

**EVERGREEN MARINE CORPORATION AND  
SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS AND  
REPORT OF INDEPENDENT ACCOUNTANTS  
DECEMBER 31, 2010 AND 2009**

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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 consolidated balance sheets of Evergreen Marine Corporation (the " Company " ) as of December 31, 2010 and 2009, and the related consolidated 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 consolidated financial statements based on our audits. We didn't audit all the affiliated companies included in the consolidated financial statements of Peony Investment S. A., a subsidiary of the Company, which statements reflect total assets of 48,120,287 and 42,213,345 thousand New Taiwan Dollars, constituting 37.14% and 36.96% of the consolidated total assets as of December 31, 2010 and 2009, and net operating revenues of 37,796,175 and 27,471,247 thousand New Taiwan Dollars, constituting 34.56% and 33.53% of the consolidated net operating revenues for the years then ended, respectively. In addition, we didn't audit the financial statements of all the investee companies accounted for under the equity method. Those statements were audited by other auditors whose reports thereon have been furnished to us, and our report expressed herein, insofar as it relates to the amounts included for those investee companies accounted for under the equity method and information disclosed in Note 11 relating to these long-term equity investments, is based solely on the reports of other auditors. Long-term investments in these investee companies amounted to 17,329,990 and 14,601,631 thousand New Taiwan Dollars, constituting 13.38% and 12.78% of the consolidated total assets as of December 31, 2010 and 2009, and the related investment income was 3,876,206 thousand New Taiwan Dollars and investment loss was 5,337,885 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 evidence which is supporting the amounts and disclosures in the financial statements in sampling way. 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 consolidated financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Evergreen Marine Corporation and its affiliated as of December 31, 2010 and 2009, 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.

PricewaterhouseCoopers, Taiwan

March 22, 2011

Taipei, Taiwan

Republic of China

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The accompanying consolidated 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 consolidated 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 CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS  
DECEMBER 31,

(Expressed in thousands of New Taiwan Dollars)

	2010	2009
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents (Note 4(1))	\$ 19,716,091	\$ 9,861,789
Financial assets at fair value through profit or loss - current (Note 4(2))	1,914,301	4,083,195
Held-to-maturity financial assets - current (Note 4(4))	-	160,000
Notes receivable, net	73,622	95,047
Accounts receivable, net (Note 4(6))	9,613,758	7,519,707
Accounts receivable, net - related parties (Note 5)	297,685	314,514
Other receivables	1,261,468	705,174
Other receivables - related parties (Note 5)	534,090	1,275,572
Other financial assets - current (Note 4(7))	158,383	238,908
Inventories (Note 4(8))	3,536,327	2,261,692
Prepaid expenses	531,083	525,000
Prepayments	175,458	249,431
Deferred income tax assets - current (Note 4(23))	315,403	704,523
Restricted assets (Note 6)	561,663	251,508
Other current assets - other (Notes 4(9) and 5)	5,311,059	2,353,577
<b>Total current assets</b>	<b>44,000,391</b>	<b>30,599,637</b>
<b>Funds and Investments</b>		
Financial assets at fair value through profit or loss - non-current (Note 4(2))	104,287	100,000
Available-for-sale financial assets - non-current (Note 4(3))	957,108	692,312
Held-to-maturity financial assets - non-current (Note 4(4))	3,135,915	2,180,866
Financial assets carried at cost - non-current (Note 4(5))	4,497,128	5,009,094
Long-term equity investments accounted for under the equity method (Note 4(10))	27,363,307	24,223,122
Other long-term investments	3,527	3,871
<b>Total funds and investments</b>	<b>36,061,272</b>	<b>32,209,265</b>
<b>Property, Plant and Equipment, Net (Notes 4(11), 5 and 6)</b>		
Land	2,173,390	2,191,302
Buildings	2,920,953	2,932,527
Machinery and equipment	718,259	737,236
Loading and unloading equipment	7,965,773	7,345,220
Computer and communication equipment	297,946	314,449
Transportation equipment	23,583,460	25,171,261
Boats	49,271,864	54,743,663
Office equipment	502,976	537,681
Leased assets	8,278	7,231
Leasehold improvements	15,841	18,040
Cost and revaluation increment	87,458,740	93,998,610
Less: Accumulated depreciation	( 41,500,058 )	( 43,114,699 )
Construction in progress and prepayments for equipment	3,130,153	-
<b>Total property, plant and equipment, net</b>	<b>49,088,835</b>	<b>50,883,911</b>
<b>Intangible Assets</b>		
Deferred pension costs (Note 4(18))	59,300	70,689
<b>Other Assets</b>		
Refundable deposits	110,902	130,227
Deferred expenses	243,506	332,490
Other assets - other	1,277	2,458
<b>Total other assets</b>	<b>355,685</b>	<b>465,175</b>
<b>TOTAL ASSETS</b>	<b>\$ 129,565,483</b>	<b>\$ 114,228,677</b>

(Continued)

**EVERGREEN MARINE CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31,**

(Expressed in thousands of New Taiwan Dollars)

	2010	2009
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Short-term loans (Note 4(12))	\$ 2,603,172	\$ 2,274,220
Notes and bills payable (Note 4(13))	-	99,959
Financial liabilities at fair value through profit or loss - current (Note 4(14))	842,874	1,415,357
Notes payable	-	3,869
Accounts payable	4,750,305	2,840,212
Accounts payable - related parties (Note 5)	135,028	203,230
Income tax payable (Note 4(23))	181,516	138,438
Accrued expenses	10,274,414	6,043,017
Other payables - related parties (Note 5)	161,416	179,633
Other payables	801,266	645,983
Receipts in advance	481,734	58,095
Long-term liabilities - current portion (Note 4(15))	6,942,992	4,296,017
Other current liabilities (Note 5)	2,224,936	904,847
<b>Total current liabilities</b>	<b>29,399,653</b>	<b>19,102,877</b>
<b>Long-term Liabilities</b>		
Bonds payable (Note 4(16))	2,218,775	4,311,792
Long-term loans (Note 4(17))	24,139,352	30,652,401
<b>Total long-term liabilities</b>	<b>26,358,127</b>	<b>34,964,193</b>
<b>Other Liabilities</b>		
Accrued pension liabilities (Note 4(18))	1,079,875	848,592
Guarantee deposits received	32,191	37,992
Deferred income tax liabilities - non-current (Note 4(23))	1,493,738	1,161,022
Other liabilities - other	980,334	1,095,628
<b>Total other liabilities</b>	<b>3,586,138</b>	<b>3,143,234</b>
<b>Total liabilities</b>	<b>59,343,918</b>	<b>57,210,304</b>
<b>Stockholders' Equities</b>		
Capital (Note 4(19))		
Common stock	31,248,395	30,625,992
Capital Reserves (Note 4(20))		
Paid-in capital in excess of par value of common stock	5,456,524	4,800,903
Capital reserve from donated assets	371	371
Capital reserve from long-term investments	1,611,003	1,611,002
Capital reserve from stock warrants	128,379	256,205
Capital reserve - other	6,713	6,713
Retained Earnings (Note 4(21))		
Legal reserve	7,586,240	7,586,240
Special reserve	957,344	957,344
Undistributed earnings	23,407,874	8,242,423
Other Adjustments on Stockholders' Equities		
Cumulative translation adjustments	( 5,055,677 )	640,363
Unrecognized pension cost	( 707,771 )	( 483,688 )
Unrealized gain or loss on financial instruments	1,184,125	207,729
Minority Interest	4,398,045	2,566,776
<b>Total stockholders' equities</b>	<b>70,221,565</b>	<b>57,018,373</b>
Commitments And Contingent Liabilities (Note 7)		
Subsequent Events (Note 9)		
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 129,565,483</b>	<b>\$ 114,228,677</b>

The accompanying notes are an integral part of these consolidated financial statements.  
See report of independent accountants dated March 22, 2011.

EVERGREEN MARINE CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
FOR THE YEARS ENDED DECEMBER 31,

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

	2010	2009	
Operating income (Notes 4(22) and 5)	\$ 109,353,176	\$ 81,936,315	
Operating costs (Notes 4(25) and 5)	( 91,522,204 )	( 88,857,342 )	
Gross profit (loss)	17,830,972	( 6,921,027 )	
Operating Expenses			
General and administrative expenses (Notes 4(25) and 5)	( 5,112,275 )	( 5,351,372 )	
Operating income (loss)	12,718,697	( 12,272,399 )	
Non-operating Income and Gains			
Interest income (Note 5)	220,627	301,208	
Investment Income accounted for under the equity method (Note 4(10))	4,337,426	-	
Dividend income	309,428	289,978	
Gain on disposal of property, plant and equipment (Note 5)	1,136,610	1,805,164	
Gain on disposal of investments	14,162	11,902	
Foreign exchange gain, net	-	362,222	
Rental income (Note 5)	121,127	123,079	
Gain on valuation of financial liabilities (Note 4(14))	390,685	1,787,258	
Other non-operating income	168,983	192,384	
Total non-operating income and gains	6,699,048	4,873,195	
Non-operating Expenses and Losses			
Interest expense	( 484,217 )	( 399,737 )	
Investment loss accounted for under the equity method (Note 4(10))	-	( 4,990,591 )	
Loss on disposal of property, plant and equipment	( 29,680 )	( 18,109 )	
Foreign exchange losses, net	( 1,738 )	-	
Financing charges	( 18,509 )	( 8,093 )	
Loss on valuation of financial assets (Note 4(2))	( 90,590 )	( 18,917 )	
Other non-operating losses	( 37,434 )	( 38,996 )	
Total non-operating expenses and losses	( 662,168 )	( 5,474,443 )	
Income (loss) from continuing operations before income tax	18,755,577	( 12,873,647 )	
Income tax (expense) benefit	( 983,010 )	666,374	
Consolidated net income (loss)	\$ 17,772,567	( \$ 12,207,273 )	
Attributable to :			
Equity holder of the Company	\$ 15,165,451	( \$ 9,855,353 )	
Minority interest	2,607,116	( 2,351,920 )	
	\$ 17,772,567	( \$ 12,207,273 )	
	Before Tax	After Tax	Before Tax
Basic earnings (loss) per share (Note 4(24))			
Net income (loss) from continuing operations	\$ 6.11	\$ 5.79	( \$ 4.21 ) ( \$ 3.99 )
Minority interest (income) loss	( 0.90 )	( 0.85 )	0.81 0.77
Net income (loss)	\$ 5.21	\$ 4.94	( \$ 3.40 ) ( \$ 3.22 )
Diluted earnings (loss) per share			
Net income (loss) from continuing operations	\$ 5.90	\$ 5.59	( \$ 4.21 ) ( \$ 3.99 )
Minority interest (income) loss	( 0.86 )	( 0.82 )	0.81 0.77
Net income (loss)	\$ 5.04	\$ 4.77	( \$ 3.40 ) ( \$ 3.22 )

The accompanying notes are an integral part of these consolidated financial statements.

See report of independent accountants dated March 22, 2011.

EVERGREEN MARINE CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009  
(Expressed in thousands of New Taiwan Dollars)

	Retained Earnings				Other Adjustments of Stockholders' Equity					Total
	Common stock	Capital Reserves	Legal reserve	Special reserve	Undistributed earnings	Cumulative translation adjustments	Unrecognized pension cost	Unrealized gain or loss on financial instruments	Minority interest	
<u>Year 2009</u>										
Balance at January 1, 2009	\$ 30,609,390	\$ 6,355,383	\$ 7,522,313	\$ 957,344	\$ 18,161,703	\$ 895,498	(\$ 479,092)	(\$ 776,363)	\$ 4,468,728	\$ 67,714,904
Appropriation of 2008 earnings										
Legal reserve	-	-	63,927	-	(63,927)	-	-	-	-	-
Conversion of convertible bonds into common stock	16,602	13,398	-	-	-	-	-	-	-	30,000
Stock warrants of convertible bonds	-	256,205	-	-	-	-	-	-	-	256,205
Adjustments on retained earnings due to changes in percentages of shareholding recognition on changes in investees' capital reserves based on percentage of shareholding	-	50,208	-	-	-	(291,789)	943	684,368	-	443,730
Translation adjustments arising from investees' financial statement denominated in foreign currencies	-	-	-	-	-	36,654	-	-	-	36,654
Unrecognized pension cost	-	-	-	-	-	-	(5,539)	-	-	(5,539)
Unrealized gain on available-for-sale financial assets	-	-	-	-	-	-	-	299,724	-	299,724
Net loss of 2009	-	-	-	-	(9,855,353)	-	-	-	(2,351,920)	(12,207,273)
Minority interest	-	-	-	-	-	-	-	-	449,968	449,968
Balance at December 31, 2009	<u>\$ 30,625,992</u>	<u>\$ 6,675,194</u>	<u>\$ 7,586,240</u>	<u>\$ 957,344</u>	<u>\$ 8,242,423</u>	<u>\$ 640,363</u>	<u>(\$ 483,688)</u>	<u>\$ 207,729</u>	<u>\$ 2,566,776</u>	<u>\$ 57,018,373</u>
<u>Year 2010</u>										
Balance at January 1, 2010	\$ 30,625,992	\$ 6,675,194	\$ 7,586,240	\$ 957,344	\$ 8,242,423	\$ 640,363	(\$ 483,688)	\$ 207,729	\$ 2,566,776	\$ 57,018,373
Conversion of convertible bonds into common stock	622,403	655,621	-	-	-	-	-	-	-	1,278,024
Stock warrants of convertible bonds	-	(127,826)	-	-	-	-	-	-	-	(127,826)
Adjustments on retained earnings due to changes in percentages of shareholding recognition on changes in investees' capital reserves based on percentage of shareholding	-	1	-	-	-	(1,075,152)	(68,319)	711,600	-	(431,870)
Translation adjustments arising from investees' financial statement denominated in foreign currencies	-	-	-	-	-	(4,620,888)	-	-	-	(4,620,888)
Unrecognized pension cost	-	-	-	-	-	-	(155,764)	-	-	(155,764)
Unrealized gain on available-for-sale financial assets	-	-	-	-	-	-	-	264,796	-	264,796
Net income of 2010	-	-	-	-	15,165,451	-	-	-	2,607,116	17,772,567
Minority interest	-	-	-	-	-	-	-	-	(775,847)	(775,847)
Balance at December 31, 2010	<u>\$ 31,248,395</u>	<u>\$ 7,202,990</u>	<u>\$ 7,586,240</u>	<u>\$ 957,344</u>	<u>\$ 23,407,874</u>	<u>(\$ 5,055,677)</u>	<u>(\$ 707,771)</u>	<u>\$ 1,184,125</u>	<u>\$ 4,398,045</u>	<u>\$ 70,221,565</u>

The accompanying notes are an integral part of these consolidated financial statements.  
See report of independent accountants dated March 22, 2011.

EVERGREEN MARINE CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31  
(Expressed in thousands of New Taiwan Dollars)

	2010	2009
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Consolidated net income (loss)	\$ 17,772,567	(\$ 12,207,273)
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	5,348,986	5,591,437
Amortization	33,911	39,158
Reclassification of depreciation of loading and unloading equipment to operating costs and others	276,743	292,615
Reclassification of amortization of deferred charges to others	54,195	43,023
Net gain on disposal of property, plant and equipment	( 1,106,930 )	( 1,787,055 )
Excess of equity-accounted investment (gain) / loss over cash dividends	( 3,811,698 )	5,105,937
Amortization of bond discounts	210,914	79,374
Loss on disposal of other long-term investments	-	6
Realized income from capital reduction of financial assets carried at cost	( 6,828 )	-
Changes in assets and liabilities		
Financial assets and liabilities at fair value through profit or loss	1,359,963	( 3,825,265 )
Notes and accounts receivable	( 2,726,091 )	( 17,620 )
Other receivables	216,465	22,557
Other financial assets	80,525	1,124,586
Inventories	( 1,449,362 )	( 169,287 )
Prepaid expenses and prepayments	13,607	169,127
Restricted assets	( 310,585 )	( 119,335 )
Agent accounts	964,593	( 293,305 )
Agency reciprocal accounts	877,217	( 1,225,063 )
Other current assets	( 3,576,226 )	( 111,590 )
Refundable deposits	11,376	262,434
Other assets	952	7,798
Notes and accounts payable	2,015,151	( 792,317 )
Income tax payable	55,516	( 479,330 )
Accrued expenses	4,751,716	( 4,483,016 )
Other payables	230,710	( 244,394 )
Receipts in advance	429,027	( 37,283 )
Other current liabilities	47,941	( 71,018 )
Accrued pension liabilities	86,909	80,435
Other liabilities	7,002	53,220
Deferred income tax assets / liabilities	725,321	( 872,382 )
Net cash provided by (used in) operating activities	22,583,587	( 13,863,826 )

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EVERGREEN MARINE CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31  
(Expressed in thousands of New Taiwan Dollars)

	2010	2009
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Financial assets and liabilities at fair value through profit or loss	(\$ 544,019)	(\$ 3,360,501)
Increase in other receivables	( 118,755)	( 6,520)
Proceeds from sale of held-to-maturity financial assets	460,000	-
Acquisition of held-to-maturity financial assets	( 470,000)	( 2,340,866)
Proceeds from capital reduction of investee	196,674	102,285
Acquisition of long-term equity investments accounted for under the equity method	( 794,744)	( 3,023,395)
Acquisition of property, plant and equipment	( 8,365,849)	( 1,017,015)
Realized capital reduction income from long-term investments	164,063	-
Proceeds from disposal of property, plant and equipment	1,191,782	2,082,530
Increase in deferred expenses	( 26,797)	( 75,502)
Net cash used in investing activities	( 8,307,645)	( 7,638,984)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Increase (decrease) in short-term loans	339,346	( 609,916)
(Decrease) increase in short-term bills payable	( 99,959)	99,959
(Decrease) increase in long-term loans	( 3,075,498)	995,847
Decrease in other payables	( 19,455)	( 212,639)
Increase in corporate bonds payable	-	4,797,900
(Decrease) increase in guarantee deposits received	( 2,279)	1,279
Net change in minority interest	( 775,847)	449,968
Net cash (used in) provided by financing activities	( 3,633,692)	5,522,398
Effect of exchange rate changes	( 787,948)	( 1,310,163)
Effect of initial consolidation of subsidiaries	-	162,946
Increase (decrease) in cash and cash equivalents	9,854,302	( 17,127,629)
Cash and cash equivalents at beginning of year	9,861,789	26,989,418
Cash and cash equivalents at end of year	\$ 19,716,091	\$ 9,861,789
<u>SUPPLEMENTAL INFORMATION OF CASH FLOW</u>		
Interest paid	\$ 293,411	\$ 339,459
Less: interest capitalized	( 7,000)	-
Interest paid, excluding interest capitalized	\$ 286,411	\$ 339,459
Income tax paid	\$ 230,771	\$ 689,759
<u>FINANCING ACTIVITIES NOT AFFECTING CASH FLOWS</u>		
Long-term liabilities due within one year	\$ 6,942,992	\$ 4,296,017
Conversion of convertible bonds into common stock	\$ 1,247,300	\$ 30,000

The accompanying notes are an integral part of these consolidated financial statements.  
See report of independent accountants dated March 22, 2011.

EVERGREEN MARINE CORPORATION AND SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
DECEMBER 31, 2010 AND 2009

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

1. HISTORY AND ORGANIZATION

(1)The Company

A.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, R.O.C.) 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 and its subsidiaries included in the consolidated financial statements had 4,405 employees as of December 31, 2010.

B.The Company and its subsidiaries are collectively referred herein as the Group.

(2)Subsidiaries included in the consolidated financial statements and their changes in 2010

<u>Investor</u>	<u>Subsidiary</u>	<u>Main activities</u>	<u>Ownership (%)</u>		<u>Description</u>
			<u>December 31, 2010</u>	<u>December 31, 2009</u>	
The Company	TTSC	Cargo loading and discharging	55.00	55.00	
"	Peony	Investments in transport-related business	100.00	100.00	
Peony	GMS	Container Shipping	100.00	100.00	
"	Clove	Investments in container yards and port terminals	100.00	100.00	
"	Vigor	Investments in container manufacturing	100.00	100.00	

<u>Investor</u>	<u>Subsidiary</u>	<u>Main activities</u>	<u>Ownership (%)</u>		<u>Description</u>
			<u>December 31, 2010</u>	<u>December 31, 2009</u>	
Peony	EMU	Container shipping	51.00	51.00	
"	EHIC(M)	Manufacturing of dry steel containers and container parts	84.44	84.44	
"	Armand N.V.	Investments in container yards and port terminals	70.00	70.00	
"	SGTC	Loading, discharging, storage, repairs, cleaning and inland transportation of containers	55.00	55.00	
"	MBPI	Containers storage and inspections of containers at the customs house	95.30	95.30	
"	MBT	Inland transportation, repairs and cleaning of containers	17.39	17.39	
"	EGS	Agency services dealing with port formalities	51.00	51.00	
"	EGK	"	100.00	100.00	
"	EMI	"	51.00	51.00	
"	EGT	"	51.00	51.00	

<u>Investor</u>	<u>Subsidiary</u>	<u>Main activities</u>	<u>Ownership (%)</u>		<u>Description</u>
			<u>December 31, 2010</u>	<u>December 31, 2009</u>	
Peony	EGI	Agency services dealing with port formalities	99.99	99.99	
"	EMA	"	67.50	67.50	
"	EIT	"	55.00	55.00	
"	EES	"	55.00	55.00	
"	ERU	"	51.00	51.00	
"	EGD	"	100.00	100.00	
"	EGUD	"	100.00	100.00	
"	EGD-WWX	"	100.00	100.00	
"	EGF	"	99.40	99.40	
"	EGN	"	100.00	100.00	
"	EGV	"	51.00	51.00	
"	ESA	"	55.00	55.00	
"	EGB	Real estate leasing	95.00	95.00	
EMU	Island	Investments in operating machinery and equipment of port terminals	15.00	15.00	

Investor	Subsidiary	Main activities	Ownership (%)		Description
			December 31, 2010	December 31, 2009	
Clove	Ample	Investments in container yards and port terminals	90.00	90.00	
"	Island	Investments in operating machinery and equipment of port terminals	36.00	36.00	
Armand N.V.	Armand B.V.	"	100.00	100.00	
Island	Whitney	Investments and leases of operating machinery and equipment of port terminals	100.00	100.00	
"	Hemlock	"	100.00	100.00	
MBPI	MBT	Inland transportation, repairs and cleaning of containers	72.95	72.95	

A.For the information on investee companies included in the consolidated financial statements for the year ended December 31, 2010, please refer to Note 11.

B.Subsidiaries that are included in the consolidated financial statements:

Peony increased its equity in EMA from 51% to 67.5% on December 4, 2009, the acquisition day.

(3)Subsidiary not included in the consolidated financial statements: None.

(4)Adjustments for subsidiaries with different balance sheet dates: None.

(5)Special operating risks in foreign subsidiaries: None.

(6)Nature and extent of the restrictions on fund remittance from subsidiaries to the parent company: None.

(7)Contents of subsidiaries' securities issued by the parent company: None.

(8)Information on convertible bonds and common stock issued by subsidiaries: None.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying consolidated financial statements of the Group are prepared in conformity with the “Rules Governing Preparation of Financial Reports by Securities Issuers” and accounting principles generally accepted in the Republic of China. The Group’s significant accounting policies are summarized below:

### (1) Basis for preparation of consolidated financial statements

All majority-owned subsidiaries and controlled entities are included in the consolidated financial statements. Effective January 1, 2008, the Company prepares consolidated financial statements on a quarterly basis. Any entity acquired is consolidated starting the acquisition date; once the Company loses its controlling power over an entity, the entity is excluded from the consolidation, and any effect is not retrospective. Significant inter-company transactions and assets and liabilities arising from inter-company transactions are eliminated.

### (2) Classification of current and non-current items

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.

### (3) Foreign currency transactions

A. The Company and its subsidiaries maintains its accounts in New Taiwan Dollars and functional currencies, respectively. 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.

### (4) 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.

(5) Cash and cash equivalents

Cash equivalents refer to 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 consolidated statements of cash flows were prepared on the basis of cash and cash equivalents.

(6) 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 corporate bonds payable, please refer to Note 2 (16).

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 management established by the Company and performance of the product is assessed by fair value.

(7) 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 value of listed stocks, OTC stocks and closed-end mutual funds are 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. 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.

(8) 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.

(9) 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.

(10) Allowance for doubtful accounts

Allowance for doubtful accounts is provided according to the evaluation of the collectability of notes and accounts receivable and other receivables, taking into account the bad debts incurred in prior years and the aging analysis of the receivables.

(11) Inventories

Inventories refer to fuel inventories and steel inventories. Fuel inventories are physically measured by the crew of each ship and reported back to the Head Office through telegraph for recording purposes at balance sheet date. Valuation of inventories is based on the exchange rate prevailing at balance sheet date. The perpetual inventory system is adopted for steel inventory recognition. Steel inventories are stated at cost. The cost is determined using the weighted-average method. At balance sheet date, inventories are evaluated at the lower of aggregate cost or net realizable value.

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

A. Long-term equity investments in which the Group holds more than 20% of the investee company's voting shares or has the ability to exercise significant influence on the investee's operational decisions are accounted for under the equity method. The excess of the initial investment cost over the acquired net asset value of the investee attributable to goodwill is no longer amortized, effective January 1, 2006. 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.

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.

(13) 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.

D. Rents paid on capital leases are capitalized and depreciated accordingly. Lease assets whose ownerships are transferred at the end of the lease term or which contain a bargain purchase option are depreciated over the estimated useful lives; lease assets other than these are depreciated over the lease term.

(14) Deferred charges

Deferred charges refer to the expenses incurred for dock and wharf equipment, computer software and cable installation. In addition to dock and wharf equipment amortized by the lease period. The expenses incurred are amortized on a straight-line basis and the remaining are amortized 3 years.

(15) Impairment of non-financial assets

The Group recognizes impairment loss when there is an 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.

(16) Corporate bonds payable

A. 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.

B. 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.

(17) Pensions

Under the defined benefit pension plan, which is adopted by the Company and TTSC, net periodic pension costs are recognized in accordance with the actuarial calculations. Net periodic pension costs include service cost, interest cost, expected return on plan assets, and 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.

(18) Income taxes

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. After an amendment of the tax law, in the year of its promulgation, deferred income tax assets and liabilities are to be recomputed. Net changes in deferred income tax assets and liabilities, resulting from the recomputation, are to be recognized in the income tax expense (benefit) of continuing operations.

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. A 10% surtax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year when the stockholders resolve to retain the earnings.

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

Effective January 1, 2008, pursuant to EITF96-052 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 a 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 EITF97-127 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 their 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.

(20) Revenue, cost and expense recognition

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

(21) 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.

### 3. CHANGES IN ACCOUNTING PRINCIPLES

Effective January 1, 2009, the Group adopted the amendments to R.O.C. SFAS No. 10, "Accounting for Inventories". Such change in accounting principle had no effect on the consolidated net income or consolidated earnings per share as of and for the year ended December 31, 2009.

### 4. DETAILS OF SIGNIFICANT ACCOUNTS

#### (22) Cash and cash equivalents

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Cash	\$ 30,788	\$ 23,064
Checking accounts	509,567	4,492
Demand deposits	947,025	24,949
Foreign currency deposits	2,972,687	2,743,522
Time deposits (New Taiwan Dollars)	1,174,521	795,198
Time deposits (Foreign currencies)	14,122,814	6,269,427
Less: Unrealized foreign exchange (loss) gain	( 41,311)	1,137
	<u>\$ 19,716,091</u>	<u>\$ 9,861,789</u>
Interest rates on the above time deposits	0.05%~14.00%	0.02%~11.00%

#### (23) Financial assets at fair value through profit or loss

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Current items:		
Trading financial assets		
Listed (TSE and OTC) stocks	\$ 290	\$ 290
Beneficiary certificates	2,041,462	3,335,140
Interest rate swap (IRS)	158	663
Cross currency swap (CCS)	5,215	9,296
Structured financial instruments	-	803,158
	<u>2,047,125</u>	<u>4,148,547</u>
Adjustment	( 132,824)	( 65,352)
	<u>\$ 1,914,301</u>	<u>\$ 4,083,195</u>
Non-current item:		
Financial assets designated as at fair value through profit or loss		
Corporate bonds	\$ 100,000	\$ 100,000
Adjustment	4,287	-
	<u>\$ 104,287</u>	<u>\$ 100,000</u>

A.As of December 31, 2010 and 2009, the Group recognized net loss of \$90,590 and \$18,917, respectively.

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

(24) Available-for-sale financial assets

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Non-current items:		
Listed (TSE and OTC) stocks		
Central Reinsurance Corp.	\$ 490,801	\$ 490,801
Fubon Financial Holding Co., Ltd.	3,871	3,871
	<u>494,672</u>	<u>494,672</u>
Adjustments	462,436	197,640
	<u>\$ 957,108</u>	<u>\$ 692,312</u>

(25) Held-to-maturity financial assets

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Current item:		
Financial bonds	\$ -	\$ 160,000
Non-current items:		
Financial bonds	\$ 1,315,915	\$ 200,000
Corporate bonds	1,820,000	1,980,866
	<u>\$ 3,135,915</u>	<u>\$ 2,180,866</u>

(26) Financial assets carried at cost

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Non-current item:		
Unlisted stocks	\$ 4,497,128	\$ 5,009,094

A. In December 2010, 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 99.75%, and the amount returned to the stockholders was \$10 (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. were \$196,674 thousand, and the carrying amount of the Company's investment in Fu-Ji Management Consultancy Co., Ltd. was written down by \$189,846 thousand. Accordingly, \$6,828 thousand of income was generated, which was recorded under "non-operating income – others".

B. The Group's investment in unlisted stocks was measured at cost since its fair value cannot be measured reliably.

C. The above financial assets carried at cost - Classic Outlook Investment Ltd and Everup Profits Ltd. – were pledged for CLOVE's long-term loan. Please refer to Note 4 (17) and 6.

(27) Accounts receivable, net

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Non-related parties	\$ 9,655,574	\$ 7,550,063
Less: Unrealized foreign exchange loss	( 23,461)	( 2,865)
Less: Allowance for doubtful accounts	( 18,355)	( 27,491)
	<u>9,613,758</u>	<u>7,519,707</u>
Related parties	297,685	314,514
	<u>\$ 9,911,443</u>	<u>\$ 7,834,221</u>

(28) Other financial assets - current

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Futures transaction margin	\$ 158,383	\$ 238,908

(29) Inventories

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Ship fuel	\$ 2,709,121	\$ 1,998,616
Steel and others	827,206	263,076
	<u>\$ 3,536,327</u>	<u>\$ 2,261,692</u>

(30) Other current assets

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Agent accounts	\$ 1,173,694	\$ 1,000,421
Agency reciprocal accounts	348,828	1,129,063
Temporary debits	3,788,537	224,093
	<u>\$ 5,311,059</u>	<u>\$ 2,353,577</u>

A. Agency accounts

These accounts occur when 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

Temporary accounts between the Company and Evergreen International S.A., Gaining Enterprise S.A., Italia Marittima S.p.A., Evergreen Marine (Hong Kong) Ltd. and Evergreen Marine (Singapore) Pte. Ltd. These accounts occur as these agencies incur foreign port expenses and related rental expenses.

(31) 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:

Investee company	December 31, 2010	Carrying amount	
	Percentage of ownership	December 31, 2010	2009
Chang Yang Development Co., Ltd.	40.00%	\$ 575,326	\$ 540,458
Evergreen International Storage and Transport Corporation	39.74%	8,418,428	7,932,844
Evergreen Security Corporation	31.25%	77,345	73,919
EVA Airways Corporation	19.32%	7,848,925	6,186,214
Taipei Port Container Terminal Corporation	27.87%	1,208,758	1,263,417
Ningbo Victory Container Co., Ltd.	40.00%	64,839	73,916
Qingdao Evergreen Container Storage and Transportation Co., Ltd.	40.00%	207,893	216,077
Kingtrans International Logistics (Tianjin) Co., Ltd.	30.20%	133,399	135,237
Luanta Investment (Netherlands) N.V.	50.00%	2,444,745	2,740,340
Balsam Investment (Netherlands) N.V.	49.00%	3,257,816	1,749,763
Colon Container Terminal S.A.	36.00%	2,035,250	2,126,671
Evergreen Container Terminal (Thailand ) Ltd.	48.18%	821,994	934,565
Green Peninsula Agencies SDN. BHD.	30.00%	268,589	249,701
		<u>\$ 27,363,307</u>	<u>\$ 24,223,122</u>

B. Investment income (loss) accounted for under the equity method for the year ended December 31, 2010 and 2009 is set forth below:

Investee company	For the years ended December 31,	
	2010	2009
Charng Yang Development Co. Ltd.	\$ 56,468	\$ 47,703
Evergreen International Storage and Transport Corporation	471,098	330,948
Evergreen Security Corporation	3,425	8,766
EVA Airways Corporation	2,321,099 (	540,724)
Taipei Port Container Terminal Corporation (	54,659) (	23,615)
Ningbo Victory Container Co., Ltd.	7,680	13,234
Qingdao Evergreen Container Storage and Transportation Co., Ltd.	32,260	29,229
Kingtrans International Logistics (Tianjin) Co., Ltd.	4,841 (	2,502)
Luantan Investment (Netherlands) N.V. (	201,841) (	74,934)
Balsam Investment (Netherlands) N.V.	1,265,490 (	4,941,532)
Colon Container Terminal S.A.	132,531	64,275
Evergreen Container Terminal (Thailand) Ltd.	251,950	70,351
Green Peninsula Agencies SDN. BHD.	47,084	28,210
	<u>\$ 4,337,426</u>	<u>(\$ 4,990,591)</u>

C. Evergreen Container Terminal (Thailand) Ltd. returned monies for capital reduction by Board of Directors in August 19, 2010. The capital reduction ratio was 16.68%. The company received THB159, 127 according to its holding shares ratio.

D. On July 23, 2009, the Company issued its first domestic secured exchangeable bonds according to the resolve by the Board of Directors. Pursuant to the terms of issuance, the bondholders may exchange the Exchangeable Bonds into the common stock 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. And the Company has already appropriated 82,481 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 issuance terms of corporate bonds, please refer to Note 4(16)).

(32) Property, plant and equipment

Asset	December 31, 2010		
	Initial cost	Accumulated depreciation	Net book value
Land	\$ 2,173,390	\$ -	\$ 2,173,390
Buildings	2,920,953	( 1,309,106)	1,611,847
Machinery equipment	718,259	( 547,774)	170,485
Loading and unloading equipment	7,965,773	( 4,879,032)	3,086,741
Computer and communication equipment	297,946	( 258,481)	39,465
Transportation equipment	23,583,460	( 12,394,327)	11,189,133
Ships	49,271,864	( 21,726,921)	27,544,943
Office equipment	502,976	( 371,449)	131,527
Lease assets	8,278	( 7,333)	945
Leasehold improvements	15,841	( 5,635)	10,206
	<u>87,458,740</u>	<u>( 41,500,058)</u>	<u>45,958,682</u>
Construction in progress and prepayments for equipment	3,130,153	-	3,130,153
	<u>\$ 90,588,893</u>	<u>(\$ 41,500,058)</u>	<u>\$ 49,088,835</u>
December 31, 2009			
Asset	Initial cost	Accumulated depreciation	Net book value
Land	\$ 2,191,302	\$ -	\$ 2,191,302
Buildings	2,932,527	( 1,215,621)	1,716,906
Machinery equipment	737,236	( 544,782)	192,454
Loading and unloading equipment	7,345,220	( 4,486,537)	2,858,683
Computer and communication equipment	314,449	( 274,635)	39,814
Transportation equipment	25,171,261	( 14,765,472)	10,405,789
Ships	54,743,663	( 21,428,469)	33,315,194
Office equipment	537,681	( 386,524)	151,157
Lease assets	7,231	( 5,713)	1,518
Leasehold improvements	18,040	( 6,946)	11,094
	<u>\$ 93,998,610</u>	<u>(\$ 43,114,699)</u>	<u>\$ 50,883,911</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, 2010 and 2009, the insurance coverage amounted to USD1, 361,700 and USD1, 665,300, 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 USD 5 billion as of December 31, 2010 and 2009.

B. The Group's loading and unloading equipment were covered by the general insurance for construction machinery with insurance coverage amounting to \$6,108,545 and \$6,727,317 as of December 31, 2010 and 2009, respectively. The fire and car insurance coverage for the office equipment and building was \$3,936,788 and \$4,548,631 as of December 31, 2010 and 2009, respectively. Container facilities were insured with full coverage amounting to USD632, 591 and USD261, 941 as of December 31, 2010 and 2009, respectively.

C. The interest capitalization of fixed assets for the year ended December 31, 2010 was \$7,000.



(33) Short-term loans

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Unsecured loans	\$ 2,602,020	\$ 2,285,964
Less: Unrealized foreign exchange gain	1,152	( 11,744)
	<u>\$ 2,603,172</u>	<u>\$ 2,274,220</u>
Interest rate	0.69%~0.76%	0.60%~0.84%

(34) Short-term notes and bills payable

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Notes and bills payable	\$ -	\$ 100,000
Less: Unamortized discount	-	( 41)
	<u>\$ -</u>	<u>\$ 99,959</u>
Interest rate	-	0.20%

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

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Current items:		
Trading financial liabilities		
Interest rate swap	\$ 238,467	\$ 255,732
Cross currency swap	72,338	238,870
Oil swap	-	329,792
Foreign exchange option	271,141	330,213
Embedded derivatives	260,928	260,750
	<u>\$ 842,874</u>	<u>\$ 1,415,357</u>

A.As of December 31, 2010 and 2009, the Group recognized net loss of \$390,685 and \$1,787,258, respectively.

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

(36) Long-term liabilities - current portion

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Corporate bonds payable	\$ 1,156,100	\$ -
Long-term bank loans	5,786,892	4,296,017
	<u>\$ 6,942,992</u>	<u>\$ 4,296,017</u>

(37) Corporate bonds payable

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Domestic unsecured convertible bonds	\$ 1,252,700	\$ 2,500,000
Domestic secured exchangeable bonds	2,500,000	2,500,000
Less: Discount on corporate bonds	( 377,825)	( 688,208)
	3,374,875	4,311,792
Less: Current portion	( 1,156,100)	-
	<u>\$ 2,218,775</u>	<u>\$ 4,311,792</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 \$2.5 billion. 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 is guaranteed by Bank Sinopac and Credit Agricole Corporate and Investment Bank, referred herein as the “Guarantors”. The guarantee period is from the issuance date of the Exchangeable Bonds to the date all the debts are paid off. And the portion the Guarantors insure includes principal plus accrued interest and debt ancillary to main liability.

(b) If the bondholders make a claim to the Guarantors to redeem the Exchangeable Bonds, the Guarantors should pay in 14 days after informed of the claim.

(c) During the guarantee period, if the Company is unable to repay principal and interest on 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, all the Exchangeable Bonds are deemed to be at maturity 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 (10)).

f) Redemption at the Company’s option

(a) During the period from one month after the Exchangeable Bonds are issued to 40 days before the maturity of the Exchangeable Bonds, if the closing price of common stock of Evergreen International Storage and Transport Corporation 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 the face value of the Exchangeable Bonds any time.

(c) When the Company issues its redemption notice, if 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 Evergreen International Storage and Transport Corporation 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 Evergreen International Storage and Transport Corporation 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

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.

i) Others

The Company did not repurchase the Exchangeable Bonds and the bondholders did not exercise the exchange right before December 31, 2010.

B. On August 7, 2009, the Company issued its third domestic unsecured registered convertible bonds (referred herein as the "Third Bonds") at face value, totaling \$2.5 billion. 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 Bonds.
- (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 20 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).
- h) Entitlement to cash 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) Others  
As of years ended December 31 2010, the Third Bonds holders to request convertible bonds of the Company common stock, total convertible bonds face value was \$ 1,247,300.  
Convertible for the Third Bonds to increase conversion transaction capital reserves - Paid-in capital in excess of par value of common stock \$ 655,621. and reduce the capital reserves -

Capital reserve from stock warrants \$ 127,826.

C. The conversion rights and debt component of the Third Bonds, abovementioned, 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 component by amount initially recognized, accordingly the account of “Capital reserve from stock warrants” on book amounts 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.

(38) Long-term loans

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Secured bank loans	\$ 4,782,041	\$ 5,410,473
Unsecured bank loans	23,406,325	27,719,186
Less: unrealized foreign exchange gain	( 80,840)	( 190,280)
Less: deferred expenses - hosting fee credit	( 9,634)	( 6,234)
	28,097,892	32,933,145
Less: current portion	( 5,786,892)	( 4,296,017)
Others	1,828,352	2,015,273
	<u>\$ 24,139,352</u>	<u>\$ 30,652,401</u>
Interest rate	0.75%~9.38%	0.63%~9.38%

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

B. The above other long-term loans belong to its subsidiary-CLOVE financed from Edgeware Profits Ltd. for Classic Outlook Investments Ltd. and Everup Profits Ltd.’s equity. Such loans were secured by share of stock of the said equity investments as collateral.

(39) 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 and its subsidiary-TTSC 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 Standard Law. Under the defined benefit pension 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 and its subsidiary-TTSC contribute monthly an amount equal to 9.6% of the employees’ monthly salaries and wages to the retirement fund deposited with the department of Trust of Bank of Taiwan under the name of the Labor Pension Fund Supervisory Committee.

B. Information on recognition in conformity with actuarial report is set forth below:

a) Actuarial assumptions

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Discount rate	2.25%	2.25%
Increase in future salary level	2.00%	2.00%
Expected rate of return on plan assets	2.00%	2.25%

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

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
Benefit obligations:		
Vested benefit obligation (VBO)	(\$ 264,199)	(\$ 281,642)
Non-vested benefit obligation	( 1,280,282)	( 1,102,242)
Accumulated benefit obligation (ABO)	( 1,544,481)	( 1,383,884)
Effects of future salary increments	( 343,017)	( 155,972)
Projected benefit obligation (PBO)	( 1,887,498)	( 1,539,856)
Fair value of plan assets	<u>464,606</u>	<u>535,292</u>
Funded status	( 1,422,892)	( 1,004,564)
Unrecognized net transaction obligation	52,417	78,316
Unamortized prior service cost	16,073	17,680
Unrecognized loss on plan assets	933,729	574,803
Additional accrued pension liability	( 659,202)	( 514,827)
Accrued pension liability	<u>(\$ 1,079,875)</u>	<u>(\$ 848,592)</u>

c) The pension costs comprise the following:

	<u>2010</u>	<u>2009</u>
Service cost	\$ 45,092	\$ 54,161
Interest cost	34,647	35,481
Expected return on plan assets	( 12,044)	( 13,229)
Deferred amortization		
Unrecognized net transaction obligation	25,900	25,901
Prior service cost	1,607	1,607
Unrecognized loss on plan assets	<u>33,401</u>	<u>31,269</u>
Net pension costs	<u>\$ 128,603</u>	<u>\$ 135,190</u>

C. Effective July 1, 2005, the Company and its subsidiary-TTSC established a funded defined contribution pension 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 and its subsidiary-TTSC contribute 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, 2010 and 2009 were \$159,977 and \$162,664, respectively.

(40) Capital stock

A. As of December 31, 2010, the Company's authorized capital was \$36,000,000, and the paid-in capital was \$31,248,395, divided into 3,124,840 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, 2010 and 2009 are set forth below:

	For the years ended December 31,			
	2010		2009	
	No. of Shares (in 000's)	Amount	No. of Shares (in 000's)	Amount
Second unsecured convertible bonds	-	\$ -	1,660	\$ 16,602
Third unsecured convertible bonds	62,240	622,403	-	-
	<u>62,240</u>	<u>\$ 622,403</u>	<u>1,660</u>	<u>\$ 16,602</u>

(41) Capital reserve

A. The Securities and Exchange Act requires that capital reserve shall be exclusively used to cover accumulated deficits or to increase capital and shall not be used for any other purpose. However, capital reserve arising from paid-in capital in excess of par value on issuance of common stock and donations can be capitalized once a year, provided that the Company has no accumulated deficits and the amount to be capitalized does not exceed 10% of the paid-in capital.

B. Information related to “capital reserve from stock warrants” is stated in Note 4(16).

(42) Appropriation of retained earnings and dividend policy

A. According to Article 26 of 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. 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%.

B. Legal reserve

Pursuant to the Company Law, the Company is required to set aside 10% of its annual after-tax net income as legal reserve until the balance of such reserve equals the Company’s paid-in capital. Utilization of the legal reserve is limited to offsetting deficits and capital increase. Appropriation of the legal reserve as cash dividends is prohibited.

C. 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.

D. Appropriation of the 2009 and 2008 earnings as resolved by the stockholders on June 18, 2010 and June 19, 2009, respectively, is set forth below:

	2009		2008	
	<u>Total Amount</u>	<u>Dividend per share (in dollars)</u>	<u>Total Amount</u>	<u>Dividend per share (in dollars)</u>
Legal Reserve	\$ -		\$ 63,927	
Cash dividends	-	\$ -	-	\$ -
Remuneration to directors and supervisors	-		-	
Cash bonus to employees	-		-	
	<u>\$ -</u>		<u>\$ 63,927</u>	

The appropriation of 2009 earnings stated above is the same as that proposed by the Board of Directors on April 28, 2010.

As of March 22, 2011, the appropriation of 2010 earnings had not been resolved by the Board of Directors. Information on the appropriation of the Company's earnings 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.

E. The estimated amounts of employees' bonus and directors' and supervisors' remuneration of 2010 were \$40,000 and \$55,000, respectively. 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.

(43) Operating revenue

	For the years ended December 31,	
	<u>2010</u>	<u>2009</u>
Marine freight income	\$ 104,680,813	\$ 77,147,304
Ship rental income	660,245	1,048,861
Commission income and agency service income	1,767,410	1,664,125
Container manufacturing income	261,955	9,994
Container income and others	1,982,753	2,066,031
	<u>\$ 109,353,176</u>	<u>\$ 81,936,315</u>



(44) Income tax

	For the years ended December 31,	
	2010	2009
Income tax expenses (benefit)	\$ 983,010	(\$ 666,374)
Add (Less):		
Prepaid and withholding taxes	( 77,039)	( 141,011)
Separate income tax	24,828	41,592
Adjustments for changes in tax estimates	( 26,265)	7,179
Net change in deferred income tax assets/ liabilities	( 725,321)	872,382
Income tax payable	<u>\$ 179,213</u>	<u>\$ 113,768</u>
Attributable to :		
Parent Tax refund receivable	(\$ 2,303)	(\$ 24,670)
Consolidated income tax payable	<u>181,516</u>	<u>138,438</u>
	<u>\$ 179,213</u>	<u>\$ 113,768</u>

A. Deferred income tax assets and liabilities are as follows:

	December 31, 2010	December 31, 2009
Deferred income tax assets - current	\$ 315,468	\$ 734,237
Deferred income tax assets - non-current	92,892	73,731
Deferred income tax liabilities - current	( 65)	( 29,714)
Deferred income tax liabilities - non-current	( 1,586,630)	( 1,234,753)
Valuation allowance for deferred income tax assets	-	-
	<u>(\$ 1,178,335)</u>	<u>(\$ 456,499)</u>

B. Details of temporary differences resulting in deferred income tax assets and liabilities are as follows:

	December 31, 2010		December 31, 2009	
	Amount	Tax effect	Amount	Tax effect
Current items:				
Bad debts expense	\$ 1,766	\$ 300	\$ 1,612	\$ 322
Unrealized expense and losses (gain)	( 267)	( 65)	( 154,698)	( 29,660)
Unrealized foreign exchange loss (gain)	43,347	7,289	( 223)	( 54)
Loss on valuation of financial assets	131,424	22,342	56,183	11,237
Loss on valuation of financial liabilities	337,501	57,375	636,291	127,258
Property, plant, and equipment and others	2,874	489	-	-
Loss carryforwards	1,222,605	207,843	2,902,331	580,466
Investment tax credits	19,830	19,830	-	14,954
		<u>\$ 315,403</u>		<u>\$ 704,523</u>
Non-current items:				
Unrealized expense and losses	\$ 23,101	\$ 6,759	\$ 23,576	\$ 6,962
Pension expense	420,674	71,515	333,828	66,769
Bond issuance costs	1,020	173	-	-
Equity-accounted investment income	( 8,934,533)	( 1,527,007)	( 5,972,979)	( 1,199,801)
Property, plant, and equipment and others	( 181,914)	( 45,178)	( 141,079)	( 34,952)
		<u>(\$ 1,493,738)</u>		<u>(\$ 1,161,022)</u>

C. The Company is eligible for investment tax credits under the Statute for Upgrading Industry. Details as of December 31, 2010 are as follows:

Qualifying item	Total tax credits	Unused tax credits	Final year tax credits are due
Machinery equipment	\$ 14,768	\$ 14,768	2013
Machinery equipment	4,876	4,876	2014
Employees training	186	186	2013

D. As of December 31, 2010, losses available to be carried forward were as follows:

Year in which losses incurred	Amount filed	Losses available to be carried forward	Unused loss carryforwards	Final year losses can be carried forward
2009	\$ 2,456,334	\$ 417,577	\$ 207,843	2019

E. As of December 31, 2010, the Company's income tax returns through 2008 has been assessed and approved by the Tax Authority.

F. Undistributed retained earnings

	December 31, 2010	December 31, 2009
Earnings generated in and before 1997	\$ 5,570,596	\$ 5,570,596
Earnings generated in and after 1998	17,837,278	2,671,827
	<u>\$ 23,407,874</u>	<u>\$ 8,242,423</u>

G. As of December 31, 2010 and 2009, the balance of the imputation tax credit account were \$2,056,480 and \$2,405,483, respectively. The creditable tax rate was 48.15% for 2009 and is estimated to be 14.07% for 2010.

(45) Earnings (loss) per share

For the year ended December 31, 2010

	<u>Amount</u>		<u>Weighted-average outstanding common shares (in thousands)</u>	<u>Losses 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>					
Consolidated income	\$ 18,755,577	\$ 17,772,567	3,070,781	\$ 6.11	\$ 5.79
Minority interest	( 2,751,317)	( 2,607,116)		( 0.90)	( 0.85)
Consolidated net income	<u>\$ 16,004,260</u>	<u>\$ 15,165,451</u>		<u>\$ 5.21</u>	<u>\$ 4.94</u>
<u>Dilutive EPS</u>					
Consolidated income	\$ 18,755,577	\$ 17,772,567		\$ 5.90	\$ 5.59
Minority interest	( 2,751,317)	( 2,607,116)		( 0.86)	( 0.82)
Dilutive effect of common stock equivalents:					
Convertible bonds	47,693	47,693	116,568		
Employee profit- sharing	<u>-</u>	<u>-</u>	<u>1,502</u>		
Consolidated net income plus dilutive effect of common stock equivalents	<u>\$ 16,051,953</u>	<u>\$ 15,213,144</u>	<u>3,188,851</u>	<u>\$ 5.04</u>	<u>\$ 4.77</u>

For the year ended December 31, 2009

	Amount		Weighted-average outstanding common shares (in thousands)	Earnings per share (in dollars)	
	Before tax	After tax		Before tax	After tax
	<u>Basic EPS</u>				
Consolidated losses	(\$ 12,873,647)	(\$ 12,207,273)	3,061,502	(\$ 4.21)	(\$ 3.99)
Minority interest	2,480,313	2,351,920		0.81	0.77
Consolidated net losses	<u>(\$ 10,393,334)</u>	<u>(\$ 9,855,353)</u>		<u>(\$ 3.40)</u>	<u>(\$ 3.22)</u>
<u>Dilutive effect of common stock equivalents:</u>					
Convertible bonds	<u>Note</u>	<u>Note</u>	<u>Note</u>		
<u>Dilutive EPS</u>					
Consolidated net losses plus dilutive effect of common stock equivalents	<u>(\$ 10,393,334)</u>	<u>(\$ 9,855,353)</u>	<u>3,061,502</u>	<u>(\$ 3.40)</u>	<u>(\$ 3.22)</u>

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

Effective January 1, 2008, as employees' bonus could be distributed in the form of stock, the diluted EPS computation shall include those estimated shares that would be increased from employees' stock bonus issuance in the weighted-average number of common shares outstanding during the reporting year, which taking into account the dilutive effects of stock bonus on potential common shares; whereas, basic EPS shall be calculated based on the weighted-average number of common shares outstanding during the reporting year that include the shares of employees' stock bonus for the appropriation of prior year earnings, which have already been resolved at the stockholders' meeting held in the reporting year. Since capitalization of employees' bonus no longer belongs to distribution of stock dividends, the calculation of basic EPS and diluted EPS for all periods presented shall not be adjusted retroactively.

(46) Personnel, depreciation, depletion and amortization expenses

Personnel, depreciation, and amortization expenses are summarized as follows:

	For the year ended December 31, 2010		
	<u>Operating cost</u>	<u>Operating expense</u>	<u>Total</u>
Personnel expenses			
Salaries	\$ 1,363,705	\$ 2,518,724	\$ 3,882,429
Labor and health insurance	34,236	209,416	243,652
Pension expense	200,289	285,637	485,926
Others	215,914	89,569	305,483
Depreciation	5,150,874	198,112	5,348,986
Amortization	276,743	33,908	310,651
	For the year ended December 31, 2009		
	<u>Operating cost</u>	<u>Operating expense</u>	<u>Total</u>
Personnel expenses			
Salaries	\$ 1,523,003	\$ 2,443,511	\$ 3,966,514
Labor and health insurance	37,170	234,874	272,044
Pension expense	212,579	292,944	505,523
Others	180,204	90,566	270,770
Depreciation	5,370,548	220,889	5,591,437
Amortization	293,627	38,146	331,773

## 5. RELATED PARTY TRANSACTIONS

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

Names of related parties	Relationship with the Company
Evergreen International S.A. (EIS)	Major stockholder of the Company
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 International Corporation (EIC)	Investee of the Company's major stockholder
Evergreen Airline Service Corporation (EGAS)	Investee of the Company's major stockholder
Evergreen Marine (Hong Kong) Pte. Ltd. (EGH)	Investee of the Company's major stockholder
Evergreen Marine (Singapore) Pte. Ltd. (EMS)	Investee of the Company's major stockholder (Established in March, 2009)
Chang Yung-Fa Charity Foundation	Its chairman being the Company's director
Chang Yung-Fa Foundation	Its chairman being the Company's director
Ningbo Victory Container Co., Ltd. (NVC)	Investee of Peony
Qingdao Evergreen Container Storage and Transportation Co., Ltd. (QECT)	Investee of Peony
Kingtrans International Logistics (Tianjin) Co.,Ltd (KTIL)	Investee of Peony
Green Peninsula Agencies SDN. BHD. (GPA)	Investee of Peony
Luanta Investment (Netherlands) N.V. (Luanta)	Investee of Peony
Balsam Investment N. V. (Balsam)	Investee of Peony
Taranto Container Terminal S.p.A. (TCT)	Investee of Luanta
Italia Marittima S.p.A.(ITS)	Investee of Balsam
Evergreen Container Terminal (Thailand) Ltd. (ECTT)	Investee of Peony
Colon Container Terminal S.A. (CCT)	Investee of Peony
Gaining Enterprise S.A. (GESA)	Investee of EITC
Seaside Transportation Service LLC. (STS)	Investee of ISLAND with significant influence
Sinotrans Group Shenzhen Co. (SGSC)	Investee of SGTC with significant influence

(48) Significant transactions and balances with related parties

A. Operating revenues from related parties

	For the years ended December 31,			
	2010		2009	
	Amount	% of Total Operating Revenues	Amount	% of Total Operating Revenues
EIC	\$ 1,831,264	2	\$ 1,863,623	3
EITC	94,864	-	100,761	-
EIS	267,962	-	722,724	1
EGH	445,124	-	501,637	1
ITS	582,953	1	385,294	-
EMS	803,694	1	112,059	-
STS	116,745	-	68,066	-
GESA	28,510	-	24,174	-
Others	27	-	15	-
	<u>\$ 4,171,143</u>	<u>4</u>	<u>\$ 3,778,353</u>	<u>5</u>

The business terms on which the Group 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,			
	2010		2009	
	Amount	% of total Operating Costs and Expenses	Amount	% of total Operating Costs and Expenses
EITC	\$ 776,310	1	\$ 808,417	1
EIC	619,523	1	609,324	1
ESRC	46,718	-	43,930	-
TPCT	56,697	-	43,675	-
EVA	3,648	-	8,067	-
GESA	1,660,616	2	1,737,509	2
EIS	670,705	-	1,460,160	2
EGH	1,096,348	1	569,516	-
ITS	9,443	-	41,607	-
Others	1,808	-	2,988	-
	<u>\$ 4,941,816</u>	<u>5</u>	<u>\$ 5,325,193</u>	<u>6</u>

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

C. Asset transactions

a) Acquisitions of property, plant, and equipment

		For the years ended December 31,	
		2010	2009
Items			
EIC	Office equipment	\$ 274	\$ 2,356
EHIC(M)	Transportation equipment - Containers	-	412,782
		<u>\$ 274</u>	<u>\$ 415,138</u>

b) Disposal of property, plant and equipment

		For the years ended December 31,			
		2010		2009	
Item		Price	Gain on disposal	Price	Gain on disposal
ESRC	Office equipment - vehicles	\$ -	\$ -	\$ 745	\$ 23
Chang Yung-Fa Charity Foundation					
	Transportation equipment - containers	88	82	-	-
		<u>\$ 88</u>	<u>\$ 82</u>	<u>\$ 745</u>	<u>\$ 23</u>

D. Lease

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

		For the years ended December 31,			
		2010		2009	
Leasehold Property		Amount	% of Total Rental Income	Amount	% of Total Rental Income
EIC	Office building	\$ 94,708	78	\$ 98,629	80
"	Vehicles	1,122	1	1,379	1
EVA	Office building	497	-	-	-
ESRC	Parking lots	92	-	96	-
Chang Yung-Fa Charity Foundation					
	Office building	208	-	-	-
		<u>\$ 96,627</u>	<u>79</u>	<u>\$ 100,104</u>	<u>81</u>



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

		For the years ended December 31,			
		2010		2009	
Leasehold Property		% of Total Rental Expenses		% of Total Rental Expenses	
		Amount		Amount	
EIC	Office buildings	\$ 43,047	99	\$ 47,555	99
EVA	Parking lots	221	1	610	1
		<u>\$ 43,268</u>	<u>100</u>	<u>\$ 48,165</u>	<u>100</u>

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

		For the years ended December 31,			
		2010		2009	
		% of Total Vessel and Slot Rental Expenses		% of Total Vessel and Slot Rental Expenses	
		Amount		Amount	
EITC		\$ 603,087	17	\$ 636,493	14
GESA		1,660,616	46	1,737,508	39
EIS		670,705	19	1,460,160	33
EGH		4,785	-	-	-
ITS		9,443	-	41,607	1
		<u>\$ 2,948,636</u>	<u>82</u>	<u>\$ 3,875,768</u>	<u>87</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, 2010		December 31, 2009	
Accounts receivable	Amount	% of Account Balance	Amount	% of Account Balance
EIC	\$ 115,167	1	\$ 215,195	3
EITC	22,062	-	24,318	-
EIS	7,061	-	51,410	1
ITS	48,207	1	12,380	-
EMS	100,207	1	-	-
Others	4,981	-	11,211	-
	<u>\$ 297,685</u>	<u>3</u>	<u>\$ 314,514</u>	<u>4</u>

	December 31, 2010		December 31, 2009	
	Amount	% of Account Balance	Amount	% of Account Balance
<u>Other receivables</u>				
EIC	\$ 62,237	3	\$ 133,691	7
ITS	3,757	-	672,390	34
Luanta	372,866	21	237,341	13
EIS	1,041	-	105,781	5
KTIL	87,625	5	96,584	5
SGSC	-	-	28,234	1
Others	6,564	1	1,551	-
	<u>\$ 534,090</u>	<u>30</u>	<u>\$ 1,275,572</u>	<u>65</u>
	December 31, 2010		December 31, 2009	
		% of Account Balance		% of Account Balance
<u>Accounts Payable</u>	Amount		Amount	
EIC	\$ 34,509	1	\$ 25,446	1
EITC	12,208	-	-	-
ITS	31,110	1	114,285	5
EIS	19,341	-	31,843	1
EMS	22,680	1	13,078	-
EGH	10,645	-	4,473	-
Others	4,535	-	14,105	-
	<u>\$ 135,028</u>	<u>3</u>	<u>\$ 203,230</u>	<u>7</u>
	December 31, 2010		December 31, 2009	
		% of Account Balance		% of Account Balance
<u>Other Payables</u>	Amount		Amount	
EIS	\$ 103,162	11	\$ 115,423	14
ITS	58,254	6	64,210	8
	<u>\$ 161,416</u>	<u>17</u>	<u>\$ 179,633</u>	<u>22</u>

(49) Endorsements and guarantees for related parties

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

	December 31, 2010		December 31, 2009	
BALSAM	USD	49,000	USD	49,000
CCT	USD	9,600	USD	28,680
TCT	USD	20,772	USD	20,250

(50) 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 will remain 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, 2010 and 2009, the receivables were \$61,904 and \$54,621, respectively. The contract has been effective 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 Group 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, 2010 and 2009, the debit balances of the account are as follows:

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
EMS	\$ 9,983	\$ 10,336
GESA	8,920	7,392
EIS	2,734	5,651
EGH	3,821	3,709
	<u>\$ 25,458</u>	<u>\$ 27,088</u>

- E. The Group entered into agency agreements with its related parties, whereby the related parties act as the Group’s overseas agents to deal with foreign port formalities, such as arrival and departure of the Group’s ships, cargo stevedoring and forwarding, freight collection, and payment of expenses incurred in foreign ports. The transactions are recorded as “agent accounts in other assets (liabilities) - current”. As of December 31, 2010 and 2009, the debit balances of the accounts are as follows:

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
EIC	\$ 376,262	\$ 91,395

- F. Temporary accounts, between the Group and Evergreen International S.A., Gaining Enterprise S.A., Italia Marittima S.p.A., Evergreen Marine (Hong Kong) Ltd. and Evergreen Marine (Singapore) Pte. Ltd. incurred due to foreign port formalities and pier rental expenses are recognized as “other current assets (liabilities)” in agency reciprocal accounts. Details of the balance as of December 31, 2010 and 2009 are as follows:

a) Debit balance of agency reciprocal accounts

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
EIS	\$ 135,877	\$ 703,591
ITS	86,798	404,213
GESA	27,908	20,059
	<u>\$ 250,583</u>	<u>\$ 1,127,863</u>

b) Credit balance of agency reciprocal accounts

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
EMS	\$ 326,920	\$ 244,025
EGH	125,854	214,299
	<u>\$ 452,774</u>	<u>\$ 458,324</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, 2010 and 2009 are as follows:

	<u>For the years ended December 31,</u>	
	<u>2010</u>	<u>2009</u>
EITC	\$ 89,595	\$ 94,591
EIS	49,054	63,945
EMS	30,916	24,224
GESA	20,937	17,093
EGH	19,405	16,703
ITS	8,426	7,130
	<u>\$ 218,333</u>	<u>\$ 223,686</u>

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

	<u>For the years ended December 31,</u>	
	<u>2010</u>	<u>2009</u>
Salary and bonuses	\$ 125,062	\$ 129,358
Administrative fees	6,018	3,739
Directors' and supervisors' remuneration and employees' bonuses	<u>59,134</u>	<u>1,914</u>
	<u>\$ 190,214</u>	<u>\$ 135,011</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.

C. Employees' bonuses and directors' and supervisors' remuneration is estimated in income statement in this period.

(52) As a means to give back to society, the Company sponsored charities for the public good and donated \$50,000 to Chang Yung-Fa Foundation and \$146 to Chang Yung-Fa Charity Foundation in 2010.

(53) To operational needs, the company bought a vessel from EITC (Please refer to Note 9).

## 6. PLEDGED ASSETS

The Group's assets pledged as collateral as of December 31, 2010 and 2009 are as follows:

Pledged assets	Book value		Purpose
	December 31, 2010	December 31, 2009	
Restricted assets-current			Performance
- Time deposits	\$ 561,663	\$ 251,508	guarantee
Refundable deposits			
- Time deposits	2,000	2,000	"
Property, plant and equipment			Long-term
-Land	1,800,093	1,800,093	loan
-Buildings	839,659	865,429	"
-Loading and unloading equipment	2,349,818	1,845,779	"
-Ships	-	1,893,478	"
Financial assets carried at cost			
-Classic Outlook Investment Ltd.	2,987,135	3,292,523	"
-Everup Profits Ltd.	7	7	"
long-term equity investments accounted for under the equity method -EITC	1,670,471	1,542,956	exchange corporate bonds payable as subject
	<u>\$ 10,210,846</u>	<u>\$ 11,493,773</u>	

## 7. COMMITMENTS AND CONTINGENT LIABILITIES

A.Details of the stand-by letters of credit issued by the banks on behalf of the Company are as follows:

Guarantor	December 31, 2010	December 31, 2009
Deutsche Bank	USD 5,000	USD 5,000

B.Endorsements and guarantees issued by the Group are as follows:

Companies receiving guarantees	December 31, 2010	December 31, 2009
BALSAM	USD 49,000	USD 49,000
CCT	USD 9,600	USD 28,680
TCT	USD 20,772	USD 20,250

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 NT 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 NT dollars) per share, and the GDRs issued amounted to USD115 million. Another 2,053,122 units, representing 20,531,279 shares of the Company's common stock, were issued during the period from 1997 to December 31, 2010. As of December 31, 2010, 8,052,519 units were redeemed and 267,633 units were outstanding, representing 2,676,389 shares of the Company's common stock.

D.As of December 31, 2010, the long-term and medium-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 \$19,159,983 and the unutilized credits was \$7,176,078.

E.As of December 31, 2010, the estimated amount of ship rental expense in the following years under long-term contracts is set forth as follows:

<u>Year</u>	<u>Amount</u>
within 1 year	USD 216,722
1~2 years	156,412
2~3 years	116,884
3~4 years	56,933
4~5 years	51,044
over 5 years	147,082
	<u>USD 745,077</u>

F.As of December 31, 2010, the amount of guaranteed notes issued by the Company for loans borrowed was \$2,762,500.

G.To operational needs, the Group signed the shipbuilding contracts from Samsung Heavy Industries Co., Ltd. Total contract price is USD1, 339,000.By the end of the year,2010, the Group signed the shipbuilding contracts, which includes USD1,179,350 unpaid.

#### 8. SIGNIFICANT CATASTROPHE

None.

#### 9. SUBSEQUENT EVENTS

A.The leased vessel -'Uni-Promote', which is leased from Evergreen International Storage and Transport Corporation (EITC), is need by the Company for long-term use . In December 24, 2010, the Board of Directors passed a resolution that the company purchase the vessel for USD17, 300 from EITC at the expiry of the lease term. This amount has been paid in full by February 25, 2011.

B.Son Company, Clove Holding Ltd signed a share sale and purchase contract with Actionfirm Limited by Board of Directors' agreement in February 23, 2011, which was sold its financial assets carried at cost-noncurrent: Classic Outlook Investment Ltd. and Everup Profits Ltd. Total disposition price is USD128, 120 and its investment gain is USD25, 761.

#### 10. OTHERS

##### (54) Financial statement disclosure

Certain accounts in the 2009 financial statements were reclassified to conform to the 2010 financial statement presentation.

(55) Fair value information of financial instruments

	December 31, 2010		
	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	\$ 19,716,091	\$ -	\$ 19,716,091
Notes and accounts receivable	11,780,623	-	11,780,623
Financial assets at fair value through profit or loss			
Equity securities	334	334	-
Beneficiary certificates	1,908,594	1,908,594	-
Corporate bonds	104,287	-	104,287
Other financial assets-current	158,383	-	158,383
Restricted assets-current	561,663	-	561,663
Available-for-sale financial assets-non-current	957,108	957,108	-
Held-to-maturity financial assets-non-current	3,135,915	-	3,135,915
Financial assets carried at cost-non-current	4,497,128	-	-
Refundable deposits	110,902	-	110,902
Liabilities			
Short-term loans	2,603,172	-	2,603,172
Notes and accounts payable	16,303,945	-	16,303,945
Corporate bonds payable (including current portion)	3,374,875	-	3,374,875
Long-term loans (including current portion)	24,240,182	-	24,240,182
Guarantee deposits received	32,191	-	32,191
<u>Derivative financial instruments :</u>			
Assets			
Interest rate swap (IRS)	158	-	158
Cross currency swap (CCS)	5,215	-	5,215
Liabilities			
Interest rate swap (IRS)	238,467	-	238,467
Cross currency swap (CCS)	72,338	-	72,338
Foreign exchange option (FX option)	271,141	-	271,141
Embedded derivatives	260,928	-	260,928

	December 31, 2009		
		Fair Value	
	Book value	Quotations in an active market	Estimated using a valuation technique
<u>Non-derivative financial instruments :</u>			
Assets			
Cash and cash equivalents	\$ 9,861,789	\$ -	\$ 9,861,789
Notes and accounts receivable	9,910,014	-	9,910,014
Financial assets at fair value through profit or loss			
Equity securities	153	153	-
Beneficiary certificates	3,271,884	3,271,884	-
Corporate bonds	100,000	-	100,000
Held-to-maturity financial assets-current	160,000	-	160,000
Other financial assets-current	238,908	-	238,908
Restricted assets-current	251,508	-	251,508
Available-for-sale financial assets-non-current	692,312	692,312	-
Held-to-maturity financial assets-non-current	2,180,866	-	2,180,866
Financial assets carried at cost-non-current	5,009,094	-	-
Refundable deposits	130,227	-	130,227
Liabilities			
Short-term loans	2,274,220	-	2,274,220
Short-term notes and bills payable	99,959	-	99,959
Notes and accounts payable	10,112,477	-	10,112,477
Corporate bonds payable (including current portion)	4,311,792	-	4,311,792
Long-term loans (including current portion)	34,954,652	-	34,954,652
Guarantee deposits received	37,992	-	37,992
<u>Derivative financial instruments :</u>			
Assets			
Interest rate swap (IRS)	663	-	663
Cross currency swap (CCS)	9,296	-	9,296
Structured and equity-linked financial instruments	801,199	-	801,199
Liabilities			
Interest rate swap (IRS)	255,732	-	255,732
Cross currency swap (CCS)	238,870	-	238,870
Oil swap	329,792	-	329,792
Foreign exchange option (FX option)	330,213	-	330,213
Embedded derivatives	260,750	-	260,750



The following summarizes the methods and assumptions used in estimating the fair value of financial instruments:

- A. The fair values of short-term financial instruments were determined using their carrying value because of the short maturities of these instruments. This method applies to cash and cash equivalents, notes and accounts receivable/payable, other financial assets, refundable deposits, restricted assets, short-term debts, short-term bills payable and guarantee deposits received.
- 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 Group.
- C. Held-to-maturity financial assets are those with fixed or determinable payments and a fixed time-to-maturity which the Group 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 income statement 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. For bond investments with no active market, the carrying value is used to estimate its fair value when there is no market price for reference.
- 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 if the Group terminates the contract on the balance sheet date. Unrealized gains or losses arising from unsettled contracts are generally included. Ask price from counterparties are available for reference in setting fair values for the Group's derivative financial instruments.

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

- A. For the years ended December 31, 2010 and 2009, total interest income for financial assets and financial liabilities that are not at fair value through profit or loss amounted to \$216,879 and 216,431, whereas the total interest expense amounted to \$484,217 and \$399,737, respectively.
- B. For the years ended December 31, 2010 and 2009, the adjustment of shareholders' equity resulting from available-for-sale financial assets was debit \$264,796 and \$299,724 ; whereas the total loss or gain deducted from the adjustment of shareholders' equity resulting from available-for-sale financial assets was both \$0.

(57) Information on interest rate risk positions

As of December 31, 2010 and 2009, the financial assets with fair value risk due to the change of interest rate amounted to \$158 and \$663 ; whereas the financial liabilities with fair value risk due to the change of interest rate amounted to \$238,467 and \$255,732, respectively. The financial assets with cash flow risk due to the change of interest rate amounted to \$3,914,665 and \$2,756,793; whereas the financial liabilities with cash flow risk due to the change of interest rate amounted to \$28,107,525 and 33,051,442, respectively.

(58) Risk policy and hedging strategy

The financial instruments held by the Group, 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 Group also held other financial assets and liabilities, such as accounts receivable and payable generated from operating activities.

The transactions associated with derivative instruments mainly include interest rate swap and oil swap. The primary objective is to avoid the interest rate risk and fuel price variation 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 Group's major exposure to cash flow risk associated with interest rate variations come primarily from long-term financing with floating interest. The Group adopts a combination of fixed and floating interest rate loans to manage such interest rate risks. In addition, the Group also engages in interest rate swaps to minimize cost of borrowings.

As of December 31, 2010, the carrying values of the Group'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	\$ 15,261,212	\$ -	\$ -	\$ -	\$ 15,261,212
Bank loan	( 2,603,172)	-	-	-	( 2,603,172)

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	\$ 3,914,665	\$ -	\$ -	\$ -	\$ 3,914,665
Bank loan	( 5,786,892)	( 5,566,307)	( 4,992,464)	( 11,761,862)	( 28,107,525)

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 preceding table are not subject to interest payments and thus, do not have inherent interest rate risk.

Exchange rate risk

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

	December 31,2010		December 31,2009	
	Foreign currency	Exchange rate	Foreign currency	Exchange rate
Financial assets :				
<u>Monetary items</u>				
USD	\$ 402,563	29.183	\$ 338,313	32.167
EUR	53,219	38.825	47,451	46.170
IDR	-	-	98,638,750	0.003
<u>Non-monetary items</u>				
USD	243,300	29.183	215,935	32.167
MYR	85,251	9.464	25,988	9.399
<u>Long-term equity investment accounted for under the equity method</u>				
USD	329,546	29.183	202,059	32.167

	December 31,2010		December 31,2009	
	Foreign currency	Exchange rate	Foreign currency	Exchange rate
Financial liabilities :				
<u>Monetary items</u>				
USD	\$ 731,964	29.183	\$ 804,009	32.167
EUR	16,715	38.825	23,199	46.170
GBP	135,819	45.069	137,520	51.704
THB	-	-	159,633	0.965

#### Credit risk

The Group only deals with third parties with good credit standings. In compliance with the Group's policies, strict credit assessment is to be performed by the Group prior to providing credit to customers. The occurrence of bad debts is also minimized by the Group's practices in continuously monitoring and assessing collections on notes and accounts receivables and making adjustments to the credit terms granted for each customer based on the conclusion drawn from such assessment. Moreover, the Group 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 Group are subject to credit risk arising from the failure of counterparty to settle their contractual obligations as and when they fall due. Since the Group only deals with third parties with qualifying credit standings, no collateral is required by the Group 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 Group is analyzed as follows:

Financial instruments	December 31, 2010	
	Book value	Maximum credit exposure amount
Financial assets at fair value through profit or loss		
Trading financial assets	\$ 1,914,301	\$ 1,914,301
Financial assets designated as at fair value through profit or loss	104,287	104,287
Held-to-maturity financial assets		
Financial bonds	1,315,915	1,315,915
Corporate bonds	1,820,000	1,820,000
Available-for-sale financial assets		
Equity security	957,108	957,108
Financial assets carried at cost		
Equity security	4,497,128	4,497,128
	December 31, 2009	
Financial instruments	Book value	Maximum credit exposure amount
Financial assets at fair value through profit or loss		
Trading financial assets	\$ 4,083,195	\$ 4,083,195
Financial assets designated as at fair value through profit or loss	100,000	100,000
Held-to-maturity financial assets		
Financial bonds	360,000	360,000
Corporate bonds	1,980,866	1,980,866
Available-for-sale financial assets		
Equity security	692,312	692,312
Financial assets carried at cost		
Equity security	5,009,094	5,009,094

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 preceding 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 Group in the case of counterparty's default. Since the counterparties of the Group are business enterprises or financial institutions with good credit rating, the potential credit risk event is remote. In addition, since the Group is not concentrated in transactions with one individual or counterparty, no concentration of credit risk is evident.

#### Liquidity risk

The Group 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 Group is sufficient in meeting capital on demand; therefore, no significant liquidity risk is expected.

10. ADDITIONAL DISCLOSURES REQUIRED BY THE SECURITIES AND FUTURE

(1) Related information of significant transaction

A. Loans granted during the year period ended December 31, 2010 : None.

B. Endorsements and guarantees provided during the year ended December 31, 2010

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, 2010	Outstanding endorsement/guarantee amount at December 31, 2010	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 (Note 3)
0	Evergreen Marine Corporation	Greencompass Marine S.A.	3	\$ 131,018,984	\$ 26,015,408	\$ 22,611,948	\$ -	34.52%	\$ 163,773,730
					(USD 833,093)	(USD 774,833)			
0	Evergreen Marine Corporation	Peony Investment S.A.	2	131,018,984	161,185	145,915	-	0.22%	
					(USD 5,000)	(USD 5,000)			
0	Evergreen Marine Corporation	Evergreen Marine (UK) Ltd.	3	131,018,984	19,643,049	17,682,773	-	26.99%	
					(USD 613,184)	(USD 605,927)			
0	Evergreen Marine Corporation	Taranto Container Terminal S.p.A.	6	32,754,746	664,732	606,175	-	0.93%	
					(USD 20,746)	(USD 20,772)			
0	Evergreen Marine Corporation	Whitney Equipment LLC.	3	131,018,984	3,035,565	2,747,988	-	4.19%	
					(USD 96,164)	(USD 94,164)			
0	Evergreen Marine Corporation	Hemlock Equipment LLC.	3	131,018,984	643,287	601,170	-	0.92%	
					(USD 20,600)	(USD 20,600)			
0	Evergreen Marine Corporation	Colon Container Terminal S.A.	6	32,754,746	924,557	280,157	-	0.43%	
					(USD 28,680)	(USD 9,600)			
0	Evergreen Marine Corporation	Balsam Investment (Netherlands) N.V.	6	32,754,746	1,579,613	1,429,967	-	2.18%	
					(USD 49,000)	(USD 49,000)			
0	Evergreen Marine Corporation	Evergreen Agency (South Africa) (PTY) Ltd.	3	131,018,984	80,104	72,958	-	0.11%	
					(USD 2,500)	(USD 2,500)			

Note 1: The number are 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 equation of the maximum limits and amounts should be explained. If there are contingent losses in the financial statements, the amount should be interpreted by the Company.

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 states in the latest financial statement.

The calculation is as follows:

The Company: NT\$65,509,492 \*250%=NT\$163,773,730

C. Marketable securities held as of December 31, 2010

Securities held by	Marketable securities	Relationship of the securities issuer with the Company	General ledger account	December 31, 2010				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 by the equity method	4,765	\$ 46,686,907	100.00	\$ 46,681,932	(Note)
	Taiwan Terminal Service Co., Ltd.	"	"	5,500	94,813	55.00	94,813	(Note)
	Chang Yang Development Co., Ltd.	Investee company accounted for by the equity method	"	44,664	575,326	40.00	575,326	
	Evergreen International Storage and Transport Corp.	"	"	424,062	8,418,428	39.74	12,106,979	12/31 market price
	Evergreen Security Corporation	"	"	4,800	77,345	31.25	77,345	
	EVA Airways Corporation	"	"	572,257	7,848,925	19.32	21,059,075	12/31 market price
	Taipei Port Container Terminal Corporation	"	"	88,344	826,142	21.03	824,593	
	Power World Fund Inc.	None	Financial assets carried at cost - non-current	1,290	12,898	5.68	7,938	
	Fu-Ji Management Consultancy Co., Ltd.	"	"	49	476	4.93	80,404	
	Taiwan HSR Consortium	"	"	126,735	1,250,000	1.95	637,477	
	Ever Accord Construction Corp.	"	"	5,250	43,749	17.50	80,078	
	Linden Technologies, Inc.	"	"	50	15,372	2.53	-	Convertible Preferred Stocks (no fair value)
	Toplogis, Inc.	"	"	2,464	22,100	17.48	17,538	
	Central Reinsurance Corp.	"	Available-for-sale financial assets - non-current	46,561	893,965	8.45	893,965	
	Fubon Financial Holding Co., Ltd.	"	"	1,579	63,143	0.02	63,143	

Note: This investment was written off when the consolidated financial statement were prepared.

Securities held by	Marketable securities	Relationship of the securities issuer with the Company	General ledger account	December 31, 2010				Remark
				Number of shares (in thousands)	Book value	Ownership (%)	Market value	
Evergreen Marine Corporation	China Man-Made Fiber Corporation	None	Financial assets at fair value through profit or loss -current	22	334	-	334	
	Beneficiary certificates:							
	Fubon Chi-Hsiang Fund	None	Financial assets at fair value through profit or loss -current	33,882	510,023	-	510,023	
	Mega Diamond Bond Fund	"	"	10,015	120,008	-	120,008	
	PCA Well Pool Money Market Fund	"	"	12,285	160,020	-	160,020	
	Polaris De-Li Fund	"	"	5,754	90,010	-	90,010	
	Fuh-Hwa Bond Fund	"	"	12,987	180,060	-	180,060	
	TLG Solomon Money Market Fund	"	"	42,137	510,044	-	510,044	
	IBT 1699 Bond Fund	"	"	18,548	240,063	-	240,063	
	Fubon Yield Enrichment Fund of Funds	"	"	5,000	48,518	-	48,518	
	Manulife Emerging Market High Yield Bond Fund	"	"	5,000	49,848	-	49,848	
	Financial bonds:							
	TLG Private Placement Subordinated Mandatory Convertible Bond at Maturity	None	Financial assets at fair value through profit or loss -non-current	-	104,287	-	104,287	
	Bank of Taichung 1st Unsecured Subordinated Financial Debentures Issue in 2010	"	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	



Securities held by	Marketable securities	Relationship of the securities issuer with the Company	General ledger account	December 31, 2010				Remark
				Number of shares (in thousands)	Book value	Ownership (%)	Market value	
	Sunny Bank 1st Subordinate Financial Debentures-B Issue in 2010	None	Held-to-Maturity Securities -non-current	-	50,000	-	50,000	
	Ta Chong Commercial Bank Credit Linked Note	"	"	-	800,000	-	800,000	

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, 2010

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:														
	TIIM Bond Fund	Financial Assets at fair value through profit or loss	Open market transaction	None	27,378	\$ 395,000	157,271	\$ 2,272,000	184,649	\$ 2,667,619	\$ 2,667,000	\$ 619	-	\$ -	
	Polaris De-Bao Fund	"	"	"	13,243	152,014	38,499	442,000	51,742	594,192	594,014	178	-	-	
	Fubon Chi-Hsiang Fund	"	"	"	7,001	105,042	175,226	2,634,000	148,345	2,229,353	2,229,037	316	33,882	510,005	
	Mega Diamond Bond Fund	"	"	"	17,859	213,010	107,497	1,285,000	115,341	1,378,592	1,378,010	582	10,015	120,000	
	Capital Safe Income Fund	"	"	"	5,191	80,005	1,297	20,000	6,488	100,026	100,005	21	-	-	
	The Rsit Enhanced Bond Fund	"	"	"	25,977	297,005	48,851	559,000	74,828	856,287	856,005	282	-	-	
	Pca Well Pool Fund	"	"	"	771	10,004	69,058	898,000	57,544	748,122	748,004	118	12,285	160,000	
	Yuanta Wan tai Bond Fund	"	"	"	17,281	250,000	14,641	212,000	31,922	462,323	462,000	323	-	-	
	Polaris De-Li Fund	"	"	"	2,057	32,072	134,439	2,100,000	130,742	2,042,305	2,042,072	233	5,754	90,000	
	Fuh-Hwa Bond Fund	"	"	"	4,205	58,067	85,550	1,184,000	76,768	1,062,365	1,062,046	319	12,987	180,021	
	Cathay Bond Fund	"	"	"	9,376	112,000	32,188	385,000	41,564	497,148	497,000	148	-	-	
	Union Bond Fund	"	"	"	30,391	383,044	128,457	1,621,000	158,848	2,004,534	2,004,044	490	-	-	
	TLG Solomon Bond Fund	"	"	"	10,527	127,002	184,002	2,225,000	152,392	1,842,313	1,841,991	322	42,137	510,011	
	Jih Sun Bond Fund	"	"	"	-	-	68,337	966,000	68,337	966,190	966,000	190	-	-	
	KGI Victory Fund	"	"	"	8,123	90,033	7,665	85,000	15,788	175,086	175,033	53	-	-	

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	IBT 1699 Bond Fund	Financial Assets at fair value through profit or loss	Open market transaction	None	13,906	179,239	18,548	240,000	13,906	179,490	179,239	251	18,548	240,000
	Hua Nan Phoenix Bond Fund	"	"	"	3,210	50,000	6,419	100,000	9,629	150,039	150,000	39	-	-
	PineBridge Taiwan Money Market Securities Investment Trust Fund	"	"	"	3,420	45,040	10,013	132,000	13,433	177,085	177,040	45	-	-
	Manulife Wan Li Bond Fund	"	"	"	13,837	183,000	-	-	13,837	183,183	183,000	183	-	-
	Schroder New Era Bond Fund	"	"	"	8,921	100,004	-	-	8,921	100,157	100,004	153	-	-
	Paradigm Pion Fund	"	"	"	23,360	258,011	47,046	520,000	70,406	778,184	778,011	173	-	-
	Deutsche Far Eastern DWS Taiwan Bond Security Investment Trust Fund	"	"	"	-	-	9,302	104,000	9,302	104,012	104,000	12	-	-

E. Acquisition of real estate properties exceeding \$100 million or 20% of the Company's paid-in capital for the year ended December 31, 2010 : 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, 2010 : 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, 2010

Purchaser/seller	Counterparty	Relationship with the Company	Transaction				Differences in transactions term compared to a 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. (EITC)	Investee accounted for by equity method	Purchases	\$ 776,310	5%	30~60 days	\$ -	-	(\$ 12,208)	1%	
	Evergreen International Corp.	Investee of the Company's major shareholder	Purchases	339,241	2%	30~60 days	-	-	( 34,509)	2%	
	"	"	Sales	1,824,329	11%	30~60 days	-	-	61,904	7%	
	Taiwan Terminal Services Co., Ltd.	Subsidiary of the Company	Purchases	672,076	4%	30~60 days	-	-	( 50,949)	4%	(Note)
	Greencompass Marine S.A.	Indirect subsidiary of the Company	Purchases	242,542	2%	30~60 days	-	-	( 25,280)	2%	(Note)
	"	"	Sales	414,213	3%	30~60 days	-	-	6,736	1%	(Note)
	Gaining Enterprise S.A.	Subsidiary of EITC accounted for by equity method	Purchases	1,660,616	10%	30~60 days	-	-	-	-	

Note: This investment was written off when the consolidated financial statement was prepared.

H. Receivables from related parties exceeding \$100 million or 20% of the Company's paid-in capital for the year ended December 31, 2010

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	\$ 124,141		-	-	\$ 124,141	-

I. Derivative financial instruments undertaken for the year ended December 31, 2010 : For related information, please see Note 10(2).

## (2) Disclosure information of investee company

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

Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2010			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	\$ 46,686,907	\$ 11,774,790	\$ 11,773,770	Subsidiary of the Company (Note)
	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	94,813	11,871	6,529	" (Note)
	Chang 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	44,664	40.00	575,326	141,169	56,468	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	8,418,428	1,082,191	471,099	"
	Evergreen Security Corporation	4&5F, No.111, Sungjiang Rd., Taipei, Taiwan	General security guards services	25,000	25,000	4,800	31.25	77,345	10,961	3,425	"
	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	572,257	19.32	7,848,925	12,016,736	2,321,099	"

Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2010			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	Taipei Port Container Terminal Corporation	No.25 Siahjuwei, Syuntang Village, Bali Township, Taipei County, Taiwan	Container distribution and cargo stevedoring	883,731	883,731	88,344	21.03	826,142	( 177,497)	( 37,335)	Investee accounted for under the equity method
Peony Investment S.A.	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 981,010	USD 230,904	USD 230,904	Indirect subsidiary of the Company (Note)
	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 527	(USD 15)	(USD 15)	" (Note)
	Clove Holding Ltd.	Craigmuir Chambers, P. O. Box71, Road Town, Tortola, B.V.I.	Investment holding company	USD 52,549	USD 52,549	10	100.00	USD 120,676	USD 5,611	USD 5,611	" (Note)
	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 109,601	USD 151,558	USD 77,294	" (Note)

Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2010			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 47,181	USD 3,540	USD 2,989	Indirect subsidiary of the Company(Note)
	PT. Multi Bina Pura International	JL Raya Cakung Cilincing, RT, 002-05, Desa Rorotan P.O. Box 6043 Jakarta 14260. Indonesia Lot 139, Jalan	Loading and discharging operations of container yards and inland transportation	USD 20,204	USD 20,204	68	95.30	USD 17,371	USD 2,290	USD 2,183	" (Note)
	PT. Multi Bina Transport	JL Raya Cakung Cilincing, RT, 002-05, Desa Rorotan P.O. Box 6043 Jakarta 14260. Indonesia Lot 139, Jalan	Loading and discharging operations of container yards and inland transportation	USD 804	USD 804	2	17.39	USD 726	USD 943	USD 164	" (Note)
	PT. Evergreen Shipping Agency Indonesia	Gedung Price waterhouse coopers 9-10th Floors Jl. H.R. Rasuna said kav. C-03 Jakarta 12920, Indonesia	Shipping agency	USD 973	USD 973	-	51.00	USD 1,743	USD 1,853	USD 945	" (Note)

Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2010			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.	ShenZhen Greentrans Transportation Co., Ltd.	San Jiao Long Warehouse & Storage Zone, Fukang Rd., Hengang town, Shenzhen, China	Loading, discharging, storage, repair, cleaning and transportation of containers	USD 3,134	USD 3,134	-	55.00	USD 3,120	(USD 762)	(USD 419)	Indirect subsidiary of the Company(Note)
	Evergreen Shipping Agency (Singapore) PTE. Ltd.	333 Jalan Besar, Singapore 209018	Shipping agency	USD 2,157	USD 2,157	765	51.00	USD 4,656	USD 55	USD 28	" (Note)
	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 2,580	USD 2,038	USD 1,039	" (Note)
	Evergreen Shipping Agency (Korea) Corp.	12FL, POYAL BUILDING 5, DANGJN-DONG, CHONGRO-KU SEOUL KOREA	Shipping agency	USD 2,426	USD 2,426	121	100.00	USD 1,944	USD 573	USD 573	" (Note)
	Armand Investment (Netherlands) N.V.	VAN Engelenwen 21/A , Curacao Netherlands Antilles	Investment holding company	USD 9,203	USD 9,119	4	70.00	USD 9,309	(USD 606)	(USD 424)	" (Note)



Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2010			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 (Deutschland) GmbH	Evergreen Building Amsinckstrasse 55 20097 Hamburg, Germany	Shipping agency	USD 8,316	USD 8,316	-	100.00	USD 8,843	USD 243	USD 243	Indirect subsidiary of the Company (Note)
	Evergreen Shipping Agency (Ireland) Ltd.	22 Fitzwilliam Place, Dublin 2, Ireland	Shipping agency	USD 95	USD 95	-	100.00	USD 189	USD 19	USD 19	" (Note)
	Evergreen Shipping Agency (India) Pvt. Ltd.	J.N. Heredia Marg Ballard Estate Mumbai 400 038, India	Shipping agency	USD 184	USD 184	100	99.99	USD 2,323	USD 502	USD 502	" (Note)
	Evergreen Shipping Agency (Australia) Pty. Ltd.	Level 13, 181 Miller Street, North Sydney NSW 2060 Australia	Shipping agency	USD 247	USD 247	1	67.50	USD 481	USD 461	USD 311	" (Note)
	Evergreen Shipping Agency (Netherlands) B.V.	Oudelandseweg 33, 3194AR, Hoogvliet, Rotterdam, The Netherlands	Shipping agency	USD 3,977	USD 3,977	-	100.00	USD 4,862	USD 473	USD 473	" (Note)
	Evergreen Shipping Agency France S.A.	Tour Franklin-La Defense 8, 92042 Paris La Defense Cedex-France.	Shipping agency	USD 907	USD 907	5	99.40	USD 1,337	USD 191	USD 189	" (Note)

Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2010			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 (Spain) S.L.	Calle Siete Aguas, 11 - Entlo. 46023 Valencia, Spain	Shipping agency	USD 3,870	USD 3,870	3	55.00	USD 6,494	USD 5,790	USD 3,184	Indirect subsidiary of the Company(Note)
	Evergreen Shipping Agency (Poland) SP. ZO. O	UL. Postepu 18, 02-676 Warszawa, Poland	Shipping agency	USD 662	USD 662	2	100.00	USD 598	USD 11	USD 11	" (Note)
	Evergreen Argentina S.A.	Pje. Carabelas 344, CABA, Bs. As. Argentina	Leasing	USD 140	USD 140	150	95.00	USD 256	USD 72	USD 68	" (Note)
	Evergreen Shipping Agency (Italy) S.p.A.	Scali Cerere, 9 Livorno Italy	Shipping agency	USD 2,352	USD 2,352	1	55.00	USD 2,167	(USD 135)	(USD 74)	" (Note)
	Evergreen Shipping Agency (Russia) Ltd.	6 Sofiyskaya Street, ST Petersburg, 192236 Russia	Shipping agency	USD 848	USD 848	-	51.00	USD 904	USD 1,584	USD 808	" (Note)
	Evergreen Shipping Agency (Vietnam) Corp.	11F, Fideco Tower 81-85 Ham Nghi St., Dist. 1, Ho Chi Minh City, Vietnam	Shipping agency	USD 454	USD 454	-	51.00	USD 1,229	USD 1,881	USD 959	" (Note)
	Evergreen Agency (South Africa) (PTY) Ltd.	BEDFORDVIEW OFFICE PARK NO. 3 RILEY ROAD BEDFORDVIEW 2007, 2008 GAUTENG PROVINCE, JOHANNESBURG, GAUTENG, 2008, P.O.BOX 1471	Shipping agency	USD 550	USD 550	5,500	55.00	USD 2,682	USD 2,289	USD 1,259	" (Note)

Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2010			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.	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, clearing, and related activities	USD 4,447	USD 4,447	-	40.00	USD 7,124	USD 2,562	USD 1,025	Investee company of Peony accounted for under the equity method
	Kingstrans International Logistics (Tianjing) Co., Ltd.	No.12 Yuejin Rd. Tianjin Port International Logistics Center, Tanggu District, Tianjin, China	Inland container transportation, container storage, loading, discharging, leasing, repair, cleaning, and related activities	USD 2,000	USD 2,000	-	20.00	USD 2,286	USD 543	USD 109	"
	Ningbo Victory Container Co., Ltd.	No.201 Xiaoshan Rd., Taipingyang Industrial Area, Beilun, Ningbo, Zhejiang, China	Inland container transportation, container storage, loading, discharging, leasing, repair, cleaning, and related activities	USD 1,199	USD 1,199	-	40.00	USD 2,222	USD 610	USD 244	"
	Balsam Investment (NetherLands) N.V.	21-A Van Engelenweg, Curacao, Netherlands, Antilles	Investment holding company	USD 106,213	USD 86,736	-	49.00	USD 111,634	USD 82,408	USD 40,204	"

Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2010			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.	21-A Van Engelenweg, Curacao, Netherlands, Antilles	Investment holding company	USD 27,559	USD 21,973	460	50.00	USD 83,773	(USD 12,825)	(USD 6,412)	Investee company of Peony accounted for under the equity method
	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 9,204	USD 4,986	USD 1,496	"
	Evergreen Container Terminal (Thailand) Ltd.	33/4 Moo 1, Chaokhun Tahan Road, Sun District Klong 3, Lat Krabang District, Bangkok 10520	Inland container storage and loading	USD 20,327	USD 25,539	9,186	48.18	USD 28,617	USD 16,613	USD 8,004	"
Armand Investment (Netherlands ) N.V.	Armand Estate B.V.	Amsteldijk 166, 1079LH, Amsterdam	Investment holding company	USD 13,636	USD 13,460	-	100.00	USD 13,257	(USD 595)	(USD 595)	Indirect subsidiary of the Company (Note)
Armand Estate B.V.	Taipei Port Container Terminal Corporation	No.25 Sijahuwei, Syuntang Village,Bali Township, Taipei County, Taiwan	Container distribution and cargo stevedoring	USD 12,678	USD 12,678	41	9.76	USD 13,111	(USD 5,639)	(USD 550)	Investee company of Armand Estate B.V. accounted for under the equity method

Investor	Investee	Location	Main activities	Initial investment amount		Shares held as of December 31, 2010			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			
Clove Holding Ltd.	Ample Holding Ltd.	Craigmuir Chambers,P.O. BOX71, Road Town,Tortola, B.V.I	Investment holding company	USD 9	USD 9	9	90.00	USD 33,754	USD 4,002	USD 3,602	Indirect subsidiary of the Company (Note)
	Island Equipment LLC.	655 Deep Valley Drive, Suite 300, Rolling Hills Estates, CA	Investment holding company	USD 144	USD 144	-	36.00	USD 1,696	USD 831	USD 299	" (Note)
Ample Holding Ltd.	Colon Container Terminal S.A.	COCO SOLO NORTH ADM BUILDING PANAMA	Inland container storage and loading	USD 22,860	USD 22,860	22,860	40.00	USD 69,741	USD 10,526	USD 4,210	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 1,363	USD 287	USD 287	Indirect subsidiary of the Company (Note)
	Hemlock Equipment LLC.	2711 Centerville Road, Suite 400, Wilmington, Delaware 19808	Equipment leasing company	USD 200	USD 200	-	100.00	USD 3,700	USD 1,015	USD 1,015	" (Note)

Note: This investment was written off when the consolidated financial statement was prepared.

B.Loans granted for the year ended December 31, 2010

No.	Creditor	Borrower	General ledger account	Maximum outstanding balance for the year ended December 31, 2010	Balance at December 31, 2010	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.	Evergreen Shipping Agency (India) Private Limited.	Receivables from related parties (Note4)	USD 500	USD -	1.098	2	USD -	Working capital requirement	USD -	-	USD -	NTD 13,101,898	NTD 26,203,797
		Kingtrans International Logistics (Tianjin)Co.,Ltd	"	USD 1,500	USD 1,500	1.442	2	USD -	"	USD -	-	USD -	NTD 13,101,898	NTD 26,203,797
		Luanta Investment (NetherLands) N.V.	"	USD 12,509	USD 14,965	1.353 ~ 4.049	2	USD -	"	USD -	-	USD -	NTD 13,101,898	NTD 26,203,797
				EUR -	EUR 100								NTD 13,101,898	NTD 26,203,797
2	Clove Holding Ltd.	Island Equipment LLC.	" (Note4)	USD 4,791	USD 4,791	1.291	2	USD -	"	USD -	-	USD -	NTD 13,101,898	NTD 26,203,797
3	Evergreen Marine (UK) Limited	Island Equipment LLC.	" (Note4)	USD 1,996	USD 1,996	1.291	2	USD -	"	USD -	-	USD -	NTD 13,101,898	NTD 26,203,797
		Kingtrans International Logistics (Tianjin)Co.,Ltd	"	USD 1,500	USD 1,500	1.442	2	USD -	"	USD -	-	USD -	NTD 13,101,898	NTD 26,203,797
4	Greencompass Marine S.A.	Italia Marittima S.p.A.	"	USD 10,000	USD -	1.284	2	USD -	"	USD -	-	USD -	NTD 13,101,898	NTD 26,203,797

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:

The Company: $\text{NTD}65,509,492 * 20\% = \text{NTD}13,101,898$

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:

$\text{NTD}65,509,492 * 40\% = \text{NTD}26,203,797$

Note4: This investment was written off when the consolidated financial statement was prepared.

C. Endorsements and guarantees provided as of December 31, 2010 : None.

D. Marketable securities held as of December 31, 2010

Securities held by	Marketable securities	Relationship of the securities issuer with the Company	General ledger account	As of December 31, 2010				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 120,676	100.00	USD 120,676	(Note)
	Evergreen Shipping Agency (Deutschland) GmbH	"	"	-	USD 8,843	100.00	USD 8,843	(Note)
	Evergreen Shipping Agency (Ireland) Ltd.	"	"	-	USD 189	100.00	USD 189	(Note)
	Evergreen Shipping Agency (Korea) Corporation	"	"	121	USD 1,944	100.00	USD 1,944	(Note)
	Evergreen Shipping Agency (Netherlands) B.V.	"	"	-	USD 4,862	100.00	USD 4,862	(Note)
	Evergreen Shipping Agency (Poland) SP.ZO.O	"	"	2	USD 598	100.00	USD 598	(Note)
	Greencompass Marine S.A.	"	"	3,535	USD 981,010	100.00	USD 981,010	(Note)
	Vigor Enterprise S.A.	"	"	5	USD 527	100.00	USD 527	(Note)
	Evergreen Shipping Agency (India) Pvt Ltd.	"	"	100	USD 2,323	99.99	USD 2,323	(Note)
	Evergreen Argentina S.A.	"	"	150	USD 256	95.00	USD 256	(Note)
	Evergreen Shipping Agency France S.A.	"	"	5	USD 1,337	99.40	USD 1,337	(Note)
	PT Multi Bina Pura International	"	"	68	USD 17,371	95.30	USD 17,371	(Note)
	PT Multi Bina Transport	"	"	2	USD 726	17.39	USD 726	(Note)
	Evergreen Heavy Industrial Corp (Malaysia) Bhd.	"	"	42,120	USD 47,181	84.44	USD 47,181	(Note)
	Armand Investment (Netherlands) N.V.	"	"	4	USD 9,309	70.00	USD 9,309	(Note)
	Evergreen Shipping (Spain) S.L.	"	"	3	USD 6,494	55.00	USD 6,494	(Note)
	Evergreen Shipping Agency (Italy) S.p.A.	"	"	1	USD 2,167	55.00	USD 2,167	(Note)
	Shenzhen Greentrans Transportation Co., Ltd.	"	"	-	USD 3,120	55.00	USD 3,120	(Note)



Securities held by	Marketable securities	Relationship of the securities issuer with the Company	General ledger account	As of December 31, 2010				Remark
				Number of shares (in thousands)	Book value	Ownership (%)	Market value	
Peony Investment S.A.	Evergreen Marine (UK) Ltd.	Indirect subsidiary of the Company	Long-term equity investment accounted for under the equity method	765	USD 109,601	51.00	USD 109,601	(Note)
	Evergreen Shipping Agency (Australia) Pty Ltd.	"	"	1	USD 481	67.50	USD 481	(Note)
	Evergreen Shipping Agency (Russia) Ltd.	"	"	-	USD 904	51.00	USD 904	(Note)
	Evergreen Shipping Agency (Singapore) Pte Ltd	"	"	765	USD 4,656	51.00	USD 4,656	(Note)
	Evergreen Shipping Agency (Thailand) Co., Ltd.	"	"	408	USD 2,580	51.00	USD 2,580	(Note)
	Evergreen Shipping Agency (Vietnam) Corp.	"	"	-	USD 1,229	51.00	USD 1,229	(Note)
	PT. Evergreen Shipping Agency Indonesia	"	"	-	USD 1,743	51.00	USD 1,743	(Note)
	Evergreen Agency (South Africa) (PTY) Ltd.	"	"	5,500	USD 2,682	55.00	USD 2,682	(Note)
	Luanta Investment (Netherlands) N.V.	Investee of Peony Investment S.A. accounted for by the equity method	"	460	USD 83,773	50.00	USD 83,773	
	Balsam Investment (Netherlands) N.V.	"	"	-	USD 111,634	49.00	USD 111,634	
	Evergreen Container Terminal (Thailand) Limited	"	"	9,186	USD 28,167	48.18	USD 28,167	
	Ningbo Victory Container Co., Ltd.	"	"	-	USD 2,222	40.00	USD 2,222	
	Qingdao Evergreen Container Storage & Transportation Co., Ltd.	"	"	-	USD 7,124	40.00	USD 7,124	
	Green Peninsula Agencies SDN. BHD.	"	"	1,500	USD 9,204	30.00	USD 9,204	
	Kingtrans Intl. Logistics (Tianjin) Co., Ltd.	"	"	-	USD 2,286	20.00	USD 2,286	
	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.	"	"	1	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	As of December 31, 2010				Remark
				Number of shares (in thousands)	Book value	Ownership (%)	Market value	
PT. Multi Bina Pura International	PT. Multi Bina Transport	Indirect subsidiary of the Peony	Long-term equity investment accounted for under the equity method	8	IDR 27,393,276	72.95	IDR 27,393,276	(Note)
Clove Holding Ltd.	Ample Holding LTD.	"	"	9	USD 33,574	90.00	USD 33,574	(Note)
	Island Equipment LLC.	"	"	-	USD 1,696	36.00	USD 1,696	(Note)
	Classic Outlook Investment Ltd.	Investee of the Clove accounted for by cost method	Financial assets carried at cost - non-current	2	USD 102,359	2.25	USD 102,359	
	Everup Profits Ltd.	"	"	2	USD -	2.25	USD -	
Ample Holding Ltd.	Colon Container Terminal S.A.	Investee of the Ample accounted for by the equity method	Long-term equity investment accounted for under the equity method	22,860	USD 69,741	40.00	USD 69,741	
Island Equipment LLC	Whitney Equipment LLC.	Investee of the Island accounted for by the equity method	"	-	USD 1,363	100.00	USD 1,363	(Note)
	Hemlock Equipment LLC.	"	"	-	USD 3,700	100.00	USD 3,700	(Note)
Evergreen Marine (UK) Limited	Island Equipment LLC.	Investee of the EMU accounted for by the equity method	"	-	GBP 395	15.00	GBP 395	(Note)
	Kingtrans Intl. Logistics (Tianjin) Co., Ltd.	"	"	-	GBP 959	20.00	GBP 959	
	Evergreen Shipping Agency (UK) Limited	Investee of the EMU accounted for by cost method	Financial assets carried at cost - non-current	-	GBP -	100.00	GBP -	
	Lloyd triestino UK Limited	"	"	-	GBP -	100.00	GBP -	
Armand Investment (Netherlands) N.V.	Armand Estate B.V.	Indirect subsidiary of the Peony	Long-term equity investment accounted for under the equity method	-	USD 13,257	100.00	USD 13,257	(Note)
Armand Estate B.V.	Taipei Port Container Terminal Corporation	Investee of the Armand Estate B.V. accounted for by the equity method	"	41	USD 13,111	9.76	USD 13,111	

Securities held by	Marketable securities	Relationship of the securities issuer with the Company	General ledger account	As of December 31, 2010				Remark
				Number of shares (in thousands)	Book value	Ownership (%)	Market value	
Greencompass Marine S.A.	Financial bonds	None	Held-to-maturity financial assets-non-current	50	USD 5,000	-	USD 5,000	
	Bonds	Investee accounted for under the equity method	"	18,200	USD 62,365	-	USD 62,365	
Evergreen Shipping Agency (Singapore) Pte Ltd.	RTW AIR SERVICES (S) PL	Investee of the EGS accounted for by cost method	Financial assets carried at cost - non-current	30	SGD 50	2.00	SGD 50	
Evergreen Shipping Agency (Thailand) Co., Ltd.	Green Siam Air Service Co.	Investee of the EGT accounted for by cost method	"	4	THB 1,160	2.00	THB 1,160	
Evergreen Shipping Agency (Deutschland) GmbH	Evergreen Shipping Agency (Austria) GmbH	Investee of the EGD accounted for by cost method	"	-	EUR 18	100.00	EUR 18	
	Zoll Pool Hafen Hamburg AG	"	"	10	EUR 10	6.25	EUR 10	
	Evergreen Shipping Agency (Switzerland) S.A.	"	"	-	EUR 69	100.00	EUR 69	

Note: This investment was written off when the consolidated financial statement was prepared.

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, 2010 : None.

F.Acquisition of real estate properties exceeding \$100 million or 20% of the Company's paid-in capital or the year ended December 31, 2010 : None.

G.Disposal of real estate properties exceeding \$100 million or 20% of the Company's paid-in capital or the year ended December 31, 2010 : 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, 2010

Purchaser/seller	Counterparty	Relationship with the Company	Transaction				Differences in transactions term compared to a 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	\$ 672,076	99%	30~60 days	-	-	\$ 50,949	68%	(Note)
Greencompass Marine S.A.	Evergreen Marine Corp.	The parent	Purchases	USD 13,060	1%	15~30 days	-	-	-	-	(Note)
		"	Sales	USD 7,764	-	15~30 days	-	-	-	-	(Note)
	Evergreen Marine (Hong Kong) Corp.	Related party	Purchases	USD 31,660	2%	15~30 days	-	-	(USD -152)	18%	
		"	Sales	USD 11,754	1%	15~30 days	-	-	-	-	
	Evergreen International S.A.	Related party	Purchases	USD 21,308	1%	15~30 days	-	-	(USD -144)	17%	
	Evergreen Heavy Industrial Co., (Malaysia) Bhd.	Related party	Purchases	USD 45,770	3%	15~30 days	-	-	-	-	(Note)
	Evergreen International Corp.	Related party	Purchases	USD 4,603	-	15~30 days	-	-	-	-	
Evergreen Heavy Industrial Corp. , (Malaysia) Berhad	Greencompass Marine S.A.	Related party	Sales	MYR 146,031	85%	45 days	-	-	MYR 28,216	75%	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Related party	Sales	MYR 26,767	15%	45 days	-	-	MYR 9,642	25%	(Note)

Purchaser/seller	Counterparty	Relationship with the Company	Transaction				Differences in transactions term compared to a 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 Shipping Agency (Deutschland) GmbH	Evergreen Marine (UK) Limited	Related party	Sales	EUR 2,438	25%	None	-	-	EUR 127	1%	(Note)
Evergreen Marine (UK) Ltd.	Evergreen International Corp.	Related party	Purchases	GBP 2,107	-	30~60 days	-	-	-	-	
"	Evergreen Shipping Agency (Deutschland) GmbH	"	Purchases	GBP 2,010	-	30~60 days	-	-	-	-	(Note)
"	Evergreen Shipping Agency (Netherlands) B.V.	"	Purchases	GBP 2,959	-	30~60 days	-	-	-	-	(Note)
Evergreen Shipping Agency (Netherlands) B.V.	Evergreen Marine (UK) Limited	Related party	Sales	EUR 2,850	30%	None	-	-	-	-	(Note)
Island Equipment LLC	Seaside Transporation Service LLC	The parent	Sales	USD 3,709	21%	5 days	-	-	USD 23	100%	

Note: This investment was written off when the consolidated financial statement was prepared.

I. Receivables from related parties exceeding \$100 million or 20% of the Company's paid-in capital for the year ended December 31, 2010

Creditor	Counterparty	Relationship with the Company	Balance	Turnover rate	Overdue receivables		Amount received subsequent to the balance sheet date	Allowance for bad debts	Remark
					Amount	Action Taken			
Peony Investment S.A.	Luanta Investment (Netherlands) N.V.	Related party	USD 12,777		\$ -	\$ -	\$ -	\$ -	
Evergreen Heavy Industrial Corp. (Malaysia) Berhad	Greencompass Marine S.A.	"	MYR 28,216		-	-	MYR 4,636	-	(Note)
Clove Holding Ltd.	Island Equipment LLC.	"	USD 4,791		-	-	-	-	(Note)
Greencompass Marine S.A.	Evergreen Shipping Agency (Deutschland) GmbH	"	USD 4,358		-	-	USD 4,358	-	(Note)
	Evergreen Shipping Agency France S.A.	"	USD 7,892		-	-	USD 7,892	-	(Note)
	Evergreen Shipping (Spain) S.L.	"	USD 4,117		-	-	USD 4,117	-	(Note)
	Evergreen Shipping Agency (Italy) S.p.A.	"	USD 5,683		-	-	USD 5,683	-	(Note)

Note: This investment was written off when the consolidated financial statement was prepared.

J. Derivative financial instruments transactions:

Greencompass Marine S. A. and Evergreen Marine (UK) Limited -investees of the Company- are engaged in interest rate swaps and cross currency swaps in order to hedge the risks resulting from the fluctuation of interest rates and exchange rates. As of December 31, 2010, the outstanding derivative instruments are as follows:

Derivative instruments	December 31, 2010	
	Notional Principal (Contractual Amount)	Fair Value
Interest rate swaps (IRS)	USD 40,863	(USD 8,166)
Cross currency swaps(CCS)	USD 966	USD 179

## (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, 2010	Amount remitted		Accumulated amount of remittance to Mainland China as of December 31, 2010	Ownership held by the Company (direct/ indirect)	Investment income (loss) recognized by the Company for the year ended December 31, 2010 (Note 2)	Book value of investment in Mainland China as of December 31, 2010	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2010
					to Mainland China	back to Taiwan					
Ningbo Victory Container Co., Ltd.	Inland container transportation, container storage, loading, and discharging	RMB 24,119	(2)	\$ 29,708 (USD 1,018)	-	-	\$ 29,708 (USD 1,018)	40.00	\$ 7,680 (USD 244)	\$ 64,839 (USD 2,222)	-
Qingdao Evergreen Container Storage & Transportation Co., Ltd.	Inland container transportation, container storage, loading, and discharging	RMB 92,500	(2)	\$ 129,777 (USD 4,447)	-	-	\$ 129,777 (USD 4,447)	40.00	\$ 32,260 (USD 1,025)	\$ 207,893 (USD 7,124)	-
Shenzhen Greentrans Transportation Co., Ltd.	Inland container loading, discharging, restore, repair, clearing, and related activities	RMB 44,960	(2)	\$ 91,460 (USD 3,134)	-	-	\$ 91,460 (USD 3,134)	55.00	\$ 13,194 (USD -419)	\$ 91,061 (USD 3,120)	-
Shenzhen Hutchison Inland Container Depots Co., Ltd.	Inland container yards	HKD 92,000	(2)	\$ 23,638 (HKD 6,304)	-	-	\$ 23,638 (HKD 6,304)	6.85	\$ -	\$ 23,638 (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, 2010	Amount remitted		Accumulated amount of remittance to Mainland China as of December 31, 2010	Ownership held by the Company (direct/ indirect)	Investment income (loss) recognized by the Company for the year ended December 31, 2010 (Note 2)	Book value of investment in Mainland China as of December 31, 2010	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2010
					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	RMB 77,929	(2)	\$ 116,732  (USD 4,000)	\$ -	-	\$ 116,732  (USD 4,000)	30.20	\$ 4,841  (USD 154)	\$ 133,399  (USD 4,571)	

Balance of investments in Mainland China as of December 31, 2010	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)
\$391,315 (USD 12,599) (HKD 6,304)	\$1,053,273 (USD 36,092)	\$39,494,112

(Net worth of the Company:NT\$65,823,520)

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 auditor

(b) Based on the investee's financial statements audited by the Company's auditor

(c) Others

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

Note 4: This investment was written off when the consolidated financial statement were prepared.

Note 5: The significant events occurring due to investment through the third area and the investees in Mainland China for the year ended December 12, 2010 were as follows: None.

## (3) Business and significant transactions between the company and its subsidiary

December 31, 2010

Number (Note 1)	Name of party	Counterparty	Relationship (Note 2)	Transaction			
				Account	Amount	Trade condition	Ratio of total revenue or total assets (%)
0	Evergreen Marine Corporation	Taiwan Terminal Service Co., Ltd.	1	Accounts payable	\$ 50,949	Note3	0.03
		"	1	Operating revenue	2,905	"	-
		"	1	Operating cost	672,076	"	0.60
		Greencompass Marine S.A.	1	Accounts receivable	6,736	"	0.02
		"	1	Accounts payable	25,280	"	0.02
		"	1	Other receivables	4	"	0.01
		"	1	Agency reciprocal accounts-credit	623,468	"	0.17
		"	1	Operating revenue	414,213	"	0.46
		"	1	Operating cost	242,542	"	0.22
		Evergreen Marine (UK) Limited	1	Accounts receivable	2,618	"	-
		"	1	Accounts payable	3,655	"	-
		"	1	Other receivables	612	"	-
		"	1	Agency reciprocal accounts-credit	2,750	"	0.11
		"	1	Operating revenue	35,458	"	0.03
		PT.Multi Bina Pura International	1	Other receivables	2	"	-
		Evergreen Shipping Agency (India) Pvt. Ltd.	1	Operating cost	6,423	"	0.01
		"	1	Agency accounts - debit	1,933	"	0.03
		Evergreen Shipping Agency (Thailand) CO., Ltd.	1	Operating cost	17,884	"	0.01
		"	1	Agency accounts - debit	10,877	"	0.02
		PT. Evergreen Shipping Agency Indonesia	1	Other receivables	1	"	-
"	1	Agency accounts - debit	15,352	"	0.02		
"	1	Operating cost	35,203	"	0.03		

Number (Note 1)	Name of party	Counterparty	Relationship (Note 2)	Transaction			
				Account	Amount	Trade condition	Ratio of total revenue or total assets (%)
0	Evergreen Marine Corporation	Evergreen Shipping Agency (Singapore) Pte. Ltd.	1	Agency accounts - credit	\$ 98	Note3	-
		"	1	Operating cost	11,204	"	0.01
		Evergreen Shipping Agency (Korea) Corporation	1	Operating cost	2,716	"	-
		"	1	Agency accounts - credit	295	"	-
		Evergreen Shipping Agency (Deutschland) GmbH	1	Agency accounts - credit	1,722	"	-
		"	1	Operating cost	11,490	"	0.01
		Evergreen Shipping Agency (Ireland) Ltd.	1	Agency accounts - credit	256	"	-
		"	1	Operating cost	283	"	-
		Evergreen Shipping Agency (Netherlands) B.V.	1	Other receivables	1	"	-
		"	1	Agency accounts - credit	75,829	"	-
		"	1	Operating cost	5,303	"	-
		Evergreen Shipping Agency (Poland) SP.ZO.O	1	Agency accounts - debit	755	"	-
		"	1	Operating cost	1,827	"	-
		Evergreen Shipping Agency France S.A.	1	Agency accounts - credit	7	"	-
		"	1	Operating cost	2,299	"	-
		Evergreen Shipping (Spain) S.L.	1	Operating cost	1,468	"	-
		"	1	Agency accounts - debit	279	"	-
		Evergreen Shipping Agency (Italy) S.p.A.	1	Agency accounts - debit	4,381	"	-
		"	1	Operating cost	8,227	"	0.01
		Evergreen Shipping Agency (Russia) Limited	1	Other receivables	2	"	-
Evergreen Shipping Agency (Vietnam) Corp.	1	Operating cost	8,102	"	0.01		
"	1	Agency accounts - credit	22,565	"	-		
Evergreen Shipping Agency (Australia) Pty. Ltd.	1	Agency accounts - credit	115	"	-		

Number (Note 1)	Name of party	Counterparty	Relationship (Note 2)	Transaction			
				Account	Amount	Trade condition	Ratio of total revenue or total assets (%)
0	Evergreen Marine Corporation	Evergreen Shipping Agency (South Africa) (PTY) Ltd.	1	Agency accounts - debit	\$ 469	Note3	-
1	Greencompass Marine S.A.	Evergreen Marine (UK) Limited	3	Agency reciprocal accounts-debit	6,902	"	0.01
		"	3	Accounts payable	584	"	-
		Evergreen Heavy Industrial Co., (Malaysia) Berhad	3	Operating cost	1,429,119	"	1.43
		"	3	Accounts payable	267,046	"	0.01
		Evergreen Shipping Agency (India) Pvt. Ltd.	3	Accounts receivable	14,129	"	0.01
		"	3	Agency accounts - debit	1	"	-
		"	3	Operating cost	17,949	"	0.02
		Evergreen Shipping Agency (Thailand) Co., Ltd.	3	Accounts receivable	12,133	"	0.03
		"	3	Agency accounts - credit	11,319	"	0.01
		"	3	Operating cost	43,938	"	0.04
		PT. Evergreen Shipping Agency Indonesia	3	Accounts receivable	20,799	"	0.02
		"	3	Agency accounts - debit	18,277	"	-
		"	3	Operating cost	30,904	"	0.03
		Evergreen Shipping Agency (Singapore) Pte. Ltd.	3	Accounts receivable	18,776	"	0.01
		"	3	Agency accounts - debit	11,846	"	-
		"	3	Agency accounts - credit	2,301	"	-
		"	3	Operating cost	18,481	"	0.02
		Evergreen Shipping Agency (Korea) Corporation	3	Accounts receivable	57,954	"	0.05
		"	3	Agency accounts - debit	37,784	"	-
		"	3	Operating cost	31,233	"	0.03
		Evergreen Shipping Agency (Deutschland) GmbH	3	Accounts receivable	127,193	"	0.10
		"	3	Accounts payable	10,756	"	-

Number (Note 1)	Name of party	Counterparty	Relationship (Note 2)	Transaction			
				Account	Amount	Trade condition	Ratio of total revenue or total assets (%)
1	Greencompass Marine S.A.	Evergreen Shipping Agency (Deutschland) GmbH	3	Agency accounts - debit	\$ 3,505	Note3	-
		"	3	Operating cost	57,151	"	0.04
		Evergreen Shipping Agency (Ireland) Ltd.	3	Accounts receivable	8,813	"	0.02
		"	3	Agency accounts - debit	2,064	"	-
		"	3	Agency accounts - credit	10	"	-
		"	3	Operating cost	3,830	"	-
		Evergreen Shipping Agency (Netherlands) B.V.	3	Accounts receivable	51,113	"	0.02
		"	3	Agency accounts - debit	6,314	"	-
		"	3	Operating cost	60,175	"	0.04
		Evergreen Shipping Agency (Poland) SP.ZO.O	3	Accounts receivable	9,479	"	0.02
		"	3	Accounts payable	164	"	-
		"	3	Agency accounts - debit	38,792	"	-
		"	3	Operating cost	3,895	"	-
		Evergreen Shipping Agency France S.A.	3	Operating cost	70,493	"	0.04
		"	3	Agency accounts - debit	2,900	"	-
		Evergreen Shipping (Spain) S.L.	3	Operating cost	55,462	"	0.05
		"	3	Accounts receivable	120,141	"	0.10
		"	3	Agency accounts - debit	94,540	"	-
		"	3	Agency accounts - credit	8,778	"	-
		Evergreen Shipping Agency (Italy) S.p.A.	3	Agency accounts - debit	7,348	"	0.01
"	3	Agency accounts - credit	9,839	"	-		
"	3	Operating cost	61,290	"	0.06		
Evergreen Shipping Agency (Russia) Limited	3	Accounts receivable	8,445	"	0.01		
Evergreen Shipping Agency (Vietnam) Corp.	3	Accounts receivable	13,030	"	0.01		
"	3	Operating cost	20,515	"	0.02		

Number (Note 1)	Name of party	Counterparty	Relationship (Note 2)	Transaction					
				Account	Amount	Trade condition	Ratio of total revenue or total assets (%)		
1	Greencompass Marine S.A.	Evergreen Shipping Agency (Vietnam) Corp.	3	Agency accounts - debit	\$ 7	Note3	-		
		Evergreen Shipping Agency (Australia) Pty. Ltd.	3	Accounts receivable	7,982	"	-		
		"	3	Agency accounts - debit	3,156	"	-		
		"	3	Agency accounts - credit	420	"	-		
		"	3	Operating cost	5,230	"	-		
		Evergreen Shipping Agency (South Africa) (PTY) Ltd.	3	Accounts receivable	280	"	-		
		"	3	Agency accounts - debit	82	"	-		
		"	3	Operating cost	399	"	-		
		2	Evergreen Marine (UK) Limited	Evergreen Shipping Agency (Thailand) Co., Ltd.	3	Agency accounts - debit	3,064	"	0.01
				"	3	Agency accounts - credit	18,360	"	0.02
"	3			Operating cost	45,068	"	0.04		
Evergreen Shipping Agency (India) Pvt. Ltd.	3			Operating cost	23,569	"	0.02		
"	3			Agency accounts - debit	1,458	"	-		
PT. Evergreen Shipping Agency Indonesia	3			Accounts receivable	10,505	"	-		
"	3			Agency accounts - debit	3,957	"	-		
"	3			Operating cost	42,772	"	-		
Island Equipment LLC.	3			Other receivables	58,254	"	0.05		
Evergreen Shipping Agency (Singapore) Pte. Ltd.	3			Accounts receivable	3,146	"	-		
"	3			Agency accounts - debit	841	"	-		
"	3			Operating cost	13,853	"	0.01		
Evergreen Shipping Agency (Korea) Corporation	3			Operating cost	16,933	"	0.01		
"	3			Agency accounts - debit	35,809	"	-		
"	3	Agency accounts - credit	3,519	"	-				

Number (Note 1)	Name of party	Counterparty	Relationship (Note 2)	Transaction			
				Account	Amount	Trade condition	Ratio of total revenue or total assets (%)
2	Evergreen Marine (UK) Limited	Evergreen Shipping Agency (Deutschland) GmbH	3	Accounts payable	\$ 4,951	Note3	0.01
		"	3	Agency accounts - credit	14,858	"	0.02
		"	3	Operating cost	97,690	"	0.10
		Evergreen Shipping Agency (Ireland) Ltd.	3	Accounts receivable	161	"	-
		"	3	Agency accounts - debit	1,147	"	-
		"	3	Operating cost	7,880	"	0.01
		Evergreen Shipping Agency (Netherlands) B.V.	3	Operating cost	102,413	"	0.10
		"	3	Accounts receivable	7,142	"	0.01
		"	3	Agency accounts - debit	28,422	"	-
		"	3	Agency accounts - credit	16,527	"	-
		Evergreen Shipping Agency (Poland) SP.ZO.O	3	Operating cost	6,068	"	0.01
		"	3	Accounts receivable	1,288	"	-
		"	3	Agency accounts - debit	5,160	"	-
		"	3	Agency accounts - credit	1,500	"	-
		Evergreen Shipping Agency France S.A.	3	Agency accounts - debit	11	"	-
		"	3	Agency accounts - credit	4,783	"	-
		"	3	Operating cost	63,998	"	0.07
		Evergreen Shipping (Spain) S.L.	3	Operating cost	30,775	"	0.03
		"	3	Agency accounts - debit	13,742	"	-
		"	3	Agency accounts - credit	26	"	-
Evergreen Shipping Agency (Italy) S.p.A.	3	Agency accounts - debit	5,173	"	-		
"	3	Agency accounts - credit	8,079	"	-		
"	3	Operating cost	19,345	"	0.02		
Evergreen Shipping Agency (Russia) Limited	3	Accounts payable	1,449	"	-		
"	3	Agency accounts - credit	823	"	-		



Number (Note 1)	Name of party	Counterparty	Relationship (Note 2)	Transaction			
				Account	Amount	Trade condition	Ratio of total revenue or total assets (%)
2	Evergreen Marine (UK) Limited	Evergreen Shipping Agency (Vietnam) Corp.	3	Operating cost	\$ 38,878	Note3	0.03
		"	3	Agency accounts - credit	1,417	"	-
		Evergreen Shipping Agency (Australia) Pty. Ltd.	3	Operating cost	439	"	-
		"	3	Agency accounts - credit	18	"	-
		Evergreen Shipping Agency (South Africa) (PTY) Ltd.	3	Agency accounts - debit	400	"	-
3	PT.Multi Bina Pura International	"	3	Operating cost	630	"	-
		PT.Multi Bina Transport	3	Accounts receivable	412	"	-
		"	3	Accounts payable	396	"	-
		"	3	Other payable	239	"	-
		"	3	Operating revenue	6,273	"	0.01
		"	3	Operating cost	4,698	"	-
		PT. Evergreen Shipping Agency Indonesia	3	Accounts receivable	980	"	-
4	Clove Holding Ltd.	Island Equipment LLC.	3	Other receivables	139,810	"	0.11
		Evergreen Shipping Agency (Deutschland) GmbH	3	Accounts payable	3,384	"	0.01
"	Accounts receivable	4,569		"	-		
"	Operating cost	53,978		"	0.05		
6	PT.Multi Bina Transport	PT. Evergreen Shipping Agency Indonesia	3	Accounts receivable	4,105	"	-

Note 1: Transaction between the Company and the subsidiary are shown as follows:

- (1) the "0" represents the Company.
- (2) the subsidiary are numbered from "1" in sequence.

Note 2: The relationship are shown as follows:

- (1) the Company to the subsidiary.
- (2) the subsidiary to the Company
- (3) the subsidiary to the subsidiary.

Note 3: There is no difference of trade type compared with ordinary transaction.

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Number (Note 1)	Name of party	Counterparty	Relationship (Note 2)	Transaction			Ratio of total revenue or total assets (%)
				Account	Amount	Trade condition	
0	Evergreen Marine Corporation	Taiwan Terminal Service Co., Ltd.	1	Other receivables	\$ -	Note3	-
		"	1	Operating revenue	3,082	"	-
		"	1	Operating cost	629,317	"	0.77
		Greencompass Marine S.A.	1	Accounts receivable	3,314	"	-
		"	1	Other receivables	2,043	"	-
		"	1	Other payables	1,958	"	-
		"	1	Agency reciprocal accounts- debit	206,716	"	0.18
		"	1	Operating revenue	370,031	"	0.45
		"	1	Operating cost	247,085	"	0.30
		Evergreen Marine (UK) Limited	1	Accounts receivable	4,909	"	-
		"	1	Other receivables	12	"	-
		"	1	Agency reciprocal accounts- debit	74,315	"	0.07
		"	1	Agency accounts - debit	59,036	"	0.05
		"	1	Operating revenue	58,623	"	0.07
		"	1	Operating cost	2,771	"	-
		Evergreen Shipping Agency (Thailand) CO., Ltd.	1	Agency accounts - debit	25,509	"	0.02
		"	1	Agency accounts - credit	26,664	"	0.02
		"	1	Operating cost	25,269	"	0.03
		PT. Evergreen Shipping Agency Indonesia	1	Agency accounts - debit	3,525	"	-
		"	1	Operating cost	35,061	"	0.04
Evergreen Shipping Agency (Singapore) Pte. Ltd.	1	Other payables	11	"	-		

Number (Note 1)	Name of party	Counterparty	Relationship (Note 2)	Transaction			
				Account	Amount	Trade condition	Ratio of total revenue or total assets (%)
0	Evergreen Marine Corporation	Evergreen Shipping Agency (Singapore) Pte. Ltd.	1	Operating cost	\$ 6,343	Note 3	0.01
		Evergreen Shipping Agency (Korea) Corporation	1	Operating cost	1,851	"	-
		Evergreen Shipping Agency (Deutschland) GmbH	1	Agency accounts - debit	582	"	-
		"	1	Agency accounts - credit	615	"	-
		"	1	Accounts payable	1,086	"	-
		"	1	Operating cost	1,838	"	-
		Evergreen Shipping Agency (Ireland) Ltd.	1	Agency accounts - debit	366	"	-
		"	1	Operating cost	57	"	-
		Evergreen Shipping Agency (Netherlands) B. V.	1	Agency accounts - credit	1,214	"	-
		"	1	Operating cost	1,899	"	-
		Evergreen Shipping Agency (Poland) SP.ZO.O	1	Agency accounts - debit	19	"	-
		"	1	Operating cost	387	"	-
		Evergreen Shipping Agency France S.A.	1	Agency accounts - credit	227	"	-
		"	1	Operating cost	331	"	-
		Evergreen Shipping (Spain) S.L.	1	Operating cost	242	"	-
		Evergreen Shipping Agency (Italy) S.p.A.	1	Agency accounts - debit	6,911	"	0.01
		"	1	Agency accounts - credit	6,579	"	0.01
		"	1	Operating cost	2,150	"	-
		Evergreen Shipping Agency (Russia) Limited	1	Agency accounts - debit	208	"	-
		Evergreen Shipping Agency (Vietnam) Corp.	1	Operating cost	8,050	"	0.01
Evergreen Shipping Agency (Australia) Pty. Ltd.	1	Agency accounts - debit	714	"	-		

Number (Note 1)	Name of party	Counterparty	Relationship (Note 2)	Transaction			
				Account	Amount	Trade condition	Ratio of total revenue or total assets (%)
0	Evergreen Marine Corporation	Evergreen Shipping Agency (Australia) Pty. Ltd.	1	Operating cost	\$ 6	Note 3	-
		Evergreen Shipping Agency (South Africa) (PTY) Ltd.	1	Agency accounts - debit	12	"	-
1	Peony Investment S.A.	Evergreen Shipping Agency (India) Pvt. Ltd.	3	Other receivables	16,136	"	0.01
		Shenzhen Greentrans Transportation Co., Ltd. (SGTC)	3	Accounts receivable	48	"	-
		"	3	Other receivables	5	"	-
		"	3	Other payables	3,432	"	-
2	Greencompass Marine S.A.	Evergreen Marine (UK) Limited	3	Agency reciprocal accounts - credit	19,488	"	0.02
		Evergreen Heavy Industrial CO.,(Malaysia) Sdn. Bhd.	3	Operating cost	358,501	"	0.44
		Evergreen Shipping Agency (India) Pvt. Ltd.	3	Accounts receivable	29,858	"	0.03
		"	3	Agency accounts - debit	97	"	-
		"	3	Operating cost	25,123	"	0.03
		Evergreen Shipping Agency (Thailand) Co., Ltd.	3	Accounts receivable	9,003	"	0.01
		"	3	Agency accounts - debit	20,440	"	0.02
		"	3	Agency accounts - credit	23,641	"	0.02
		"	3	Operating cost	41,692	"	0.05
		PT. Evergreen Shipping Agency Indonesia	3	Accounts receivable	32,708	"	0.03
		"	3	Agency accounts - debit	93	"	-
		"	3	Operating cost	34,200	"	0.04
		Evergreen Shipping Agency (Singapore) Pte. Ltd.	3	Accounts receivable	20,063	"	0.02
		"	3	Other payables	32	"	-
		"	3	Operating cost	12,559	"	0.02
		Evergreen Shipping Agency (Korea) Corporation	3	Accounts receivable	32,726	"	0.03
		"	3	Operating cost	24,132	"	0.03
		Evergreen Shipping Agency (Deutschland) GmbH	3	Accounts receivable	43,208	"	0.04
		"	3	Accounts payable	5,864	"	0.01

Number (Note 1)	Name of party	Counterparty	Relationship (Note 2)	Transaction			
				Account	Amount	Trade condition	Ratio of total revenue or total assets (%)
2	Greencompass Marine S.A.	Evergreen Shipping Agency (Deutschland) GmbH	3	Operating cost	\$ 94,178	Note 3	0.11
		Evergreen Shipping Agency (Ireland) Ltd.	3	Accounts receivable	9,317	"	0.01
		"	3	Agency accounts - debit	51	"	-
		"	3	Operating cost	8,054	"	0.01
		Evergreen Shipping Agency (Netherlands) B.V.	3	Accounts receivable	54,890	"	0.05
		"	3	Agency accounts - debit	8,481	"	0.01
		"	3	Agency accounts - credit	4,374	"	-
		"	3	Operating cost	109,014	"	0.13
		Evergreen Shipping Agency (Poland) SP.ZO.O	3	Accounts receivable	6,929	"	0.01
		"	3	Operating cost	6,246	"	0.01
		Evergreen Shipping Agency France S.A.	3	Accounts receivable	43,563	"	0.04
		"	3	Operating cost	79,435	"	0.10
		Evergreen Shipping (Spain) S.L.	3	Operating cost	36,113	"	0.04
		Evergreen Shipping Agency (Italy) S.p.A.	3	Accounts receivable	208,516	"	0.18
		"	3	Agency accounts - debit	17,553	"	0.02
		"	3	Agency accounts - credit	8,990	"	0.01
		"	3	Operating cost	44,012	"	0.05
		Evergreen Shipping Agency (Russia) Limited	3	Accounts receivable	7,314	"	0.01
		Evergreen Shipping Agency (Vietnam) Corp.	3	Accounts receivable	10,300	"	0.01
		"	3	Agency accounts - debit	115	"	-

Number (Note 1)	Name of party	Counterparty	Relationship (Note 2)	Transaction					
				Account	Amount	Trade condition	Ratio of total revenue or total assets (%)		
2	Greencompass Marine S.A.	Evergreen Shipping Agency (Vietnam) Corp.	3	Operating cost	\$ 22,540	Note3	0.03		
		Evergreen Shipping Agency (Australia) Pty. Ltd.	3	Accounts receivable	13,559	"	0.01		
		"	3	Operating cost	7,453	"	0.01		
		Evergreen Shipping Agency (South Africa) (PTY) Ltd.	3	Accounts receivable	501	"	-		
		"	3	Agency accounts - debit	325	"	-		
		"	3	Agency accounts - credit	1,000	"	-		
		"	3	Operating cost	2,076	"	-		
		3	Evergreen Marine (UK) Limited	Island Equipment LLC.	3	Other receivables	64,210	"	0.06
				Evergreen Shipping Agency (Thailand) Co., Ltd.	3	Agency accounts - debit	17,594	"	0.02
"	3			Agency accounts - credit	22,650	"	0.02		
"	3			Operating cost	25,872	"	0.03		
Shenzhen Greentrans Transportation Co., Ltd. (SGTC)	3			Accounts payable	73	"	-		
Evergreen Shipping Agency (India) Pvt. Ltd.	3			Operating cost	22,446	"	0.03		
PT. Evergreen Shipping Agency Indonesia	3			Agency accounts - debit	1,015	"	-		
"	3			Operating cost	28,047	"	0.03		
Evergreen Shipping Agency (Singapore) Pte. Ltd.	3			Agency accounts - debit	489	"	-		
"	3			Operating cost	5,303	"	0.01		
Evergreen Shipping Agency (Korea) Corporation	3			Operating cost	7,891	"	0.01		
Evergreen Shipping Agency (Deutschland) GmbH	3			Accounts payable	11,971	"	0.01		
"	3			Operating cost	168,856	"	0.21		
Evergreen Shipping Agency (Ireland) Ltd.	3			Accounts receivable	159	"	-		
"	3			Agency accounts - debit	3,228	"	-		
"	3	Operating cost	14,038	"	0.02				

Number (Note 1)	Name of party	Counterparty	Relationship (Note 2)	Transaction			
				Account	Amount	Trade condition	Ratio of total revenue or total assets (%)
3	Evergreen Marine (UK) Limited	Evergreen Shipping Agency (Netherlands) B.V.	3	Operating cost	\$ 76,749	Note 3	0.09
		Evergreen Shipping Agency (Poland) SP.ZO.O	3	Operating cost	7,863	"	0.01
		Evergreen Shipping Agency France S.A.	3	Agency accounts - debit	10,372	"	0.01
		"	3	Operating cost	78,919	"	0.10
		Evergreen Shipping (Spain) S.L.	3	Agency accounts - debit	301	"	-
		"	3	Operating cost	27,601	"	0.03
		Evergreen Shipping Agency (Italy) S.p.A. (EIT)	3	Agency accounts - debit	7,871	"	0.01
		"	3	Agency accounts - credit	1,336	"	-
		"	3	Operating cost	14,832	"	0.02
		Evergreen Shipping Agency (Russia) Ltd. (ERU)	3	Accounts payable	1,094	"	-
		"	3	Agency accounts - debit	1,515	"	-
		Evergreen Shipping Agency (Vietnam) Corp.	3	Agency accounts - debit	1,230	"	-
		"	3	Operating cost	23,506	"	0.03
		Evergreen Shipping Agency (Australia) Pty. Ltd.	3	Agency accounts - debit	143	"	-
		"	3	Operating cost	405	"	-
		Evergreen Shipping Agency (South Africa) (PTY) Ltd.	3	Agency accounts - debit	69	"	-
		"	3	Agency accounts - credit	201	"	-
"	3	Operating cost	442	"	-		
4	Clove Holding Ltd.	Island Equipment LLC.	3	Other receivables	154,104	"	0.13
5	PT.Multi Bina Pura International	PT.Multi Bina Transport	3	Accounts receivable	402	"	-
		"	3	Accounts payable	254	"	-
		"	3	Other payables	218	"	-
		"	3	Operating revenue	4,529	"	0.01
		"	3	Operating cost	3,124	"	-
		PT. Evergreen Shipping Agency Indonesia	3	Accounts receivable	1,788	"	-

Number (Note 1)	Name of party	Counterparty	Relationship (Note 2)	Transaction			
				Account	Amount	Trade condition	Ratio of total revenue or total assets (%)
5	PT.Multi Bina Pura International	Evergreen Shipping Agency (Russia) Ltd. (ERU)	3	Accounts payable	\$ 3,799	Note3	-
		"	3	Operating cost	25,002	"	0.03
6	PT.Evergreen Shipping Agency Indonesia	PT.Multi Bina Transport	3	Accounts payable	4,937	"	-

Note 1: Transaction types between the Company and the subsidiary are shown as follows:

- (1) the "0" donates the Company.
- (2) the subsidiaries are donated in sequential numbers from "1".

Note 2: The relationship types are shown as follows:

- (1) the Company to the subsidiary.
- (2) the subsidiary to the Company
- (3) the subsidiary to the subsidiary.

Note 3: Any trade types presented above are of no difference from ordinary transaction.



## 11. SEGMENT INFORMATION

### (1) Financial information by industries

The Group is engaged in only one single industry, i.e. international marine transportation and shipping agency. Therefore, no disclosure is required.

### (2) Financial information by geographical areas

	December 31,2010					Consolidated group
	Domestic	Americas	Europe	Asia	Others	
Operating revenue	\$ 16,586,236	\$ 54,788,870	\$36,523,465	\$ 1,041,555	\$ 413,050	\$ 109,353,176
Segment profit or loss	( 13,270,713)	( 46,344,798)	( 29,528,232)	( 159,954)	( 34,836)	( 89,338,533)
Operating expenses						( 5,112,275)
Interest expenses						( 484,217)
Investment gain accounted for under the equity method						<u>4,337,426</u>
Net income before income tax						<u>\$ 18,755,577</u>
Identifiable asset Long-term equity investments accounted for under the equity method	\$ 24,725,288	\$ 40,680,336	\$31,603,302	\$ 4,867,939	\$ 325,311	\$ 102,202,176
Total assets						<u>\$ 129,565,483</u>
	December 31,2009					
	Domestic	Americas	Europe	Asia	Others	Consolidated group
Operating revenue	\$ 14,639,973	\$ 39,642,574	\$26,583,350	\$ 747,219	\$ 323,199	\$ 81,936,315
Segment profit or loss	( 9,409,425)	( 45,333,663)	( 29,146,688)	( 164,553)	( 13,933)	( 84,068,262)
Operating expenses						( 5,351,372)
Interest expenses						( 399,737)
Investment gain accounted for under the equity method						<u>(4,990,591)</u>
Net income before income tax						<u>(\$ 12,873,647)</u>
Identifiable asset Long-term equity investments accounted for under the equity method	\$ 25,166,319	\$ 32,992,351	\$27,137,786	\$ 4,393,870	\$ 315,229	\$ 90,005,555
Total assets						<u>\$ 114,228,677</u>

(3) Export information

	<u>December 31, 2010</u>		<u>December 31, 2009</u>	
	<u>Amount</u>	<u>% of Account Balance</u>	<u>Amount</u>	<u>% of Account Balance</u>
<u>Service routes</u>				
North America	\$ 39,208,792	40	\$ 31,322,840	41
Asia	23,470,023	24	17,870,467	24
Europe	20,006,664	20	15,631,339	21
Australia	138,633	-	211,738	-
Central and south America	5,449,163	6	4,946,157	7
Mediterranean	9,321,787	10	5,539,365	7

(4) Information on major customers

The Group provides services to customers all over the world. No single customer of the Company accounts for more than 10% of the Company's operating revenues.

