit on endorsements/guarantees provided for a single party	Maximum outstanding endorsement/guarantee amount during the year ended December 31, 2012	Outstanding endorsement/guarantee amount at December 31, 2012	Amount of endorsement/guarantee secured with collateral	Ratio of accumulated endorsement/guarantee amount to net asset value of the Company	Ceiling on total amount of endorsements/guarantees provided (Notes 3 and 4)
0	Evergreen Marine Corporation	Greencompass Marine S.A.	3	\$ 119,130,434	\$ 28,413,877 USD 948,837	\$ 27,561,822 USD 948,837	\$ -	46.27%	\$ 148,913,043
0	Evergreen Marine Corporation	Peony Investment S.A.	2	119,130,434	444,792 USD 14,800	429,910 USD 14,800	-	0.72%	
0	Evergreen Marine Corporation	Evergreen Marine (UK) Ltd.	3	119,130,434	52,281,888 USD 1,769,973	46,034,200 USD 1,584,763	-	77.28%	
0	Evergreen Marine Corporation	Taranto Container Terminal S.p.A.	6	29,782,609	608,583 USD 20,250	588,222 USD 20,250	-	0.99%	
0	Evergreen Marine Corporation	Whitney Equipment LLC.	3	119,130,434	3,141,948 USD 108,164	3,141,948 USD 108,164	-	5.27%	
0	Evergreen Marine Corporation	Hemlock Equipment LLC.	3	119,130,434	1,737,393 USD 57,810	1,679,265 USD 57,810	-	2.82%	
0	Evergreen Marine Corporation	Colon Container Terminal S.A.	6	29,782,609	288,514 USD 9,600	278,861 USD 9,600	-	0.47%	
0	Evergreen Marine Corporation	Balsam Investment (Netherlands) N.V.	6	29,782,609	2,356,194 USD 78,400	2,277,363 USD 78,400	-	3.82%	

Note 1: The number is assigned as follows:

"0" denotes issuer

The investee is numbered from "1" in sequence by different company.

Note 2: Nature of the counterparty's relationship with the Company or its subsidiaries

"1" denotes the endorsements/guarantees provided to the companies which have transactions with the Company or its subsidiaries.

"2" denotes the endorsements/guarantees provided to the subsidiaries of which the Company holds more than 50% of the common stock.

"3" denotes the endorsements/guarantees provided to the investees of which the Company together with its subsidiaries hold more than 50% of the common stock.

"4" denotes the endorsements/guarantees provided to the companies which directly or indirectly hold more than 50% of the Company's common stock.

"5" denotes the endorsements/guarantees provided pursuant to construction contracts.

"6" denotes the endorsements/guarantees provided to joint venture companies based on the Company's or its subsidiaries proportionate equity interest in the Company.

Note 3: The method of calculating upper limit and the amount of the upper limit should be noted. If there is any contingent loss is recognized in the financial statements, such loss amount is also required to be noted.

Note 4: In accordance with the Company's credit policy, the total amount of endorsements or guarantees provided by the Company or its subsidiaries should not exceeded 250% of the net worth stated in the latest financial statements.

The calculation is as follows:

The Company: $59,565,217 * 250\% = 148,913,043$

C. Marketable securities held as of December 31, 2012

Unit : Thousands of New Taiwan Dollars/Thousnads of shares

Securities held by	Marketable securities	Relationship of the securities issuer with the Company	General ledger account	December 31, 2012				Remark
				Number of shares (in thousands)	Book value	Ownership (%)	Market value	
Evergreen Marine Corporation	Stock:							
	Peony Investment S.A.	Subsidiary of the Company	Long-term equity investment accounted for under the equity method	4,765	\$ 42,401,968	100.00	\$ 42,546,435	
	Taiwan Terminal Services Co., Ltd.	"	"	5,500	68,318	55.00	68,318	
	Everport Terminal Services Inc.	"	"	1	12,370	100.00	12,370	
	Chang Yang Development Co., Ltd.	Investee company accounted for under the equity method	"	49,898	645,914	40.00	645,914	
	Evergreen International Storage and Transport Corp.	"	"	424,062	7,866,147	39.74	8,544,856	
	Evergreen Security Corporation	"	"	6,336	100,851	31.25	100,851	
	EVA Airways Corporation	"	"	629,483	7,060,503	19.32	10,701,215	
	Taipei Port Container Terminal Corporation	"	"	88,344	789,878	21.03	788,329	
	Evergreen Marine (Latin America), S.A.	"	"	105	3,089	17.50	3,089	
	Power World Fund Inc.	None	Financial assets carried at cost - non-current	1,017	10,170	5.68	5,969	
	Fu-Ji Management Consultancy Co., Ltd.	"	"	99	-	4.93	5,666	
	Taiwan HSR Consortium	"	"	126,735	1,250,000	1.95	633,675	
	Ever Accord Construction Corp.	"	"	7,700	43,749	17.50	96,711	
	Linden Technologies, Inc.	"	"	50	15,372	2.53	-	Convertible Preferred Stocks (no fair value)
	Toplogis, Inc.	"	"	2,464	22,100	17.48	17,457	
Central Reinsurance Corp.	"	Available-for-sale financial assets - non-current	46,561	640,209	8.45	640,209		
China Man-Made Fiber Corporation	"	Financial assets at fair value through profit or loss-current	22	243	-	243		

Securities held by	Marketable securities	Relationship of the securities issuer with the Company	General ledger account	December 31, 2012				Remark
				Number of shares (in thousands)	Book value	Ownership (%)	Market value	
Evergreen Marine Corporation	Beneficiary certificates:							
	Mega Diamond Money Market Fund	None	Financial assets at fair value through profit or loss-current	40,849	\$ 496,520		\$ 496,520	
	FSITC Taiwan Money Market Fund	"	"	12,158	180,474		180,474	
	Eastspring Investments Well Pool Money Market Fund	"	"	16,104	212,654		212,654	
	Yuanta Wan Tai Money Market Fund	"	"	26,075	383,688		383,688	
	Yuanta De-Bao Money Market Fund	"	"	11,178	130,487		130,487	
	Financial bonds:							
	TLG Private Placement Subordinated Mandatory Convertible Bond at Maturity	"	Financial assets at fair value through profit or loss-non-current	-	76,648		76,648	
	Bank of Taichung Unsecured Subordinated Financial Debentures	"	Held-to-Maturity Securities - non-current	-	220,000		220,000	
	Ta Chong Commercial Bank 1st Unsecured Subordinate Financial Debentures-B Issue in 2009	"	"	-	100,000		100,000	
	Sunny Bank 1st Subordinate Financial Debentures-B Issue in 2010	"	"	-	50,000		50,000	

D. Acquisition or disposal of the same security with the accumulated cost exceeding \$100 million or 20% of the Company's paid-in capital for the year ended December 31, 2012

Unit : Thousands of New Taiwan Dollars/Thousnads of shares

Securities held by	Marketable securities	General ledger account	Counterparty	Relationship with the Company	Beginning balance		Addition		Disposal			Ending balance		
					Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Selling price	Book value	Gain (loss) on disposal	Number of shares (in thousands)	Amount
Evergreen Marine Corporation	Beneficiary Certificates:													
	Fubon Chi-Hsiang Money Market Fund	Financial assets at fair value through profit or loss	Open market transaction	None	37,185	\$ 561,122	-	\$ -	37,185	\$ 565,318	\$ 561,122	\$ 4,196	-	\$ -
	Mega Diamond Money Market Fund	"	"	"	25,879	311,129	61,899	750,000	46,929	570,000	567,219	2,781	40,849	493,910
	FSITC Money Market Fund	"	"	"	4,318	740,246	3,185	550,000	7,503	1,298,144	1,290,246	7,898	-	-
	FSITC Taiwan Money Market Fund	"	"	"	-	-	22,263	330,000	10,105	150,000	149,787	213	12,158	180,213
	Eastspring Investments Well Pool Money Market Fund	"	"	"	4,609	60,021	53,182	700,000	41,687	550,000	548,178	1,822	16,104	211,843
	Yuanta Wan Tai Money Market Fund	"	"	"	8,944	130,000	44,315	650,000	27,184	400,000	398,121	1,879	26,075	381,879
	Yuanta De-Li Money Market Fund	"	"	"	26,155	410,055	-	-	26,155	411,795	410,055	1,740	-	-
	Yuanta De-Bao Money Market Fund	"	"	"	-	-	28,312	330,000	17,134	200,000	199,707	293	11,178	130,293

E. Acquisition of real estate properties exceeding \$100 million or 20% of the Company's paid-in capital for the year ended December 31, 2012 : None

F. Disposal of real estate properties exceeding \$100 million or 20% of the Company's paid-in capital for the year ended December 31, 2012: None

G. Purchases from or sales to related parties exceeding \$100 million or 20% of the Company's paid-in capital for the year ended December 31, 2012

Unit : Thousands of New Taiwan Dollars

Purchaser/seller	Counterparty	Relationship with the Company	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Remark
			Purchases/Sales	Amount	% of total purchases/sales	Credit term	Unit price	Credit term	Balance	% of total notes/accounts receivable (payable)	
Evergreen Marine Corporation	Evergreen International Storage & Transport Corp.	Investee accounted for under equity method	Purchases	\$ 354,889	2%	30~60 Days	\$ -	-	(\$ 15,051)	1%	-
	Evergreen International Corp.	Investee of the Company's major shareholder	Purchases	348,239	2%	30~60 Days	-	-	(7,160)	1%	-
	"	"	Sales	1,718,039	11%	30~60 Days	-	-	84,612	9%	-
	Taiwan Terminal Services Co., Ltd.	Subsidiary of the Company	Purchases	724,580	4%	30~60 Days	-	-	(50,001)	5%	-
	Gaining Enterprise S.A.	Subsidiary of EITC accounted for under equity method	Purchases	1,539,802	9%	30~60 Days	-	-	-	-	-
	Greencompass Marine S.A.	Subsidiary of the Company	Sales	126,057	1%	30~60 Days	-	-	9,577	1%	-

H. Receivables from related parties exceeding \$100 million or 20% of the Company's paid-in capital for the year ended December 31, 2012

Unit : Thousands of New Taiwan Dollars

Creditor	Counterparty	Relationship with the Company	Balance	Turnover rate	Overdue receivables		Amount received subsequent to the balance sheet date	Allowance for bad debts
					Amount	Action Taken		
Evergreen Marine Corporation	Evergreen International Corp.	Investee of the Company's major shareholder	\$ 151,440	-	\$ -	-	\$ 143,162	\$ -

I. Derivative financial instruments undertaken for the year ended December 31, 2012 : For related information, please see Note 10(2).

(2) Disclosure information of investee company

A. Disclosure of location and related information of investee companies:

Unit : Thousands of New Taiwan Dollars/Thousnads of shares

Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2012			Net income (loss) of the investee	Investment income (loss) recognized by the Company	Remark
				Ending Balance	Beginning balance	No. of shares (in thousands)	Ownership (%)	Book value			
Evergreen Marine Corporation	Peony Investment S.A.	East 53rd Street, Marbella, MMG Building, 2nd Floor, Panama, Republic of Panama	Investment activities	USD 476,500	USD 476,500	4,765	100.00	\$ 42,401,968	(\$ 650,689)	(\$ 633,989)	Subsidiary of the Company
	Taiwan Terminal Services Co., Ltd.	2F No.177 Szu Wei 4th Rd. Lingya District, Kaohsiung, Taiwan	Loading and discharging operations of container yards	55,000	55,000	5,500	55.00	68,318	11,429	6,286	"
	Everport Terminal Services Inc.	1209 Orange Street in the City of Wilmington, Country of New Castle	Terminal Services	USD 100	USD 100	1	100.00	12,370	9,635	9,635	"
	Charng Yang Development Co., Ltd.	2F, No. 369, Jingguo Rd., Taoyuan City, Taoyuan County, Taiwan	Development, rental, and sale of residential and commercial buildings	320,000	320,000	49,898	40.00	645,914	157,648	63,059	Investee accounted for under the equity method
	Evergreen International Storage and Transport Corporation	No.899, Jingguo Rd., Taoyuan City, Taoyuan County, Taiwan	Container transportation and gas stations	4,753,514	4,753,514	424,062	39.74	7,866,147	511,398	206,072	"
	Evergreen Security Corporation	4&5F, No. 111, Sungjiang Rd., Taipei, Taiwan	General security guards services	25,000	25,000	6,336	31.25	100,851	37,570	11,740	"
	EVA Airways Corporation	11F, No. 376, Section 1, Hsinnan Rd., Lu Chu Township, Taoyuan County, Taiwan	International passenger and cargo transportation	10,767,879	10,767,879	629,483	19.32	7,060,503	504,012	97,353	"
	Taipei Port Container Terminal Corporation	No. 25 Sijhuwei, Syuntang Village, Bali District, New Taipei City, Taiwan	Container distribution and cargo stevedoring	883,731	883,731	88,344	21.03	789,878	(81,440)	(17,130)	"

Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2012			Net income (loss) of the investee	Investment income (loss) recognized by the Company	Remark
				Ending Balance	Beginning balance	No. of shares (in thousands)	Ownership (%)	Book value			
Evergreen Marine Corporation	Evergreen Marine (Latin America), S.A.	EVERGREEN BUILDING 11TH FLOOR, 5TH B AVE AND 78 EAST STREET, SAN FRANCISCO, PANAMA	Management consultancy	USD 105	USD -	105	17.50	\$ 3,089	\$ 227	\$ 40	Investee accounted for under the equity method
Peony Investment S.A.	Clove Holding Ltd.	Craigmuir Chambers, P. O. Box 71, Road Town, Tortola, B.V.I.	Investment holding company	USD 52,549	USD 52,549	10	100.00	USD 75,235	USD 11,210	USD 11,210	Indirect subsidiary of the Company
	Evergreen Shipping Agency (Deutschland) GmbH	Evergreen Building Amsinckstrasse 55 20097 Hamburg, Germany	Shipping agency	USD 8,316	USD 8,316	-	100.00	USD 7,562	USD 978	USD 978	"
	Evergreen Shipping Agency (Ireland) Ltd.	22 Fitzwilliam Place, Dublin 2, Ireland	Shipping agency	USD 95	USD 95	0.1	100.00	USD 227	USD 17	USD 17	"
	Evergreen Shipping Agency (Korea) Corporation	12FL, Royal Building 5, Dangju-Dong, Chongro-Ku Seoul Korea	Shipping agency	USD 2,426	USD 2,426	121	100.00	USD 2,615	USD 1,071	USD 1,071	"
	Evergreen Shipping Agency (Netherlands) B.V.	PortCity II - Havennummer 2235 Waalhaven ZZ 19 3089 JH Rotterdam, The Netherlands	Shipping agency	USD 3,977	USD 3,977	0.047	100.00	USD 5,618	USD 539	USD 539	"
	Evergreen Shipping Agency (Poland) SP. ZO. O	UL.SOLEC 22,00-410 Warszawa, Poland	Shipping agency	USD 662	USD 662	2	100.00	USD 622	USD 10	USD 10	"
	Greencompass Marine S. A.	East 53rd Street, Marbella, MMG Building, 2nd Floor, Panama, Republic of Panama	Marine transportation	USD 353,500	USD 353,500	3,535	100.00	USD 903,083	22,696	22,696	"

Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2012			Net income (loss) of the investee	Investment income (loss) recognized by the Company	Remark
				Ending Balance	Beginning balance	No. of shares (in thousands)	Ownership (%)	Book value			
Peony Investment S.A.	Vigor Enterprise S.A.	East 53Rd Street, Marbella, MMG Building, 2nd Floor, Panama, Republic of Panama	Investment holding company	USD 500	USD 500	5	100.00	USD 498	(USD 14)	(USD 14)	Indirect subsidiary of the Company
	Evergreen Shipping Agency (India) Pvt. Ltd.	Mararhon Nextgon Innova"A"G01,Opp.Peninsula Corporate Park,Off G.K.Marg. Lower Parel (W), MUMBAI 400 013, INDIA	Shipping agency	USD 1,177	USD 184	100	99.99	USD 6,012	USD 2,314	USD 2,314	"
	Evergreen Argentina S.A.	Pje. Carabelas 344, (C1009AAD), Buenos Aires. Argentina	Leasing	USD 140	USD 140	150	95.00	USD 153	(USD 271)	(USD 258)	"
	Evergreen Shipping Agency France S.A.S.	Tour Franklin-La Defense 8, 92042 Paris La Defense Cedex-France.	Shipping agency	USD 907	USD 907	5	100.00	USD 1,729	USD 210	USD 210	"
	PT. Multi Bina Pura International	JL. Raya Cakung Cilincing, KM.4, Jakarta Utara 14260, Indonesia	Loading and discharging operations of container yards and inland transportation	USD 7,841	USD 20,204	17	95.03	USD 10,000	USD 2,776	USD 2,638	"
	PT. Multi Bina Transport	JL. Raya Cakung Cilincing, KM.4, Jakarta Utara 14260, Indonesia	Container repair, cleaning and inland transportation	USD 804	USD 804	2	17.39	USD 448	USD 474	USD 83	"

Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2012			Net income (loss) of the investee	Investment income (loss) recognized by the Company	Remark
				Ending Balance	Beginning balance	No. of shares (in thousands)	Ownership (%)	Book value			
Peony Investment S.A.	Evergreen Heavy Industrial Corp. (Malaysia) Berhad	Lot 139, Jalan, Cecair, Phase 2 Free Trade Zone Johor Port Authority, 81700 Pasir Gudang, Johor, Johore Bahru, Malaysia	Container manufacturing	USD 27,295	USD 27,295	42,120	84.44	USD 48,158	USD 774	USD 653	Indirect subsidiary of the Company
	Armand Investment (Netherlands) N.V.	Van Engelenweg 23 Curacao Netherlands Antilles	Investment holding company	USD 9,203	USD 9,203	4	70.00	USD 8,871	(USD 322)	(USD 226)	"
	Evergreen Shipping (Spain) S.L.	Calle Siete Aguas, 11 - Entlo. 46023 Valencia, Spain	Shipping agency	USD 3,870	USD 3,870	3	55.00	USD 3,330	USD 3,291	USD 1,810	"
	Evergreen Shipping Agency (Italy) S.p.A.	Scali Cerere, 9 Livorno Italy	Shipping agency	USD 2,352	USD 2,352	0.55	55.00	USD 1,939	USD 164	USD 90	"
	ShenZhen Greentrans Transportation Co., Ltd.	San Jiao Long Warehouse & Storage Zone, Fu kang Rd., Hengang town, Shenzhen, China	Loading, discharging, storage, repair, cleaning and transportation of containers	USD -	USD 3,134	-	-	USD -	USD -	USD -	Completely Liquidated on May 31, 2012
	Evergreen Marine (UK) Ltd.	160 Euston Road, London NW 12 DX, U.K.	Marine transportation	USD 1,503	USD 1,503	765	51.00	USD 67,690	(USD 59,839)	(USD 30,518)	"
	Evergreen Shipping Agency (Australia) Pty. Ltd.	Level 13,181 Miller Street, North Sydney NSW 2060 Australia	Shipping agency	USD 247	USD 247	0.675	67.50	USD 614	USD 698	USD 471	"

Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2012			Net income (loss) of the investee	Investment income (loss) recognized by the Company	Remark
				Ending Balance	Beginning balance	No. of shares (in thousands)	Ownership (%)	Book value			
Peony Investment S.A.	Evergreen Shipping Agency (Russia) Ltd.	Evergreen Office, 11 Millionnaya Street, ST. Petersburg, 191186 RUSSIA	Shipping agency	USD 848	USD 848	-	51.00	USD 1,892	USD 3,422	USD 1,745	Indirect subsidiary of the Company
	Evergreen Shipping Agency (Singapore) PTE. Ltd.	200 Cantonment Road #12-02 Southpoint, Singapore 089763	Shipping agency	USD 2,157	USD 2,157	765	51.00	USD 5,463	USD 1,352	USD 690	"
	Evergreen Shipping Agency (Thailand) Co., Ltd.	Green Tower, 24-25th Floors 3656/81 Rama IV Road Klongton Klongtoey Bangkok 10110	Shipping agency	USD 1,474	USD 1,474	408	51.00	USD 2,964	USD 2,807	USD 1,431	"
	Evergreen Shipping Agency (Vietnam) Corp.	11F, Fideco Tower 81-85 Ham Nghi St., Dist. I, Ho Chi Minh City, Vietnam	Shipping agency	USD 454	USD 454	-	51.00	USD 1,538	USD 2,491	USD 1,270	"
	PT. Evergreen Shipping Agency Indonesia	GD. MEGA PLAZA 9th Floors Jl. H.R. Rasuna said kav. C-03 Jakarta 12920, Indonesia	Shipping agency	USD 973	USD 973	0.459	51.00	USD 3,293	USD 2,558	USD 1,305	"
	Evergreen Agency (South Africa) (PTY) Ltd.	9B Riley Road, Bedfordview, Johannesburg 2007, South Africa	Shipping agency	USD 581	USD 581	5,500	55.00	USD 4,187	USD 3,085	USD 1,697	"
	Kingstrans International Logistics (Tianjin) Co., Ltd.	No.295 JiYun East Road, Tianjin Port Container Logistics Center, Binhai New District, Tianjin	Inland container transportation, container storage, loading, discharging, leasing, repair, cleaning, and related activities	USD 2,000	USD 2,000	-	20.00	USD 2,844	USD 1,188	USD 238	"

Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2012			Net income (loss) of the investee	Investment income (loss) recognized by the Company	Remark
				Ending Balance	Beginning balance	No. of shares (in thousands)	Ownership (%)	Book value			
Peony Investment S.A.	Luanta Investment (NetherLands) N.V.	Waalhaven Z. z. 19, PortCity II, 3089JH Rotterdam	Investment holding company	USD 39,721	USD 33,161	460	50.00	USD 85,641	(USD 9,046)	(USD 4,523)	Investee company of Peony accounted for under the equity method
	Balsam Investment (NetherLands) N.V.	21-A Van Engelenweg, Curacao, Netherlands, Antilles	Investment holding company	USD 183,191	USD 122,696	0.451	49.00	USD 61,667	(USD 96,122)	(USD 47,100)	"
	Ningbo Victory Container Co., Ltd.	No. 201 Xiaoshan Road, Beilun District, Ningbo, China	Inland container transportation, container storage, loading, discharging, leasing, repair, cleaning, and related activities	USD 1,199	USD 1,199	-	40.00	USD 2,361	USD 661	USD 264	"
	Qingdao Evergreen Container Storage & Transportation Co., Ltd.	No. 114 Huangho E. Rd., Huangdao District Qingdao, China	Inland container transportation, container storage, loading, discharging, leasing, repair, cleaning, and related activities	USD 4,447	USD 4,447	-	40.00	USD 8,040	USD 3,731	USD 1,492	"
	Green Peninsula Agencies SDN. BHD.	NO. 7, Jalan Jurutera U1/23, Section U1, Hicom Glenmarie Industrial Park, 40150 Shah Alam, Selangor Darul Ehsan, Malaysia	Investment holding company	USD 7,255	USD 7,255	1,500	30.00	USD 8,267	USD 5,929	USD 1,779	"
	Evergreen Shipping Agency Co (U.A.E.) LLC.	5F, Shipping Tower, Al-Mina Road, P.O. Box 34984, Dubai, U.A.E	Shipping agency	USD 2,082	USD 2,082	-	49.00	USD 2,565	USD 3,027	USD 1,483	"

Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2012			Net income (loss) of the investee	Investment income (loss) recognized by the Company	Remark
				Ending Balance	Beginning balance	No. of shares (in thousands)	Ownership (%)	Book value			
Armand Investment (Netherlands) N.V.	Armand Estate B.V.	Amsteldijk 166, 1079LH, Amsterdam	Investment holding company	USD 13,636	USD 13,636	0.045	100.00	USD 12,657	(USD 308)	(USD 308)	Indirect subsidiary of the Company
Armand Estate B.V.	Taipei Port Container Terminal Corporation	No.25 Siajhuwei, Syuntang Village,Bali District,New Taipei City, Taiwan	Container distribution and cargo stevedoring	USD 12,678	USD 12,678	41,000	9.76	USD 12,593	(USD 2,754)	(USD 269)	Investee company of Armand Estate B.V. accounted for under the equity method
Clove Holding Ltd.	Colon Container Terminal S.A.	COCO SOLO NORTH ADM BUILDING PANAMA	Inland container storage and loading	USD 22,860	USD -	22,860	40.00	USD 78,919	USD 19,040	USD 7,616	Investee company of Clove Holding Ltd. accounted for under the equity method
	Island Equipment LLC.	655 Deep Valley Drive, Suite 300, Rolling Hills Estates, CA	Investment holding company	USD 144	USD 144	-	36.00	USD 2,327	USD 771	USD 277	Indirect subsidiary of the Company
	Ample Holding Ltd.	Craigmuir Chambers, P.O.BOX71,Road Town, Tortola, B.V.I	Investment holding company	USD -	USD 9	-	-	USD -	USD -	USD -	Completed liquidated on December 31, 2012
Ample Holding Ltd.	Colon Container Terminal S.A.	COCO SOLO NORTH ADM BUILDING PANAMA	Inland container storage and loading	USD -	USD 22,860	-	-	USD -	USD -	USD -	Investee company of Ample Holding Ltd. accounted for under the equity method
Island Equipment LLC.	Whitney Equipment LLC.	2711 Centerville Road, Suite 400, Wilmington, Delaware 19808	Equipment leasing company	USD 200	USD 200	-	100.00	USD 2,147	USD 473	USD 473	Indirect subsidiary of the Company
	Hemlock Equipment LLC.	2711 Centerville Road, Suite 400, Wilmington, Delaware 19808	Equipment leasing company	USD 200	USD 200	-	100.00	USD 4,284	USD 324	USD 324	"

Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2012			Net income (loss) of the investee	Investment income (loss) recognized by the Company	Remark
				Ending Balance	Beginning balance	No. of shares (in thousands)	Ownership (%)	Book value			
Evergreen Marine (UK) Ltd.	Kingstrans International Logistics (Tianjin) Co., Ltd.	No.295 JiYun East Road, Tianjin Port Container Logistics Center, Binhai New District, Tianjin	Inland container transportation, container storage, loading, discharging, leasing, repair, cleaning, and related activities	USD 2,000	USD 2,000	-	20.00	USD 2,844	USD 1,188	USD 238	Indirect subsidiary of the Company
	Island Equipment LLC.	655 Deep Valley Drive, Suite 300, Rolling Hills Estates, CA	Investment holding company	USD 60	USD 60	-	15.00	USD 970	USD 771	USD 116	"
	Evergreen Shipping Agency (UK) Ltd.	160 Euston Road, London NW 12 DX, U.K.	Shipping agency	USD 0.002	USD 0.002	-	100.00	USD 2,742	USD 258	USD 258	"
PT. Multi Bina Pura International	PT. Multi Bina Transport	JL. Raya Cakung Cilincing, KM. 4 Jakarta Utara 14260, Indonesia	Container repair, cleaning and inland transportation	USD 3,301	USD 3,301	8	72.95	IDR 18,174,909	IDR 4,448,211	IDR 3,244,970	"
Evergreen Shipping Agency (Deutschland) GmbH	Evergreen Shipping Agency (Austria) GmbH	Theresianumgasse 7, 1040 Wien, Austria	Shipping agency	EUR 18	EUR 18	-	100.00	EUR 473	EUR 28	EUR 28	"
	Evergreen Shipping Agency (Switzerland) S.A.	Av. des Boveresses 52, 1000 Lausanne 21, Switzerland	Shipping agency	EUR 69	EUR 69	0.1	100.00	EUR 176	EUR 20	EUR 20	"

B.Loans granted for the year ended December 31, 2012

Unit : Thousands of New Taiwan Dollars

No.	Creditor	Borrower	General ledger account	Maximum outstanding balance for the year ended December 31, 2012	Balance at December 31, 2012	Utilized Credits	Interest rate (%)	Nature of loan (Note 1)	Amount of transaction with the borrower	Reason for short-term financing (Note 2)	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 3)	Ceiling on total loans granted (Note 3)
												Item	Value		
1	Peony Investment S.A.	Kingtrans Intl. Logistics (Tianjin) Co., Ltd.	Receivables from related parties	\$ 45,080	\$ 43,572	\$ 43,572	1.527	2	\$ -	Working capital requirement	\$ -	-	\$ -	\$ 8,102,909	\$ 16,205,817
		Luanta Investment (NetherLands) N.V.	"	439,665	335,715	155,105	1.308~2.183	2	-	"	-	-	-	8,102,909	16,205,817
		Clove Holding Ltd.	"	261,432	319,528	261,432	1.211	2	-	"	-	-	-	8,102,909	16,205,817
2	Clove Holding Ltd.	Whitney Equipment LLC.	"	74,865	72,620	72,620	1.355	2	-	"	-	-	-	385,567	771,135
3	Evergreen Marine (UK) Ltd.	Kingtrans Intl. Logistics (Tianjin Co., Ltd.	"	45,080	43,572	43,572	1.527	2	-	"	-	-	-	818,790	1,637,580

Note 1:Nature of loans extended

"1" denotes the loans extended to the companies which have transactions with the Company or its subsidiaries.

"2" denotes the loans extended to the companies which require short-term financing.

Note 2:The reason that the loan was granted and the usage of the loan should be stated, if the nature of the loan is "2".

Note 3: The explanation of the equation of the limits and amounts is required and set forth as follows:

1.According to the Company's credit policy, the total amount of loans granted to a single company should not exceed 20% of the net worth stated in the latest financial statements.

The calculation is as follows:

PEONY USD1,394,745*29.0480*20%=\$8,102,909

CLOVE USD66,367*29.0480*20%=\$385,567

EMU USD140,937*29.0480*20%=\$818,790

2.According to the Company's credit policy, the total amount of loans granted by the Company or its subsidiaries should not exceed 40% of the net worth stated in the latest financial statements.

The calculation is as follows:

PEONY USD1,394,745*29.0480*40%=\$16,205,817

CLOVE USD66,367*29.0480*40%=\$771,135

EMU USD140,937*29.0480*40%=\$1,637,580

C. Endorsements and guarantees provided as of December 31, 2012:

Unit : Thousands of New Taiwan Dollars

Number (Note1)	Endorser	Party Being endorsed		Limit on endorsement provided for a single party	Maximum outstanding endorsement amount at December 31, 2012	Outstanding endorsement amount at December31, 2012	Amount of endorsements secured with collateral	Ratio of accumulated endorsement amount to net asset value of the Company	Ceiling on total amount of endorsements provided
		Counterparty	Relationship with the Company						
1	Greencompass Marine S.A.	Taranto Container Terminal S.p.A.	1	\$ 169,006	\$ 113,787 USD 3,917	\$ 113,787 USD 3,917	\$ -	0.45%	\$ 62,930,405

Note 1: The number is assigned as follows:
"0" denotes issuer

The investee is numbered from "1" in sequence by different company.

Note 2: Nature of the counterparty's relationship with the Company or its subsidiaries

"1" denotes the endorsements/guarantees provided to the companies which have transactions with the Company or its subsidiaries.

"2" denotes the endorsements/guarantees provided to the subsidiaries of which the Company holds more than 50% of the common stock.

"3" denotes the endorsements/guarantees provided to the investees of which the Company together with its subsidiaries hold more than 50% of the common stock.

"4" denotes the endorsements/guarantees provided to the companies which directly or indirectly hold more than 50% of the Company's common stock.

"5" denotes the endorsements/guarantees provided pursuant to construction contracts.

"6" denotes the endorsements/guarantees provided to joint venture companies based on the Company's or its subsidiaries proportionate equity interest in the Company.

Note 3: The method of calculating upper limit and the amount of the upper limit should be noted. If there is any contingent loss is recognized in the financial statements, such loss amount is also required to be noted.

Note 4: According to the Company's credit policy, the total amount of endorsements or guarantees provided by the Company or its subsidiaries should not exceed 250% of the net worth stated in the latest financial statements.

The calculation is as follows:

USD 866,571*29.0480*250%=\$62,930,405

D. Marketable securities held as of December 31, 2012

Unit : Thousands of New Taiwan Dollars/Thousnads of shares

Securities held by	Marketable securities	Relationship of the securities issuer with the Company	General ledger account	December 31, 2012				Remark
				Number of shares (in thousands)	Book value	Ownership (%)	Market value	
Peony Investment S.A.	Clove Holding Ltd.	Indirect subsidiary of the Company	Long-term equity investment accounted for under the equity method	10	USD 75,235	100.00	USD 75,235	
	Evergreen Shipping Agency (Deutschland) GmbH	"	"	-	USD 7,562	100.00	USD 7,562	
	Evergreen Shipping Agency (Ireland) Ltd.	"	"	0.1	USD 227	100.00	USD 227	
	Evergreen Shipping Agency (Korea) Corporation	"	"	121	USD 2,615	100.00	USD 2,615	
	Evergreen Shipping Agency (Netherlands) B.V.	"	"	0.047	USD 5,618	100.00	USD 5,618	
	Evergreen Shipping Agency (Poland) SP.ZO.O	"	"	2	USD 622	100.00	USD 622	
	Greencompass Marine S.A.	"	"	3,535	USD 903,083	100.00	USD 903,083	
	Vigor Enterprise S.A.	"	"	5	USD 498	100.00	USD 498	
	Evergreen Shipping Agency (India) Pvt Ltd.	"	"	100	USD 6,012	99.99	USD 6,012	
	Evergreen Argentina S.A.	"	"	150	USD 153	95.00	USD 153	
	Evergreen Shipping Agency France S.A.S.	"	"	5	USD 1,729	100.00	USD 1,729	
	PT Multi Bina Pura International	"	"	17	USD 10,000	95.03	USD 10,000	
	PT Multi Bina Transport	"	"	2	USD 448	17.39	USD 448	
	Evergreen Heavy Industrial Corp. (Malaysia) Berhad	"	"	42,120	USD 48,158	84.44	USD 48,158	
	Armand Investment (Netherlands) N.V.	"	"	4	USD 8,871	70.00	USD 8,871	
	Evergreen Shipping (Spain) S.L.	"	"	3	USD 3,330	55.00	USD 3,330	
	Evergreen Shipping Agency (Italy) S.p.A.	"	"	0.55	USD 1,939	55.00	USD 1,939	
Evergreen Marine (UK) Ltd.	"	"	765	USD 67,690	51.00	USD 67,690		

Securities held by	Marketable securities	Relationship of the securities issuer with the Company	General ledger account	December 31, 2012				Remark	
				Number of shares (in thousands)	Book value	Ownership (%)	Market value		
Peony Investment S.A.	Evergreen Shipping Agency (Australia) Pty Ltd.	Indirect subsidiary of the Company	Long-term equity investment accounted for under the equity method	0.675	USD 614	67.50	USD 614		
	Evergreen Shipping Agency (Russia) Ltd.	"	"	-	USD 1,892	51.00	USD 1,892		
	Evergreen Shipping Agency (Singapore) Pte. Ltd.	"	"	765	USD 5,463	51.00	USD 5,463		
	Evergreen Shipping Agency (Thailand) Co., Ltd.	"	"	408	USD 2,964	51.00	USD 2,964		
	Evergreen Shipping Agency (Vietnam) Corp.	"	"	-	USD 1,538	51.00	USD 1,538		
	PT. Evergreen Shipping Agency Indonesia	"	"	0.459	USD 3,293	51.00	USD 3,293		
	Evergreen Agency (South Africa) (PTY) Ltd.	"	"	5,500	USD 4,187	55.00	USD 4,187		
	Luanta Investment (Netherlands) N.V.	Investee of Peony Investment S.A. accounted for under the equity method	"	"	460	USD 85,641	50.00	USD 85,641	
	Balsam Investment (Netherlands) N.V.	"	"	"	0.451	USD 61,667	49.00	USD 61,667	
	Evergreen Shipping Agency Co. (U.A.E.) LLC	"	"	"	-	USD 2,565	49.00	USD 2,565	
	Ningbo Victory Container Co., Ltd.	"	"	"	-	USD 2,361	40.00	USD 2,361	
	Qingdao Evergreen Container Storage & Transportation Co., Ltd.	"	"	"	-	USD 8,040	40.00	USD 8,040	
	Green Peninsula Agencies SDN. BHD.	"	"	"	1,500	USD 8,267	30.00	USD 8,267	
	Kingtrans Intl. Logistics (Tianjin) Co., Ltd.	Indirect Subsidiary of the company	"	"	-	USD 2,844	20.00	USD 2,844	
	Dongbu Pusan Container Terminal Co. Ltd.	None	"	Financial assets carried at cost - non-current	300	USD 1,556	15.00	USD 1,556	
	Hutchison Inland Container Depots Ltd.	"	"	"	0.75	USD 1,492	7.50	USD 1,492	
Colombo - South Asia Gateway Terminal	"	"	"	18,942	USD 2,412	5.00	USD 2,412		

Securities held by	Marketable securities	Relationship of the securities issuer with the Company	General ledger account	December 31, 2012				Remark
				Number of shares (in thousands)	Book value	Ownership (%)	Market value	
PT. Multi Bina Pura International	PT. Multi Bina Transport	Indirect subsidiary of Peony	Long-term equity investment accounted for under the equity method	8	IDR 18,174,909	72.95	IDR 18,174,909	
Clove Holding Ltd.	Colon Container Terminal S.A.	Investee of Clove accounted for under the equity method	"	22,860	USD 78,919	40.00	USD 78,919	
	Island Equipment LLC.	Indirect subsidiary of Peony	"	-	USD 2,327	36.00	USD 2,327	
Island Equipment LLC	Whitney Equipment LLC.	Investee of Island accounted for under the equity method	"	-	USD 2,147	100.00	USD 2,147	
	Hemlock Equipment LLC.	"	"	-	USD 4,284	100.00	USD 4,284	
Evergreen Marine (UK) Ltd.	Island Equipment LLC.	Indirect subsidiary of Peony	"	-	USD 970	15.00	USD 970	
	Kingtrans Intl. Logistics (Tianjin) Co., Ltd.	"	"	-	USD 2,844	20.00	USD 2,844	
	Evergreen Shipping Agency (UK) Limited	"	"	-	USD 2,742	100.00	USD 2,742	
	Italia Marittima UK Limited	Investee of EMU accounted for under cost method	Financial assets carried at cost - non-current	0.2	USD 0.4	100.00	USD 0.4	
	Evergreen Marine (Latin America), S.A.	"	Financial assets carried at cost - non-current	99	USD 99	16.50	USD 99	
Armand Investment (Netherlands) N.V.	Armand Estate B.V.	Indirect subsidiary of Peony	Long-term equity investment accounted for under the equity method	0.045	USD 12,657	100.00	USD 12,657	

Securities held by	Marketable securities	Relationship of the securities issuer with the Company	General ledger account	December 31, 2012				Remark
				Number of shares (in thousands)	Book value	Ownership (%)	Market value	
Armand Estate B.V.	Taipei Port Container Terminal Corporation	Investee of Armand Estate B.V. accounted for under the equity method	Long-term equity investment accounted for under the equity method	41,000	USD 12,593	9.76	USD 12,593	
Evergreen Shipping Agency (Singapore) Pte Ltd.	RTW AIR SERVICES (S) PL	Investee of EGS accounted for under cost method	Financial assets carried at cost - non-current	30	SGD 41	2.00	SGD 41	
Evergreen Shipping Agency (Thailand) Co., Ltd.	Green Siam Air Service Co.	Investee of EGT accounted for under cost method	"	4	THB 1,160	2.00	THB 1,160	
Evergreen Shipping Agency (Deutschland) GmbH	Evergreen Shipping Agency (Austria) GmbH	Indirect subsidiary of Peony	Long-term equity investment accounted for under the equity method	-	EUR 473	100.00	EUR 473	
	Zoll Pool Hafen Hamburg AG	Investee of EGD accounted for under cost method	Financial assets carried at cost - non-current	10	EUR 10	3.36	EUR 10	
	Evergreen Shipping Agency (Switzerland) S.A.	Indirect subsidiary of Peony	Long-term equity investment accounted for under the equity method	0.1	EUR 176	100.00	EUR 176	

E.Acquisition or disposal of the same security with the accumulated cost exceeding \$100 million or 20% of the Company's paid-in capital for the year ended December 31, 2012 : None.

F.Acquisition of real estate properties exceeding \$100 million or 20% of the Company's paid-in capital for the year ended December 31, 2012 : None.

G.Disposal of real estate properties exceeding \$100 million or 20% of the Company's paid-in capital for the year ended December 31, 2012 : None.

H.Purchases from or sales to related parties exceeding \$100 million or 20% of the Company's paid-in capital for the year ended December 31, 2012

Unit : Thousands of New Taiwan Dollars

Purchaser/seller	Counterparty	Relationship with the Company	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)		Remark
			Purchases/Sales	Amount	% of total purchases/sales	Credit term	Unit price	Credit term	Balance	% of total notes/accounts receivable (payable)	
Taiwan Terminal Services Co., Ltd.	Evergreen Marine Corp.	The parent	Sales	\$ 724,580	99%	30~60 Days	\$ -	-	\$ 50,001	56%	
Greencompass Marine S.A.	Evergreen Marine (Hong Kong) Ltd.	Related party	Sales	USD 12,236	-	15~30 Days	-	-	-	-	
		"	Purchases	USD 38,137	1%	15~30 Days	-	-	-	-	
	Evergreen International S.A.	Related party	Purchases	USD 24,663	1%	15~30 Days	-	-	-	-	
	Evergreen Marine (UK) Ltd.	Related party	Sales	USD 11,470	-	15~30 Days	-	-	USD 1,784	1%	
		Related party	Purchases	USD 8,711	-	15~30 Days	-	-	(USD 504)	1%	
	Evergreen Marine (Singapore) Pte. Ltd.	Related party	Purchases	USD 12,045	-	15~30 Days	-	-	-	-	
		Related party	Sales	USD 3,833	-	15~30 Days	-	-	-	-	
	Italia Marittima S.p.A	"	Sales	USD 3,566	-	15~30 Days	-	-	-	-	
	Evergreen Marine Corporation	Related party	Purchases	USD 4,392	-	15~30 Days	-	-	-	-	
	EVERPORT TERMINAL SERVICES INC.	Related party	Purchases	USD 9,540	-	15~30 Days	-	-	-	-	
Evergreen International Corporation	Related party	Purchases	USD 5,833	-	15~30 Days	-	-	-	-		
Evergreen Heavy Industrial Corp. (Malaysia) Berhad	Greencompass Marine S.A.	Related party	Sales	MYR 27,932	10%	45 Days	-	-	-	-	
	Evergreen Marine (Singapore) Pte. Ltd.	Related party	Sales	MYR 51,376	19%	45 Days	-	-	-	-	

Purchaser/seller	Counterparty	Relationship with the Company	Transaction				Differences in transactions		Notes/accounts receivable		Remark
			Purchases/Sales	Amount	% of total purchases/sales	Credit term	Unit price	Credit term	Balance	% of total notes/accounts receivable (payable)	
Evergreen Marine (UK) Ltd.	Greencompass Marine S.A.	Related party	Purchases	USD 11,470	1%	30~60 Days	\$ -	-	\$ -	-	
	Greencompass Marine S.A.	Related party	Sales	USD 8,711	1%	30~60 Days	-	-	-	-	
	Evergreen International Corporation	Related party	Purchases	USD 7,951	1%	30~60 Days	-	-	-	-	
	Evergreen Shipping Agency (Deutschland) GmbH	Related party	Purchases	USD 6,400	-	30~60 Days	-	-	-	-	
	Evergreen Shipping Agency (Netherlands) B.V.	Related party	Purchases	USD 6,496	-	30~60 Days	-	-	-	-	
	EVERPORT TERMINAL SERVICES INC.	Related party	Purchases	USD 6,050	-	30~60 Days	-	-	-	-	
	Evergreen Shipping Agency France S.A.S.	Related party	Purchases	USD 4,139	-	30~60 Days	-	-	-	-	
Evergreen Shipping Agency (Deutschland) GmbH	Evergreen Marine (UK) Ltd.	Related party	Sales	EUR 5,018	42%	-	-	-	EUR 382	3%	
Evergreen Shipping Agency (Netherlands) B.V.	Evergreen Marine (UK) Ltd.	Related party	Sales	EUR 5,060	44%	-	-	-	-	-	

I. Receivables from related parties exceeding \$100 million or 20% of the Company's paid-in capital for the year ended December 31, 2012

Unit : Thousands of New Taiwan Dollars

Creditor	Counterparty	Relationship with the Company	Balance	Turnover rate	Overdue receivables		Amount received subsequent to the balance sheet date	Allowance for bad debts
					Amount	Action Taken		
Peony Investment S.A.	Luanta Investment (Netherlands) N.V.	Related party	USD 5,362		USD -	-	USD -	USD -
	Clove Holding Ltd.	"	USD 9,002		USD -	-	USD -	USD -

J. Derivative financial instruments transactions:None.

(3) Disclosure of information on indirect investments in Mainland China

Investee in Mainland China	Main activities	Paid-in Capital	Investment method (Note 1)	Accumulated amount of remittance to Mainland China as of January 1, 2012	Amount remitted		Accumulated amount of remittance to Mainland China as of December 31, 2012	Ownership held by the Company (direct/ indirect)	Investment income (loss) recognized by the Company for the year ended December 31, 2012 (Note 2)	Book value of investment in Mainland China as of December 31, 2012	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2012
					to Mainland China	back to Taiwan					
Ningbo Victory Container Co., Ltd.	Inland container transportation, container storage, loading, and discharging, and repair of brackets	CNY 24,119	(2)	\$ 29,556 (USD 1,018)	\$ -	\$ -	\$ 29,556 (USD 1,018)	40.00	\$ 7,821 (USD 264)	\$ 68,585 (USD 2,361)	\$ -
Qingdao Evergreen Container Storage & Transportation Co., Ltd.	Inland container transportation, container storage, loading, repair, discharging, and related activities	CNY 92,500	(2)	\$ 129,174 (USD 4,447)	-	-	\$ 129,174 (USD 4,447)	40.00	\$ 44,125 (USD 1,492)	\$ 233,553 (USD 8,040)	-
Shenzhen Greentrans Transportation Co., Ltd.	Inland container loading, discharging, restoring, repair, clearing, and transportation	CNY 44,960	(2)	\$ 91,044 (USD 3,134)	-	88,811 (USD 3,057)	\$ 91,044 (USD 3,134)	note 4	note 4	note 4	-
Shenzhen Hutchison Inland Container Depots Co., Ltd.	Inland container yards	HKD 92,000	(2)	\$ 23,621 (HKD 6,304)	-	-	\$ 23,621 (HKD 6,304)	6.85	\$ -	\$ 23,621 (HKD 6,304)	-

Investee in Mainland China	Main activities	Paid-in Capital	Investment method (Note1)	Accumulated amount of remittance to Mainland China as of January 1, 2012	Amount remitted		Accumulated amount of remittance to Mainland China as of December 31, 2012	Ownership held by the Company (direct/ indirect)	Investment income (loss) recognized by the Company for the year ended December 31, 2012 (Note 2)	Book value of investment in Mainland China as of December 31, 2012	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2012
					to Mainland China	back to Taiwan					
Kingtrans Intl. Logistics (Tianjin) Co., Ltd.	Inland container transportation, container storage, loading, discharging, leasing, repair, cleaning, and related activities	CNY 77,929	(2)	\$ 116,192 (USD 4,000)	\$ -	\$ -	\$ 116,192 (USD 4,000)	40.00	\$ 14,054 (USD 476)	\$ 165,198 (USD 5,688)	\$ -
Balance of investments in Mainland China as of December 31, 2012	Investment Amount Approved by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 3)	Quota of Investments in Mainland China imposed by the Investment Commission of the Ministry of Economic Affairs (MOEA)									
\$389,587 (USD 12,599) (HKD 6,304)	\$1,048,409 (USD 36,092)	\$ 35,739,130									

(Net worth of the Company:\$59,565,217)

1.Note 1:Investment in Mainland China can be conducted by the following ways:

- (1) Remitting the funds to Mainland China via a third country
- (2) Via a new investee to be set up in a third country
- (3) Via an existing investee set up in a third country
- (4) Investing directly in Mainland China
- (5) Others

Note 2:Investment income (loss) for the year

- (1) Denotes that the investee is still in the start-up stage.
- (2) Denotes the basis on which the investment income (loss) is recognized.
 - (a) Based on the investee's financial statements audited by an international accounting firm other than the Company's auditors
 - (b) Based on the investee's financial statements audited by the Company's auditors
 - (c) Others

Note 3:The amount in the table should be stated in New Taiwan Dollars.

Note 4:Shenzhen Greentrans Transportation Co., Ltd.was liquidated on May 31, 2012. Related amount allotted from the liquidation had been received on October 23, 2012.

2.The significant transactions direct or across third region company with the investees in mainland China

12. SEGMENT INFORMATION

In accordance with R.O.C. SFAS No. 41, "Operating Segments", segment information is disclosed in the consolidated financial statements.

13. ADOPTION RELATED TO IFRSs

The Company discloses the information in advance prior to the adoption of IFRSs under the requirements of Jin-Guan-Zheng-Shen-Zi Order No. 0990004943 of the Financial Supervisory Commission, dated February 2, 2010 in the consolidated financial statements.