

WAN HAI LINES LTD.
ANNUAL REPORT 2009

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Basic Information of ECB : None



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Setting off from Asia to connect up the business opportunities for the world

Wan Hai has been the shipping company with the most complete service network and the most concentrated shipping lines in Asia since its establishment in 1965. We started from Asia, and expanded our shipping lines to the Middle East, West America, Europe and the Black sea in succession. Wan Hai continuously strives towards the goal of becoming a global shipping company through treasuring every opportunity to serve our customers, and connecting the logistics of the entire globe, leading Wan Hai to become a good companion for your life and career!

History of Wan Hai

- 1965 Feb. 24th / The establishment of Wan Hai Lines LTD.
Aug. / Purchased the LIBERTY boat and renamed as FOSMAR, for the transportation of steel between Japan and America
- 1966 / Purchased a second hand 5,000 DWT lumber vessel from Japan, which was named as “Wan Shou”.
- 1976 Jun. / The first container ship “Ming Chun” introduced to serve the transportation of containers between Taiwan and Japan.
- 1982 Apr. / Purchased the first batch of 1300 pieces of 20 feet containers for business operation
Jun. / Purchased the HP computer system to carry out the computerized operation.
Oct. / Attained the general Agency for Taiwan region with Norwegian HOEGH LINE CO., A/S.
- 1988 Oct. / Established the shipping line between Taiwan and Korea.
- 1989 Jun. / Established the shipping line between Singapore and Malaysia.
Oct. / Established the shipping line between Taiwan and Thailand.
- 1990 May. / Established the shipping line to Indonesia.
Jul. / Established the shipping line to the Philippines.
- 1991 Mar. / Established cooperation with Korean Hyundai Merchant Marine Co. to operate shipping lines to Thailand and Southeast Asia, which was the first step for joint operations.
Apr. / Established the shipping space exchange cooperation with MAIN GROUP between Japan and Taiwan, as well as Taiwan and Southeast Asia.
- 1995 Feb. / Held a cocktail party in celebration of 30th anniversary since establishment at the Grand Hotel, and was honored with the inscription of “Enrich the nation and the people” by ROC President Deng Hui Lee.
- 1996 Apr. / Established the shipping lines to the Haifang port of Vietnam.
May. / First IPO as the first category transportation stock.
Jun. / Established the shipping line to India.
- 2000 May. / Established the shipping line to West America.
- 2003 Mar. / The commencement of Ohi pier 5 of Tokyo, Japan as the exclusive wharf.
Aug. / Formally established the Wan Hai social benefit charity foundation.
- 2004 May. / Established the subsidiary company in Hamburg, Germany.
- 2005 Feb. / Set into action the ISO 14001 environmental management system.
- 2007 Nov. / Established shipping lines between China and the Black sea.
- 2008 Jul. / Established shipping lines between United Arab Emirates, Iran and Pakistan, which was the first shipping line in the Middle East for the company.
- 2009 May. / Cooperated with BTL to establish the shipping line between Singapore, Malaysia and India.

2009—A year filled with ordeals

Most shipping companies were impacted in the fourth season by the economic tsunami of 2008; with the unknown future ahead, Wan Hai immediately carried out internal evaluation, and reacted promptly ahead of the market to adjust the shipping lines as well as the dispatch of relative ships according to the changes of the markets in the various regions. In addition, with the strategic cooperation between fraternities to improve the operational costs, we enhanced operational performance.

With the above mentioned strategic adjustment, the excessive transportation powers resulted from distant shipping lines can also be prevented effectively besides reducing the operational costs for Wan Hai in the US and Europe shipping lines.

Wan Hai's anchor market is set in the regions of shorter shipping lines such as Asia, and with the relatively stable trading amongst the Asian regions, Wan Hai continuous to develop new shipping lines in order to expand the layout in the Asian regions. Furthermore, the active development of even more intricate shipping networks are being achieved through the strategic alliances, so as to offer more and better selection of shipping line to the customers, and to maintain its leading position in the short route regions.

Wan Hai's operational performance last year was far better than the other globally renowned shipping companies, and the success must be attributed to our prompt and flexible strategy as well as the layout of shipping lines, and reacting promptly to the changes of the market in order to enhance the operational performance. This has lead Wan Hai to counteract effectively to the global economic recession, and reflect the performance with our profit.

2010 – Challenges and hopes

After withstanding the ordeals of 2009, Wan Hai continuous to plan its layout globally and look forward to offer the best services to the customers. Looking into 2010, we persist to operate in the safest and most efficient professional manner to carry your hope and future.



Energy-saving and environmental protection to guard the ocean and love the earth Green shipping lines

Wan Hai shipping company has obtained ISO 14001 certification in 2005 for environmental management system, and continues to enhance the awareness of sustainable environment for the employees, crew members, and entrepreneurs through the educational trainings and the propagation of energy saving. Together with implementing garbage separation and recycling, we hope that environmental protection can be carried out down to the finest details by our company employees, in order to provide a healthier and cleaner earth for the next generation.



ENVIRONMENT
PROTECTION

Green action

Office

- Establish environmental management system (EMS)
- Propagation on environmental issues
- Plan for the recycling of office resources



On board

- Proposals to increase the oil and pollution preventive facilities for the ships
- Alteration of the regulation for paint on newly constructed ships
- Proposals to reduce the oil consumption of the engine cylinder
- Management scheme for the ballast water of the ships
- Proposals to install PBCF on the propellers
- Recycle program for waste of the ships



Green Flag Plan

Wan Hai Lines began to participate in the “Green Flag Plan” engaged in Long Beach of the western United States, where ships will automatically decelerate to a speed below 12 knots when approaching the Port of Long Beach from a distance of 20 nautical miles. Furthermore, all of Wan Hai’s ships have conformed to the standard after 2008, and even broaden the scope by participating to decelerate automatically at a distance of 40 nautical miles in 2009, and the result was outstanding. As of 2009, Wan Hai’s ships in the western United States have been using the electricity facilities of the Port of Long Beach, in order to reduce the pollution on the environment caused by the exhaust emission from the engine.

Wan Hai spreads love with hope fully loaded

The Wan Hai Charity Foundation was established in 2003. As a responsible enterprise citizen, we promise to help with the best effort the disadvantaged groups in every corner, and pass on the love and care to those in need through the annual arrangement of various concerts and other activities.



Raise charity and pass on hope

2003

- * Establishment of Wan Hai charity foundation.
- * Held “White Christmas” charity concert, with all earnings from ticket sales and charity fundraising donated to the public welfare organizations such as Haujan Senior Citizen Home and Aiai home.
- * Set up blood donation activities on a regular basis in February and August every year.

2004

- * Held “Classical of the century” charity concert and invited the Budapest Symphony Orchestra from Hungary to perform in Taiwan, with all of the earnings from the tickets and charity fundraising donated to Happymount sanatorium for the construction of the building for caring the seriously disabled.
- * Set up charity container service to assist the transportation of charity goods overseas for the public welfare organizations.

2005

- * Sponsored the “Nutcracker and The Merchant of Venice”, with all of the earnings from the tickets and fundraising donated to Aiai home as the fund for the internal extension project.
- * Participated in the fundraising of “Ten thousand hopes after tomorrow” for South Asian tsunami, with a donation of NTD 18 million from Wan Hai Lines and an internal raised fund of USD 19,175. In addition of working together with Bread of Life Christian Church to construct permanent social learning centre for children in Chennai, south of India.
- * Established emergency relief services to offer intervention in terms of medical treatment, rehabilitation and placement for those who were injured and disabled during the disaster and had no ability to raise money.

2006

- * Held a charity concert and invited the St. Petersburg Philharmonic Orchestra to perform in Taiwan, with all of the earnings from the tickets and charity fundraising donated to Sacred Heart Home for the construction of “Min Dao” centre for the caring of seriously disabled adults.
- * Established a scholarship program for students in the remote districts, and sponsored students with graduation tours as well as winter and summer camps, in order to enhance the knowledge and vision for students in the remote districts, and to improve the overall competitiveness.
- * Established scholarships for needy students, and offered student-aid for the needy students in the faculties of maritime affairs colleges.

2007

- * Sponsored a charity concert with the Czech Philharmonic Orchestra, with all of the earnings from the tickets and fundraising donated to Hwalien Bethesda home care for the construction of “Building of hope”.

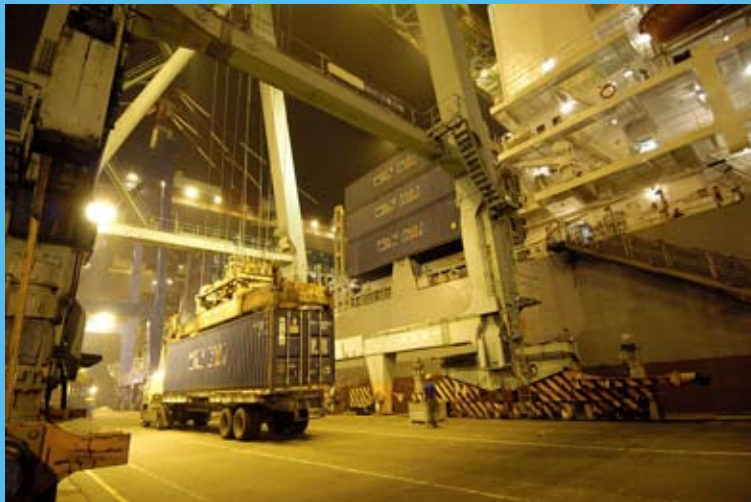
2008

- * Sponsored a charity concert with the Royal Philharmonic Orchestra, with all of the earnings from the tickets and fundraising donated to Yong An Children’s home in Kaohsiung for the construction of “Yong An home”.
- * In response to the earthquake relief fundraising for Sichuan, the Wan Hai Group has donated RMB 2.5 million to the Red Cross Association for the relief of the victims and the reconstruction. Freewill donation from employees of the enterprise amounted to NTD 1,619,489, which was wholly donated to the World Vision organization for the children’s learning centre in the disaster area.

2009

- * In response to the disaster relief of typhoon Morakot, the foundation has made a donation of one million dollars to the victims in Kaohsiung County. In addition, a fundraising activity was established within the enterprise, with a charity result of 2.4 million dollars. The foundation contributed 18 million dollars including those raised within the enterprise to the projects on “Build home with relief” and “Go to school with relief”, offering a helping hand to those students of the disaster victims, as well as those families with houses completely destroyed.
- * Donated 2500 sets of daily necessities, and followed up a life assistance program of “Never give up and continue to love” for the destitute households in the regions of Yunlin, Nantou, Taitung and Hualien etc.

Wan Hai connects the world



For the past 45 years, our service has connected the different countries and cultures. Whether the distance is far or near, Wan Hai allows the network between the people to get closer.

Steady growth Future vision

World-class shipping company, perfect and reliable services.

Steady profit

Wan Hai precedes other global shipping companies in the Asian market to offer the most complete service network with a professional operating team with experience of over 45 years. For this reason, Wan Hai is capable of balancing the risks of running overseas shipping lines during the occurrence of the global periodic economic recession. Simultaneously, we are also working enthusiastically on strategic alliances with globally renowned shipping companies, in order to reduce operational risks of all major markets, and to decrease the unit cost as well as enhance the service network. The steady performance on the profit comes from the flexible alterability of the strategy, as well as the operational model of centralizing the market range.



Cost management

Wan Hai Lines has invested a great deal of resources for exclusive wharfs in Taiwan and Japan, as well as the operating management of container commercial centre, and this type of management has taken the operational costs of container loading and unloading into effective control.

The maximized service network has been achieved via the continuous research invested in new shipping line market. In addition, planning projects on constructing new ships, as well as replacement of containers and wharf facilities in order to maintain performance for Wan Hai, and to further enhance its competitiveness on the market.

Financial structure

Shareholders are allowed to act effectively as supervisors due to the smooth and steady financial structure, thus, Wan Hai is capable of withstanding any kind of challenge and environment with keen competitions in the foreseeable future.

I Letter to Shareholders

Ladies and Gentlemen:

In conjunction with the annual shareholders meeting, we are pleased to render our 2009 financial report to all of our shareholders. As always, we welcome all of your comments and suggestions.

Year 2009 was indeed a year full of challenge. Triggered by the U.S. Sub-prime Mortgage Credit Crunch and collapses of some renowned major investment banks in 2008, the global financial and banking system became tumbling. A large scale of small and mid sized enterprises began folding up and the global economies were wildly hit. As a result, economy growth was slowing down. Worldwide aggregate import and export shrank. Despite the adverse economic factors, Wan Hai has well positioned to address those challenges with constant management concepts and more humble and cautious attitude.

It was a terrible ordeal for liner shipping industry as well in year 2009. Trade volume declined to an unexpected level in both the US and European markets. Very Large Containers Ships were continuously delivered from their previous order book. Freight rates were at huge pressure and eventually slid drastically. In the mean time, the number of idling ships also climbed. Wan Hai was probably the first carrier to quickly respond to the change by rationalizing its capacity and vessel deployments in order to retain the most competitive status. The more severe the market is, the more adaptive Wan Hai would be.

In order to minimize the impact of the fluctuating vessel chartering cost and the recession on both the US and European markets, Wan Hai has on one hand cut long haul service capacity starting 4Q 2008 and on the other hand kept phasing out older and chartered fleets. The cost saving measures have helped us through the most difficult situation in the entire year 2009. Now light recovery signaled in 1Q 2010. We shall remain flexible to maneuver the most optimal size and number of vessels to the long haul trade lanes. In year 2012, scheduled new building ships will be delivered to replace older ones.

In December 2009, we retired one 546 TEU vessel to add flexibility and efficiency to our asset allocation. It is a seamless task for us to always endeavor to optimize our company resources and strictly manage our cost cutting schemes so as to prepare ourselves into the unforeseeable future.

Immediately after the cross strait direct link was announced on 14th December 2008, our services plying Taiwan and China were adjusted both in their route and port calls aiming to save fuel cost. In addition, we also buy slots to further increase the service frequency and strengthen our network.

Despite the turbulent environment caused by the global economic slowdown, we remain committed to the implementation of our company policies, including our management philosophy of Business Continuity. Customers First is evident in all of our business strategies and plans in order to live up to the expectations of the shareholders and the public as a whole. We are devoted to continually outperforming the market and serving as an epitome for successful International Corporation.

We wish you good health and success.

Sincerely,

P.T Chen

Chairman

March 25, 2010

Company Profile

2.1. Date of the Establishment: February 24, 1965

2.2. Main Activities:

1. Marine Transportation
2. Shipping Agency
3. Purchasing & selling of Vessels and Containers
4. Container Freight Station Business
5. Leasing of Vessels and Containers

2.3. Major Event of Corporate History:

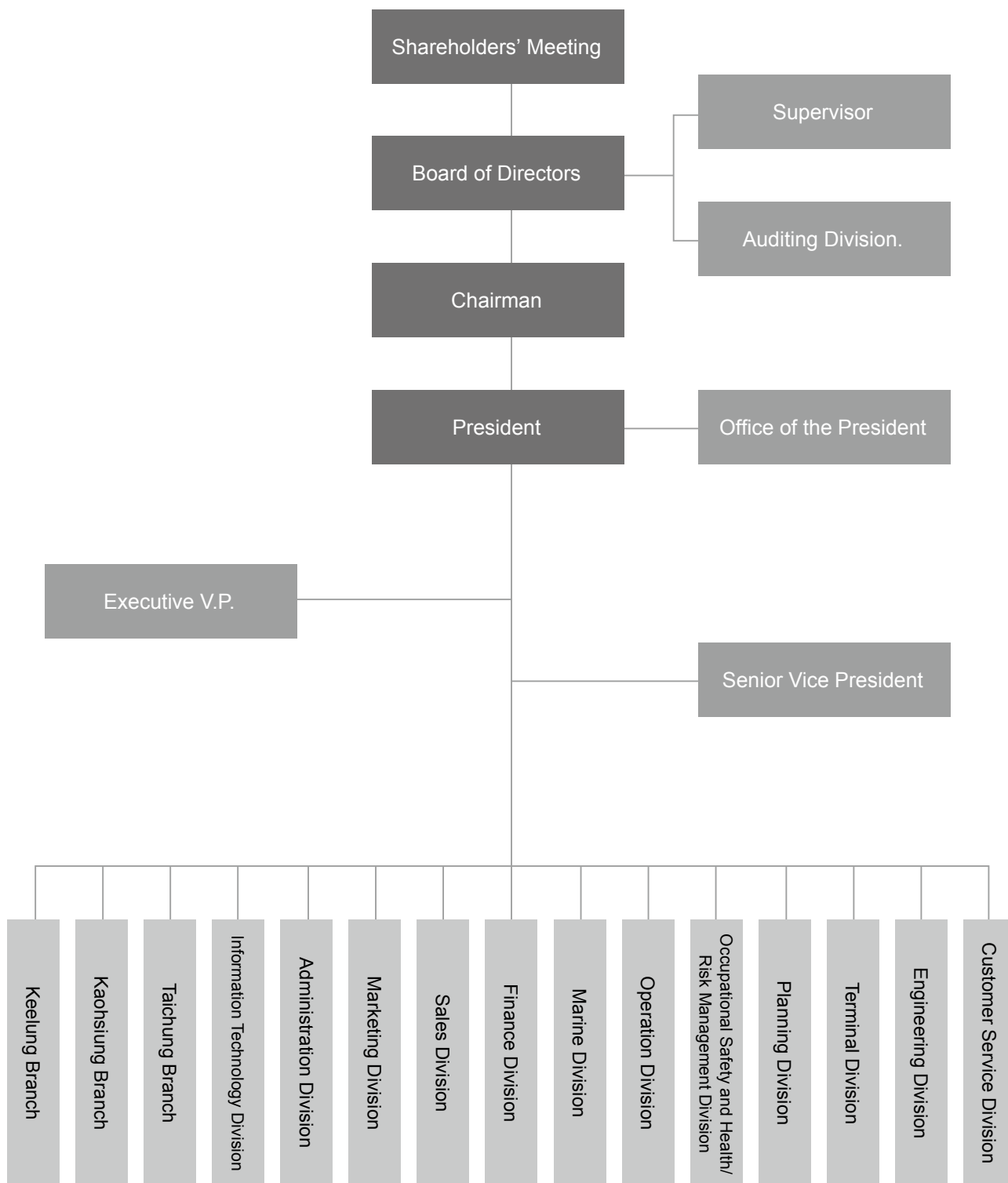
1. Founded on February 24, 1965, Wan Hai started as a log carrier servicing Taiwan, Japan, and Southeast Asia. Recognizing the coming trend of containerization, Wan Hai transitioned to a fully containerized fleet in 1976. Initially serving the Taiwan and Japan trade, Wan Hai has expanded our network and now offers Asia's most comprehensive service network and has extended our global reach.

2. With the management philosophy of "customer first, full participation, business continuity" in mind, Wan Hai is devoted to providing high quality service to our customers. We are committed to provide punctual schedules and personalized service across our service network. Under dedicated management, we have won widespread support and trust from customers, which enable us to grow at an impressive pace. To better serve society and clients, we continually improve our hardware and set up branch offices in Kaohsiung, Keelung, and Taichung. Wan Hai also leased dedicated wharves at Kaohsiung, Taichung, and Tokyo Port and leased the exclusive container yard at Keelung Port. Wan Hai is an investor in Taipei Port, which began operations in 2009, to provide an additional service and option for our customers.

3. In June of 1983 Wan Hai introduced two separate shuttle services to Kanto and Kansai of Japan. As the first carrier to pioneer this revolutionary service model, we benefited from reduced transit time and improved punctuality, which allowed Wan Hai to secure its position as number one in the Taiwan - Japanese trade. In response to the relocation of Taiwanese manufacturing facilities to the Southeast Asia, we launched new service strings to Korea, Singapore, Malaysia, Thailand, Indonesia, Philippines, and Vietnam beginning 1989. Since then, we have increased and maintained large cargo volumes establishing Wan Hai as the third ranked Taiwanese carrier and the leading carrier in the Intra-Asia trade. Wan Hai has also received numerous awards from the Ministry of Transportation & Communications in recognition of our remarkable performance. In May 1996, Wan Hai was listed on the Taiwan Stock Exchange. In August 1997, we began to operate Taiwan-Hong Kong-Xiamen cross-straits service via a third country, to serve the booming trade between Taiwan and China. Wan Hai then launched the Taiwan-Hong Kong-Shanghai service in July 1998 to further enhance our service network in China. In April of 1998, we successfully launched our Middle East service to meet the growing needs of this expanding trade. Due to strong customer support, Wan Hai inaugurated our Middle East II service in seven months later connecting Singapore-Port Klang-Dubai-Karachi, further enhancing our competitive position. To expand our global reach Wan Hai's first transpacific service was inaugurated in of May 1999. In June of 2001 Wan Hai enlarged our service deploying an independent service string. Wan Hai has been able to leverage its strength in and market expertise from the Intra-Asia trade to steadily generate profit while expanding into new markets. In 2004, we launched "Far East - Europe" and further expanded our transpacific services through strategic alliances. In November 2007, we launched the Far East to Black Sea service to expand our service network. From 2005 to 2009, Wan Hai took delivery of nineteen new built vessels. In April 2010, Wan Hai launched two new services from Asia to the East Coast of South America, and a separate service from Asia to East Africa.

3.1. Organization Structure

3.1.1. Organization Chart of Wan Hai Lines Ltd.



3.1.2. Description of each division's operation under the Company

Division	Working content
Administration Division	In charge of human resources matters and general affairs.
Auditing Division	Auditing the operational, financial, and accounting matters of each division of the Company, domestic and overseas branch offices and agents.
Branch Office	Responsible for local shipping business, issuance of shipping related document, and arrangement of vessel carriers and cargo containers.
Customer Service Division	Responsible for issuance of shipping related document, over the counter accounting, and tariff, service fees and charges collection.
Engineering Division	Supervision of vessel design and construction; routine maintenance of vessel fleet and purchase of components.
Finance Division	Handling the budget plan and control, accounting and bookkeeping; review of billing documentation; capital allocation and movement, foreign exchange operation; stock affairs, and other financial related matters.
Information Technology Division	In charge of setting up and maintenance of the information system, programming; computer operation and system construction and planning; and management and use of computer related resources.
Marine Division	In charge of crew's management and supervision, marine safety and insurance; fuel purchasing and other matters relating to marine operation.
Marketing Division	In charge of core service promotion and marketing and the overseas marketing and strategy.
Office of the President	Other investment opportunities, risk control and management, cost control, financial market investigation and analysis, business public relation, and corporate identity system.
Operation Division	In charge of allocation, logistics, management of cargo container domestic and overseas; design, maintenance and construction of containers; management of uploading and unloading of cargo containers; and planning of vessel carrier service schedules.
Planning Division	Construction of business strategy plan, and the long to mid term business operation plan.
Occupational Safety and Health/ Risk Management Division	Compliance with law and regulations relating to occupational safety and health affairs and legal affairs.
Sales Division	Responsible for soliciting cargo carry business domestically, and construction of sales plan.
Terminal Division	Supervising and managing terminals, container yard, warehouse operation; evaluate the investment return on terminal operation; business solicitation and promotion; maintenance of customer relation; terminal construction plan and proposal.

3.2 Information of Directors, Supervisors, President, Executive Vice President, and the Chiefs of all the Company's divisions and branches

3.2.1 Director and Supervisors

1. The list of Directors and Supervisors

Title		Chairmen	Director	Director	Director	Director
Name		P. T. Chen	H. Y. Chen	Yi De Technology Corp. representative: Chih-Chao Chen	YCN representative: Randy Chen	Baltimore International Ltd. representative: Ye-Tsan Lee
Date elected		2008-06-18	2008-06-18	2008-06-18	2008-06-18	2008-06-18
Tenure		3 years	3 years	3 years	3 years	3 years
Date first elected (Note 2)		1999-05-06	2005-06-23	2008-06-18	1999-05-06	1999-05-06
Shareholding on date elected	No. of shares	8,710,702	42,325,719	6,982,336	258,715,911	1,632,611
	Holding Ratio	0.42%	2.04%	0.34%	12.45%	0.08%
Current Shareholding	No. of shares	9,146,237	44,442,005	7,331,452	271,651,706	1,714,241
	Holding Ratio	0.43%	2.07%	0.34%	12.65%	0.08%
Current shareholding of Spouse and Minor Children	No. of shares	2.07%	-	-	-	-
	Holding Ratio	0.34%	-	-	-	-
Shareholding under other names	No. of shares	0	-	-	-	-
	Holding Ratio	12.65%	-	-	-	-
Major Academic qualification and professional experience (Note 3)		Master of Business Administration, University of San Francisco	Master in College of Education, Harvard University	City University of New York	Master of Business Administration MIT SLOAN School of Management	Department of Economics, National Taiwan University
Positions held in the Company and other companies		FORMOSA WONDERWORLD CO., Ltd. Chairman, Board of Directors WAN HAI LINES (INDIA) PVT. LTD. Director k.k. WH Corporation Director WAN HAI LINES (UAE)LTD. Director WAN HAI LINES THAILAND LTD. Director WAN HAI LINES (PHILS) INC. Director WAN HAI LINES KOREA LTD. Director WAN HAI LINES (M) SDN.BHD. Director WAN HAI LINES (SINGAPORE) PTE. LTD. Director WAN HAI LINES (AMERICA)LTD. Director WAN HAI INTERNATIONAL PTE. LTD. Director WAN HAI LINES (H.K.)LTD. Director DAWIN LOGISTIC (INTERNATIONAL) LTD. Director	ASIA PACIFIC LOGISTICS INTERNATIONAL CO., Ltd. Vice Chairman, Board of Directors	YI CHAO CORP. Director DAWIN LOGISTIC (INTERNATIONAL)LTD. Director WAN HAI LINES(H.K.) LTD. Director WAN HAI LINES (AMERICA)LTD. Director BAO SHENG SHIPPING AGENCY CO., LTD Chairman	EVERVALIANT CORP. Director WAN HAI LINES (PHILS) INC. Chairman/ President WAN HAI LINES (SINGAPORE) PTE. LTD. Director WAN HAI LINES (AMERICA)LTD. Director	SHIH LIN PAPER CORP. Director SUNSHINE SHIH LIN DEVELOPMENT CO., Ltd. Director FORMOSA WONDERWORLD CO., Ltd. Consultant
officer, director, or supervisor held by spouse or relatives within two levels of blood relations	Title	Director	Chairman	Supervisor	-	-
	Name	H. Y. Chen	P. T. Chen	Chih Hsiang Chen	-	-
	Relation	Siblings	Siblings	Siblings	-	-

3.2.1 Director and Supervisors(Continued)

1. The list of Directors and Supervisors

Title	Director	Director	Supervisor	Supervisor	Supervisor	
Name	Hsin Feng Corp. representative: Bai-Chih Chow	Blue Moon Investment Corp. representative: Cheng-Hsien Lin	Joyce Investment Corp. representative: Hsin Pei Lin	Yi Siang Corp. representative: Chih Hsiang Chen	Betty Chin Chia Lin	
Date elected	2008-06-18	2008-06-18	2008-06-18	2008-06-18	2008-06-18	
Tenure	3 years	3 years	3 years	3 years	3 years	
Date first elected (Note 2)	2005-06-23	2008-06-18	1999-05-06	2008-06-18	1999-05-06	
Shareholding on date elected	No. of shares	2,443,719	2,646,100	28,293,018	5,832,703	7,939,321
	Holding Ratio	0.12%	0.13%	1.36%	0.28%	0.38%
Current Shareholding	No. of shares	2,565,905	2,778,405	29,707,668	6,124,338	8,336,287
	Holding Ratio	0.12%	0.13%	1.38%	0.29%	0.39%
Current shareholding of Spouse and Minor Children	No. of shares	-	-	-	-	-
	Holding Ratio	-	-	-	-	-
Shareholding under other names	No. of shares	-	-	-	-	-
	Holding Ratio	-	-	-	-	-
Major Academic qualification and professional experience (Note 3)	Department of Marine & Trans. Management, National Chiao Tung University,	Southern Methodist University, LL.M	Master in Business Administration, University of California, Berkeley	New Jersey College of Science and Engineering	Department of Business Administration Sophia University	
Positions held in the Company and other companies	WAN HAI LINES LTD. President WAN HAI LINES(H.K.)LTD. Director	SHIH LIN PAPER CORP. Representative Director for legal entity CHANG HWA BANK Representative Director for legal entity	JOYCE INVESTMENT CORP. Chairman	SHIH LIN PAPER CORP. Director	UNI COOPERATE INTERNATIONAL CO., Ltd. Supervisor	
officer, director, or supervisor held by spouse or relatives within two levels of blood relations	Title	-	-	-	Director	-
	Name	-	-	-	Chih-Chao Chen	-
	Relation	-	-	-	Siblings	-

2. Major shareholders of corporation stockholders

2009.12.31

Corporation shareholders	Major Shareholders and holdings %						
Yi De Technology Corp.	Charles C. Y. Chen 99.893%	Michael Hsieh 0.022%	Te Ming Lin 0.017%	Angel Lin 0.017%	Willy Sue 0.017%	Eillen Wang 0.017%	Rebecca Liaw 0.017%
YCN	Pacific Foundation 100%						
Baltimore International Ltd.	In Ru Chen 20%	Fu kwei Wu 20%	P. T. Chen 44%	Mei Ru Chen 10%	Jau Li Chen 6%		
Hsin Feng Corp.	Eastern Iron Enterprise Corp. 83.333%		Eyon Corp. 3.413%		Yi Chao Corp. 3.333%		
	Yi Siang Corp. 3.333%	Charles C. Y. Chen 2.603%	Chih Hsiang Chen 1.258%	Chih-Chao Chen 1.218%	Wan Yun Chang 0.794%	C.C. Chen 0.714%	
Blue Moon Investment Corp.	P.T. Chen 72%						
Joyce Investment Corp.	Thermos Foundation 10%		Kung Shin Lin 26.25%		Hsin Pei Lin 19.50%		
	Wun Shiung Lin 10.75%	Su Chuan Lin 2.50%	Chien Fang Wu 13.50%	Hsin Ying Lin 17.50%			
Yi Siang Corp.	Chih Hsiang Chen 65.657%			Eastern Iron Enterprise Corp. 34.211%			
	C.H. Chen 0.033%	Wan Yun Chang 0.033%	Charles C. Y. Chen 0.033%	Chih-Chao Chen 0.033%			

3. Major shareholders of corporation shareholders who are as corporation shareholders

2009.12.31

Corporation shareholders	Major shareholders of corporation shareholders					
Eastern Iron Enterprise Corp.	Skyway Industrial Limited 100%					
Eyon Corp.	Charles C. Y. Chen 73.238%			Eastern Iron Enterprise Corp. 22.616%		
	Meng Li Tsou 1.885%	C.H. Chen 1.877%	Yu An Chen 0.196%	Wan Yun Chang 0.188%		
Yi Chao Corp.	Chih-Chao Chen 69.530%			Eastern Iron Enterprise Corp. 30.434%		
	Charles C. Y. Chen 0.009%	C.H. Chen 0.009%	Wan Yun Chang 0.009%	Shao Ning Chang 0.009%		

4. Information of Directors and Supervisors

December 31, 2009

Condition Names	Whether the directors and supervisors hold hands-on experience accumulated in the field for a minimum of five years and whether they meet the following professional qualification requirements:			Consistent in the independence: *1:										Number of other public companies where they are concurrently serving
	Being an instructor or professor teaching Commerce, Law, Finance or other expertise required by the Company in public or private universities & colleges	As a judge, prosecutor, lawyer, Certified Public Accountant or other professional or engineer in the expertise required by the Company, having successfully passed the National Examinations and held licenses	Having accumulated hands-on experiences in Commerce, Law, Finance, Accounting or other expertise required by the Company	1	2	3	4	5	6	7	8	9	10	
Chen Po-ting			V			V				V	V	V	0	
Chen Hui-ying			V	V						V	V	V	0	
Yi Teh Optical Technology Co., Ltd. Statutory representative: Chen Chih-chao			V		V		V			V	V		0	
Yi Chun (Liberia) Shipping Co., Ltd. Statutory representative: Chen Li			V		V					V	V	V	0	
Ju Hsi Co., Ltd. Statutory representative: Lee Yi-tsan		Qualifications having passed the Economic Administrative Professional in 1959	V		V	V	V			V	V	V	0	
Hsin Feng Co., Ltd. Statutory representative: Chou Pai-chih			V		V	V	V	V		V	V	V	0	
Blue Moon Investment Co., Ltd. Statutory representative: Lin Cheng-hsien	V		V	V	V	V	V			V	V		0	
Chao Shih International Development Co., Ltd. Statutory representative: Lin Hsin-pei			V	V	V	V	V			V	V	V	0	
Lin Chia-chin			V	V	V	V	V	V	V	V	V	V	0	
Yi Hsiang Industrial Co., Ltd. Statutory representative: Chen Chih-hsiang			V	V	V		V			V	V		0	

*1: Please tick with a "v" mark under the box(es) as appropriate when the directors and supervisors meet the following qualification requirements in two years prior to appointment to the positions: 1) Not being an employee of the company or the company's affiliates.

- (1) Not an employee of the Company or a director, supervisor or employee of an affiliated company.
- (2) Not a director or supervisor of the Company or its affiliate (except the case of an independent director of the Company or its parent company, subsidiary where the Company holds more than 50% of the voting power either directly or indirectly).
- (3) Not as a natural person (individual) shareholder of a company where he or she, his or her spouse, minor child or in another's name holds more than 1% of the total outstanding issued shares or a shareholder ranking among the top ten.
- (4) Not a person as the spouse, relative within the second degree of kinship or blood relative within the fifth degree of kinship of a person defined under the three preceding paragraphs.
- (5) Not as a director or supervisor or employee of a juristic (corporate) person shareholder who holds more than 5% of the total outstanding issued shares of the Company or a director or supervisor or employee of a juristic (corporate) person shareholder ranking among the top five in shareholding.
- (6) Not as a director (council member), supervisor (supervisory officer), managerial officer or a shareholding holding more than 5% in shareholding of a specific company or institution in financial or business transaction with the Company.
- (7) Not as a professional, proprietor of sole proprietorship, partnership, company, a partner, director (council member), supervisor (supervisory officer), managerial officer or spouse thereof of a company or institution that renders commercial, legal, financial, accounting or such professional services to the Company or its affiliates.
- (8) Not as the spouse or a relative within relative within the second degree of kinship with other director.
- (9) Not meeting any situations under Article 30 of the Company Law.
- (10) Not elected as a government, juristic (corporate) person or the representative thereof falling under Article 27 of the Company Law.

3.2.2. Information of President, Executive Vice Presidents, Vice Presidents and chiefs of all the company's divisions and branches

2009.04.21

Title	Name	Date Position assumed	Current Shareholding		Current shareholding of Spouse and Minor Children		Shareholding under other names		Major Academic qualification and professional experience	Positions held in the Company and other companies	officer, director, or supervisor held by spouse or relatives within two levels of blood relations		
			No. of Shares	Holding Ratio	No. of Shares	Holding Ratio	No. of Shares	Holding Ratio			Title	Name	Relation
President	Bai-Chih Chow	2008-07-24	0	0.00%	0	0.00%	-	-	Department of Marine & Trans. Management, National Chiao Tung University	WAN HAI LINES(H.K.)LTD. Director	-	-	-
Executive President	Kuo-Chi Tang	1999-08-01	625,005	0.03%	271,556	0.01%	-	-	Banking Management, Taw Sui Oxford College	k.k. WH Corporation Director	-	-	-
Executive President	Huey-Juan Chen	2007-01-01	117,303	0.01%	0	0.00%	-	-	Department of International Trade, Tamkang University	WAN HAI LINES(GERMANY) GMBH Director WAN HAI LINES KOREA LTD. Director WAN HAI LINES (AMERICA) LTD. Director WAN HAI LINES (INDIA) PVT. LTD. Director TK LOGISTICS INTERNATIONAL Co. LTD. Director	-	-	-
Senior Vice President	Jen-Yee Huang	2008-08-01	10,322	0.00%	4,146	0.00%	-	-	Department of Business Administration, National Cheng Kung University	BLUE OCEAN LOGISTICS CO.LTD. Director SHENZHEN UNIWIN INTERNATIONAL LOGISTICS LTD. Director	-	-	-
Senior Vice President	Wen-Chau Yeh	2008-01-01	892	0.00%	21,269	0.00%	-	-	Department of Shipping and Transportation Management, National Taiwan Ocean University	CLIPPER INTERNATIONAL SHIPPING AGENCY LTD. Director DAWIN LOGISTIC(INTERNATIONAL)LTD. Director WAN HAI LINES(UAE)LTD. Director	-	-	-
Vice President	Li-Kuang Huang	1995-07-01	100,598	0.00%	10,987	0.00%	-	-	Mast of Business Administration, University of Buffalo, New York	WAN HAI LINES (INDIA) PVT. LTD. Director	-	-	-
Vice President	Kuo-Loong Kao	1999-02-01	87,805	0.00%	41,575	0.00%	-	-	Department of Merchant Marine, Chinese Culture University	WAN HAI LINES (SINGAPORE) PTE. LTD. Director	-	-	-
Vice President	Ming-Shan Huang	2000-02-01		0.00%	6,530	0.00%	-	-	Department of International Trade, Soochow University	-	-	-	-
Vice President	Ching-Seng Huang	2005-03-01	0	0.00%	18,647	0.00%	-	-	Department Shipping and Transportation Management, National Taiwan Ocean University	-	-	-	-
Vice President	Jiong-Xin Lin	2006-06-01	120,971	0.01%	0	0.00%	-	-	Department of Merchant Marine, Chinese Culture University	CLIPPER INTERNATIONAL SHIPPING AGENCY LTD. Director	-	-	-
Vice President	Juang-Jyh Juang	1998-08-01	0	0.00%	0	0.00%	-	-	Department of Mechanical Engineering, China Junior College of Technology	-	-	-	-
Vice President	Fu-Lung Hsieh	2007-01-01	104,282	0.00%	92,305	0.00%	-	-	Department of Shipping and Transportation Management, National Taiwan Ocean University	WAN HAI LINES THAILAND LTD. Director WAN HAI LINES KOREA LTD. Director TK LOGISTICS INTERNATIONAL Co. LTD. Supervisor BAO SHENG SHIPPING AGENCY CO., LTD Supervisor	-	-	-
Vice President	Wei-Chien Chuang	2002-12-01	8,924	0.00%	433	0.00%	-	-	Department of International Trade, National ChengChi University	TK LOGISTICS INTERNATIONAL Co. LTD. Director	-	-	-

3.2.2. Information of President, Executive Vice Presidents, Vice Presidents and chiefs of all the company's divisions and branches(Continued)

2009.04.21

Title	Name	Date Position assumed	Current Shareholding		Current shareholding of Spouse and Minor Children		Shareholding under other names		Major Academic qualification and professional experience	Positions held in the Company and other companies	officer, director, or supervisor held by spouse or relatives within two levels of blood relations		
			No. of Shares	Holding Ratio	No. of Shares	Holding Ratio	No. of Shares	Holding Ratio			Title	Name	Relation
Vice President	Wei-Hsin Hsu	2000-09-01	122394	0.01%	377	0%	-	-	Department of Electrical Engineering, Chung Yuan Christian University	-	-	-	
Vice President	Chung-Yi Kao	2008-01-01	135598	0.01%	105	0%	-	-	Department of Public Finance, Tamkang University	-	-	-	
Vice President	Yen-Ju Chen	2008-04-15	62811	0%	0	0%	-	-	Department of Transportation and Navigation Science, National Taiwan Ocean University	-	-	-	
Vice President	Hung-Chuan Chien	2008-08-01	0	0%	5775	0%	-	-	Department of Transportation Technology & Management, Feng Chia University	-	-	-	
Vice President	Hui-Chang Chung	2006-09-01	167902	0.01%	30722	0%	-	-	Department of Shipping and Transportation Management, National Taiwan Ocean University	-	-	-	
Vice President	Ming-Hsiung Hsieh	2007-01-13	35444	0%	0	0%	-	-	Department of Merchant Marine, Tamkang University	-	-	-	
Vice President	Chih-Heng Wan	2009-02-16	22397	0%	55442	0%	-	-	Department of International Trade, Chinese Culture University	"TK LOGISTICS INTERNATIONAL Co. LTD. Director BAO SHENG SHIPPING AGENCY CO., LTD Director	-	-	-
Vice President	Li-Mei Su	2009-02-16	1155	0%	0	0%	-	-	Department of International Trade, National ChengChi University	BAO SHENG SHIPPING AGENCY CO., LTD Director	-	-	-
Vice President	Cheng-Hsien Huang	2009-02-16	0	0%	0	0%	-	-	Department of Business Administration, National Sun Yat-sen University	-	-	-	
Deputy Vice President	Tai-Chih Liu	2009-07-25	0	0%	0	0%	-	-	Department of Nuclear Engineering and Science, National Tsing Hua University	BAO SHENG SHIPPING AGENCY CO., LTD Director	-	-	-
Deputy Vice President	Shu-Fei Lee	2007-05-15	64398	0%	0	0%	-	-	Department of Business Administration, National ChengChi University	-	-	-	
Assistant Vice President	Chi-Sung Chan	2009-01-05	0	0%	0	0%	-	-	Department Shipping and Transportation Management, National Taiwan Ocean University	-	-	-	
Assistant Vice President	Chia-Yi Hsiao	2007-08-13	7809	0%	0	0%	-	-	Department of Accounting, National Chung Hsing University	-	-	-	

3.2.3. Remuneration to directors, supervisors, president and executive vice presidents

1) Remuneration to directors

Unit:TWD

Title		Chairman	Director	Director	Director	Director	Director	Director
Name		P.T. Chen	H. Y. Chen	YCN Representative: Randy Chen	Baltimore INT'L Ltd Representative: Yi-Tsan Lee	Blue Moon Investment Corp. Representative: Cheng-Hsien Lin	Hsin Feng Corp. Representative: Bai-Chih Chow	Yi De Technology Corp. Representative: Chih-Chao chen
Remuneration to directors	(A) Allowance	Unconsolidated		1,746,000				
		Consolidated		1,746,000				
	(B) Retirement pension	Unconsolidated		0				
		Consolidated		0				
	(C) Remuneration from retained earnings	Unconsolidated		0				
		Consolidated		0				
	(D) Transportation allowance	Unconsolidated		644,263				
		Consolidated		644,263				
	Percentage of (A+B+C+D) in net income after tax		Unconsolidated		-			
			Consolidated		-			
Related remuneration for serving in the company concurrently	(E) Salary, bonus and specific subsidy	Unconsolidated		5,174,140				
		Consolidated		7,513,669				
	(F) Retirement pension	Unconsolidated		0				
		Consolidated		98,104				
	(G) Employee's bonus from retained earnings	Unconsolidated	Cash bonus		0			
			Stock bonus		0			
		Consolidated	Cash bonus		0			
			Stock bonus		0			
	(H) Shares of employee's stock warranty	Unconsolidated		0				
		Consolidated		0				
Percentage of (A+B+C+D+E+F+G+H) in net income after tax		Unconsolidated		-				
		Consolidated		-				
Other income				0				

Levels of remuneration

Level of remuneration paid to directors	Name of directors			
	Total remuneration for (A+B+C+D)		Total remuneration for (A+B+C+D+E+F+G)	
	Unconsolidated	Consolidated	Unconsolidated	Consolidated
Lower than TWD 2,000,000	H. Y. Chen, Randy Chen, Yi-Tsan Lee, Cheng-Hsien Lin, Bai-Chih Chow, Chih-Chao chen,	H. Y. Chen, Randy Chen, Yi-Tsan Lee, Cheng-Hsien Lin, Bai-Chih Chow, Chih-Chao chen	H. Y. Chen, Randy Chen, Yi-Tsan Lee, Cheng-Hsien Lin, Chih-Chao chen,	H. Y. Chen, Yi-Tsan Lee, Cheng-Hsien Lin,
From TWD 2,000,000 to 4,999,999	P.T. Chen	P.T. Chen	P.T. Chen, Bai-Chih Chow	P.T. Chen, Randy Chen, Chih-Chao Chen, Bai-Chih Chow
From TWD 5,000,000 to 9,999,999				
From TWD 10,000,000 to 14,999,999				
From TWD 15,000,000 to 29,999,999				
From TWD 30,000,000 to 49,999,999				
From TWD 50,000,000 to 99,999,999				
TWD 100,000,000 and above				
Total	P.T. Chen, H. Y. Chen, Randy Chen, Yi-Tsan Lee, Cheng-Hsien Lin, Bai-Chih Chow, Chih-Chao chen,	P.T. Chen, H. Y. Chen, Randy Chen, Yi-Tsan Lee, Cheng-Hsien Lin, Bai-Chih Chow, Chih-Chao chen,	P.T. Chen, H. Y. Chen, Randy Chen, Yi-Tsan Lee, Cheng-Hsien Lin, Bai-Chih Chow, Chih-Chao chen,	P.T. Chen, H. Y. Chen, Randy Chen, Yi-Tsan Lee, Cheng-Hsien Lin, Bai-Chih Chow, Chih-Chao chen,

2) Remuneration to supervisors

Title			Supervisor	Supervisor	Supervisor
Name			Chia Chin Lin	Joyce Investment Corp. Representative: Hsin Pei Lin	Yi Siang Corp. Representative: Chih Hsiang Chen
Remuneration to supervisors	(A) Allowance	Unconsolidated	0		
		Consolidated	0		
	(B) Retirement pension	Unconsolidated	0		
		Consolidated	0		
	(C) Remuneration from retained earnings	Unconsolidated	0		
		Consolidated	0		
	(D) Transportation allowance	Unconsolidated	0		
		Consolidated	0		
Percentage of (A+B+C+D) in net income after tax		Unconsolidated			
		Consolidated			
Other income			0		

Levels of remuneration

Level of remuneration paid to supervisors	Name of supervisors	
	Total remuneration for (A+B+C+D)	
	Unconsolidated	Consolidated
Lower than TWD 2,000,000	Chia Chin Lin, Hsin Pei Lin, Chih Hsiang Chen	Chia Chin Lin, Hsin Pei Lin, Chih Hsiang Chen
From TWD 2,000,000 to 4,999,999		
From TWD 5,000,000 to 9,999,999		
From TWD 10,000,000 to 14,999,999		
From TWD 15,000,000 to 29,999,999		
From TWD 30,000,000 to 49,999,999		
From TWD 50,000,000 to 99,999,999		
TWD 100,000,000 and above		
Total	Chia Chin Lin, Hsin Pei Lin, Chih Hsiang Chen	Chia Chin Lin, Hsin Pei Lin, Chih Hsiang Chen

3) Remuneration to President and Vice presidents

Unit:TWD

Title	President	Executive President	Executive President	Executive President	Special Assistant to Chairman
Name	Bai-Chih Chow	Huey-Jiuan Chen	Kuo Chi Tang	Tse Yu Lin	Hsuan-Hong Lee
(A) Salary	Unconsolidated	9,022,045			
	Consolidated	0			
(B) Retirement pension	Unconsolidated	21,307,950			
	Consolidated	0			
(C) Bonus and specific subsidy, etc.	Unconsolidated	1,442,820			
	Consolidated	0			
(D) Employee's bonus from retained earnings	Unconsolidated	Cash bonus	0		
		Stock bonus	0		
	Consolidated	Cash bonus	0		
		Stock bonus	0		
Percentage of (A+B+C+D) in net income after tax	Unconsolidated	-			
	Consolidated	-			
Shares of employee's stock warranty	Unconsolidated	0			
	Consolidated	0			
Other income	0				

Levels of remuneration

Level of remuneration paid to the President and Vice presidents	Name of President and Vice presidents	
	Unconsolidated	Consolidated
Lower than TWD 2,000,000		
From TWD 2,000,000 to 4,999,999	Bai-Chih Chow, Huey-Jiuan Chen, Kuo Chi Tang,	Bai-Chih Chow, Huey-Jiuan Chen, Kuo Chi Tang,
From TWD 5,000,000 to 9,999,999	Hsuan-Hong Lee	Hsuan-Hong Lee
From TWD 10,000,000 to 14,999,999	Tse Yu Lin	Tse Yu Lin
From TWD 15,000,000 to 29,999,999		
From TWD 30,000,000 to 49,999,999		
From TWD 50,000,000 to 99,999,999		
TWD 100,000,000 and above		
Total	Bai-Chih Chow, Huey-Jiuan Chen, Kuo Chi Tang, Hsuan-Hong Lee, Tse Yu Lin	Bai-Chih Chow, Huey-Jiuan Chen, Kuo Chi Tang, Hsuan-Hong Lee, Tse Yu Lin