

**Far Eastern New Century Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Six Months Ended June 30, 2015 and 2014 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and the Stockholders
Far Eastern New Century Corporation

We have reviewed the accompanying consolidated balance sheets of Far Eastern New Century Corporation (the "Company") and its subsidiaries as of June 30, 2015 and 2014, and the related consolidated statements of comprehensive income for the three months ended June 30, 2015 and 2014 and six months ended June 30, 2015 and 2014, and changes in equity and cash flows for the six months ended June 30, 2015 and 2014. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these consolidated financial statements based on our reviews.

Except for the matter stated in the next paragraph, we conducted our reviews in accordance with Statement of Auditing Standards No. 36 "Engagements to Review Financial Statements" issued by the Auditing Standards Committee of the Accounting Research and Development Foundation of the Republic of China. A review consists principally of applying analytical procedures to financial data and of making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of China, the objective of which is the expression of an opinion regarding the consolidated financial statements taken as a whole. Accordingly, we do not express such an opinion.

As stated in Note 15 to the consolidated financial statements, the financial statements of some nonsignificant subsidiaries used as basis for the consolidated financial statements were unreviewed. As of June 30, 2015 and 2014, combined total assets of these nonsignificant subsidiaries were NT\$193,305,590 thousand and NT\$168,205,313 thousand, respectively, representing 36.86% and 33.83%, respectively, of the consolidated total assets and combined total liabilities of these subsidiaries were NT\$61,853,533 thousand and NT\$53,105,876 thousand, respectively, representing 23.32% and 21.60%, respectively, of the consolidated total liabilities. For the three months ended June 30, 2015 and 2014 combined comprehensive income of these subsidiaries were NT\$(765,898) thousand and NT\$(1,073,911) thousand, respectively, representing (18.82%) and (23.55%), respectively; for the six months ended June 30, 2015 and 2014 combined comprehensive income of these subsidiaries were NT\$464,611 thousand and NT\$(1,598,890) thousand, respectively, representing 4.93% and (20.67%), respectively, of the consolidated total comprehensive income. In addition, as stated in Note 17 to the consolidated financial statements, the investments accounted for using equity-method as of June 30, 2015 and 2014, with carrying values of NT\$21,731,558 thousand and NT\$23,282,790 thousand, respectively, and the related share of the comprehensive income of associates for the three months ended June 30, 2015 and 2014 were NT\$30,862 thousand, NT\$188,084 thousand, respectively, and six months ended June 30, 2015 and 2014 were NT\$1,261,371 thousand, NT\$981,409 thousand, respectively. These amounts referring to the investments accounted for using equity-method were based on unreviewed financial statements of associates. Related information on subsidiaries and associates measured above investments shown in Note 40 to the consolidated financial statements was not reviewed either.

Based on our reviews, except for the effects of any adjustments as might have been determined to be necessary had the financial statements of the subsidiaries and equity-method investees described in the preceding paragraph been reviewed, we are not aware of any material modifications that should be made to the consolidated financial statements of Far Eastern New Century Corporation and subsidiaries referred to above for them to be in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Accounting Standard 34 “Interim Financial Reporting” endorsed by the Financial Supervisory Commission of the Republic of China.

As disclosed in Note 3 to the consolidated financial statements, Far Eastern New Century Corporation and its subsidiaries have been prepared the consolidated financial statement in accordance Regulations Governing the Preparation of Financial Reports by Securities Issuers and the 2013 version of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) endorsed by the Financial Supervisory Commission. As a result, the consolidated financial statements for the six months ended June 30, 2014, the consolidated balance sheet as December 31, 2014, and the consolidated balance sheet as of January 1, 2014 have been restated.

August 11, 2015

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance, and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors’ review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors’ review report and consolidated financial statements shall prevail.

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2015 (Reviewed)		December 31, 2014 (Audited after Restated)		June 30, 2014 (Reviewed after Restated)		January 1, 2014 (Audited after Restated)	
	Amount	%	Amount	%	Amount	%	Amount	%
CURRENT ASSETS								
Cash and cash equivalents (Note 6)	\$ 46,215,049	9	\$ 25,985,419	5	\$ 37,077,532	7	\$ 26,645,574	6
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	1,584,019	-	1,124,116	-	1,326,094	-	1,191,688	-
Available-for-sale financial assets - current (Notes 4, 8 and 36)	600,696	-	929,101	-	930,314	-	989,348	-
Held-to-maturity financial assets - current (Notes 4 and 9)	-	-	-	-	99,988	-	99,962	-
Derivative financial assets for hedging - current (Notes 4 and 10)	1,230	-	-	-	7,740	-	4,442	-
Financial assets carried at cost - current (Notes 4 and 11)	-	-	-	-	11,409	-	42,587	-
Debt investments with no active market (Notes 4, 6 and 12)	3,702,122	1	4,114,651	1	2,493,351	1	2,606,689	1
Notes and accounts receivable, net (Notes 4, 13 and 35)	27,306,791	5	27,720,022	6	29,108,936	6	27,741,701	6
Amounts due from customers for construction contracts (Notes 4 and 16)	1,282,285	-	2,286,911	1	2,436,516	1	1,473,786	-
Other receivables (Note 35)	5,783,908	1	3,503,430	1	6,565,131	1	2,900,592	1
Current tax assets (Notes 4 and 30)	53,992	-	68,920	-	34,018	-	48,216	-
Inventories, net (Notes 4, 14 and 36)	25,465,829	5	22,005,555	4	22,448,478	5	24,184,972	5
Prepayments	4,352,764	1	4,414,732	1	4,308,105	1	3,799,470	1
Other financial assets - current (Note 36)	3,540,907	1	3,661,203	1	4,399,819	1	3,946,576	1
Refundable deposits - current	49,421	-	33,954	-	47,954	-	52,292	-
Other current assets	2,374,096	-	2,227,072	-	2,435,689	-	1,934,219	-
Total current assets	122,313,109	23	98,075,086	20	113,731,074	23	97,662,114	21
NONCURRENT ASSETS								
Available-for-sale financial assets - noncurrent (Notes 4, 8 and 34)	4,737,948	1	4,718,618	1	4,685,309	1	5,257,220	1
Financial assets carried at cost - noncurrent (Notes 4 and 11)	1,067,347	-	1,071,152	-	932,541	-	926,908	-
Debt investment with no active market - noncurrent (Notes 4 and 12)	164,040	-	182,583	-	269,503	-	-	-
Investments accounted for using the equity method (Notes 4, 17 and 36)	60,127,019	12	61,839,479	12	57,643,685	12	55,870,243	12
Property, plant and equipment (Notes 4, 18 and 36)	141,712,900	27	139,055,972	28	128,611,541	26	124,767,713	26
Investment properties, net (Notes 4, 19 and 36)	122,997,977	23	119,663,209	24	116,595,948	23	113,458,525	24
Concession (Notes 21 and 36)	36,275,522	7	37,314,277	8	38,199,785	8	37,734,135	8
Goodwill (Notes 4 and 20)	11,882,789	2	11,930,443	2	11,927,767	2	11,928,782	2
Other intangible assets (Notes 4 and 21)	3,560,892	1	3,772,439	1	3,923,640	1	4,184,122	1
Deferred tax assets, net (Notes 4 and 30)	2,569,579	1	2,737,657	1	2,686,806	1	2,812,572	1
Prepayment for equipment (Note 18)	4,791,062	1	4,914,856	1	6,704,828	1	6,103,204	1
Refundable deposits	829,370	-	708,974	-	623,203	-	576,314	-
Long-term other receivables from related parties (Note 35)	1,620,000	-	-	-	-	-	-	-
Other financial assets - noncurrent (Note 36)	2,516,724	1	3,044,303	1	3,511,558	1	4,071,707	1
Long-term prepayments for lease	6,915,571	1	7,164,761	1	6,874,197	1	7,406,266	2
Other noncurrent assets	281,161	-	410,481	-	304,411	-	239,647	-
Total noncurrent assets	402,049,901	77	398,529,204	80	383,494,722	77	375,337,358	79
TOTAL	\$ 524,363,010	100	\$ 496,604,290	100	\$ 497,225,796	100	\$ 472,999,472	100
LIABILITIES AND EQUITY								
CURRENT LIABILITIES								
Short-term borrowings (Notes 22 and 35)	\$ 28,796,587	6	\$ 27,638,660	6	\$ 26,736,070	5	\$ 28,053,848	6
Short-term bills payable (Note 22)	6,541,190	1	4,662,532	1	3,731,757	1	5,117,694	1
Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	19,322	-	807	-	6,459	-	590	-
Derivative financial liabilities for hedging - current (Notes 4 and 10)	200	-	14,950	-	-	-	-	-
Notes and accounts payable (Note 4)	15,833,824	3	13,502,368	3	17,581,648	4	17,452,151	4
Notes and accounts payable to related parties (Notes 4 and 35)	335,381	-	513,625	-	542,251	-	261,571	-
Amounts due to customers for construction contracts (Notes 4 and 16)	83,146	-	110,594	-	784,406	-	412,498	-
Payables to suppliers of machinery and equipment	2,689,031	1	3,202,004	1	2,248,574	-	3,133,810	1
Other payable	28,535,568	5	14,254,278	3	27,252,714	5	12,671,314	3
Current tax liabilities (Notes 4 and 30)	1,888,735	-	3,368,813	1	3,437,306	1	3,115,500	1
Provisions - current (Notes 4 and 23)	249,885	-	240,197	-	226,163	-	193,328	-
Guarantee deposits received - current	377,941	-	314,097	-	379,294	-	334,939	-
Receipts in advance	1,274,746	-	1,214,639	-	999,822	-	1,199,481	-
Unearned revenue	2,618,127	1	2,617,900	-	2,826,625	1	2,667,808	-
Current portion of long-term liabilities (Note 24)	20,695,035	4	14,127,895	3	11,438,008	2	8,845,696	2
Other current liabilities	2,789,259	1	2,293,289	-	3,474,845	1	2,317,709	-
Total current liabilities	112,727,977	22	88,076,648	18	101,665,942	20	85,777,937	18
NONCURRENT LIABILITIES								
Derivative financial liabilities for hedging - noncurrent (Notes 4 and 10)	416,069	-	535,837	-	482,790	-	421,280	-
Bonds payable (Note 24)	60,919,170	12	60,712,019	12	64,001,564	13	65,638,787	14
Long-term borrowings (Note 24)	70,136,588	13	63,999,210	13	60,575,260	12	43,622,704	9
Provisions - noncurrent (Notes 4 and 23)	779,725	-	763,223	-	734,222	-	705,863	-
Deferred tax liabilities (Notes 4 and 30)	16,536,181	3	15,110,447	3	14,630,318	3	13,329,928	3
Net defined benefit liabilities - noncurrent (Note 26)	2,514,864	1	2,648,882	1	2,545,613	1	2,593,770	1
Guarantee deposits received - noncurrent (Note 35)	634,040	-	715,764	-	634,864	-	645,013	-
Deferred credit-gains on related-party accounts (Note 35)	149,351	-	149,629	-	149,907	-	150,185	-
Other noncurrent liabilities	380,175	-	408,320	-	397,939	-	476,788	-
Total noncurrent liabilities	152,466,163	29	145,043,331	29	144,152,477	29	127,584,318	27
Total liabilities	265,194,140	51	233,119,979	47	245,818,419	49	213,362,255	45
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 27)								
Capital stock								
Common stock	52,479,168	10	52,479,168	11	51,450,165	11	51,450,165	11
Stock dividends to be distributed	1,049,583	-	-	-	1,029,003	-	-	-
Capital surplus	2,618,281	1	3,666,948	1	3,674,693	1	4,681,042	1
Retained earnings								
Legal reserve	14,511,559	3	13,408,217	3	13,408,217	3	12,687,509	3
Special reserve	108,745,336	21	105,911,942	21	105,911,942	21	105,911,942	22
Unappropriated earnings	13,450,693	2	17,383,706	3	12,944,077	3	14,143,946	3
Total retained earnings	136,707,588	26	136,703,865	27	132,264,236	27	132,743,397	28
Other stockholders' equity	6,147,865	1	6,841,068	1	2,101,027	-	4,653,726	1
Treasury stocks	(25,063)	-	(25,063)	-	(25,063)	-	(25,063)	-
Total equity attributable to owners of the Company	198,977,422	38	199,665,986	40	190,494,061	39	193,503,267	41
NONCONTROLLING INTERESTS (Note 27)	60,191,448	11	63,818,325	13	60,913,316	12	66,133,950	14
Total equity	259,168,870	49	263,484,311	53	251,407,377	51	259,637,217	55
TOTAL	\$ 524,363,010	100	\$ 496,604,290	100	\$ 497,225,796	100	\$ 472,999,472	100

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

(With Deloitte & Touche review report dated August 11, 2015)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2015 (Reviewed)		2014 (Reviewed after Restated)		2015 (Reviewed)		2014 (Reviewed after Restated)	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUES								
(Notes 4, 10 and 35)								
Net sales	\$ 34,030,621	61	\$ 37,364,063	64	\$ 67,294,527	62	\$ 74,135,508	64
Telecommunications service income	17,468,296	32	17,279,046	29	34,740,723	32	34,352,226	29
Gain on disposal of investments, net	69,684	-	21,907	-	72,292	-	57,967	-
Construction income	1,331,129	2	1,480,869	3	2,124,342	2	2,365,907	2
Other operating revenue	2,545,834	5	2,430,266	4	4,743,232	4	5,908,082	5
Total operating revenues	<u>55,445,564</u>	<u>100</u>	<u>58,576,151</u>	<u>100</u>	<u>108,975,116</u>	<u>100</u>	<u>116,819,690</u>	<u>100</u>
OPERATING COSTS (Notes 4, 14, 29 and 35)								
Cost of sales	33,086,601	60	36,400,325	62	65,862,519	60	72,936,353	63
Cost of telecommunications services	6,470,645	12	6,612,659	11	12,629,286	12	13,173,531	11
Construction cost	1,264,869	2	1,456,333	3	1,982,510	2	2,247,556	2
Other operating cost	1,399,466	2	1,509,045	3	2,430,325	2	3,927,536	3
Total operating costs	<u>42,221,581</u>	<u>76</u>	<u>45,978,362</u>	<u>79</u>	<u>82,904,640</u>	<u>76</u>	<u>92,284,976</u>	<u>79</u>
GROSS PROFIT	<u>13,223,983</u>	<u>24</u>	<u>12,597,789</u>	<u>21</u>	<u>26,070,476</u>	<u>24</u>	<u>24,534,714</u>	<u>21</u>
REALIZED CONSTRUCTION INCOME	<u>278</u>	<u>-</u>	<u>278</u>	<u>-</u>	<u>278</u>	<u>-</u>	<u>278</u>	<u>-</u>
OPERATING EXPENSES								
(Notes 4, 29 and 35)								
Selling and marketing	5,821,470	11	5,275,205	9	11,622,827	11	10,708,886	9
General and administrative	2,828,117	5	2,985,875	5	5,812,581	5	5,782,069	5
Research and development	201,045	-	181,162	-	389,599	-	343,877	-
Total operating expenses	<u>8,850,632</u>	<u>16</u>	<u>8,442,242</u>	<u>14</u>	<u>17,825,007</u>	<u>16</u>	<u>16,834,832</u>	<u>14</u>
OPERATING INCOME	<u>4,373,629</u>	<u>8</u>	<u>4,155,825</u>	<u>7</u>	<u>8,245,747</u>	<u>8</u>	<u>7,700,160</u>	<u>7</u>
NONOPERATING INCOME								
Share of the profit or loss of associates (Note 17)	1,185,250	2	1,341,357	2	1,567,886	1	2,586,387	2
Interest income	106,784	-	395,270	1	259,798	-	205,705	-
Other income - other (Note 35)	346,225	1	561,935	1	525,029	-	735,145	1
Gain on disposal of investment properties (Note 35)	-	-	-	-	983,629	1	-	-
Gain (loss) on financial assets (liabilities) at fair value through profit or loss, net (Note 7)	(12,043)	-	(6,678)	-	122,600	-	60,057	-
Valuation gain on investment properties (Note 19)	1,318,310	2	3,186,449	5	3,796,810	4	3,186,449	3
Interest expense (Notes 10 and 29)	(566,217)	(1)	(757,581)	(1)	(1,213,084)	(1)	(907,016)	(1)
Other expense (Note 35)	(37,312)	-	(29,368)	-	(198,105)	-	(121,588)	-
Loss on disposal of property, plant and equipment, net (Note 18)	(323,045)	(1)	(222,722)	-	(432,451)	-	(464,529)	(1)
Loss on disposal of intangible properties, net (Note 21)	102	-	-	-	(409)	-	(1,329)	-
Exchange loss, net (Note 4)	(12,630)	-	(113,140)	-	(181,131)	-	(197,428)	-
Impairment loss on assets (Notes 18 and 20)	(1,544)	-	(10,052)	-	(120,704)	-	(19,792)	-
Total nonoperating incomes and expenses	<u>2,003,880</u>	<u>3</u>	<u>4,345,470</u>	<u>8</u>	<u>5,109,868</u>	<u>5</u>	<u>5,062,061</u>	<u>4</u>

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FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2015 (Reviewed)		2014 (Reviewed after Restated)		2015 (Reviewed)		2014 (Reviewed after Restated)	
	Amount	%	Amount	%	Amount	%	Amount	%
CONSOLIDATED INCOME BEFORE INCOME TAX	\$ 6,377,509	11	\$ 8,501,295	15	\$ 13,355,615	13	\$ 12,762,221	11
INCOME TAX EXPENSE (Notes 4 and 30)	(811,428)	(1)	(2,087,783)	(4)	(3,163,030)	(3)	(2,801,420)	(2)
NET PROFIT	<u>5,566,081</u>	<u>10</u>	<u>6,413,512</u>	<u>11</u>	<u>10,192,585</u>	<u>10</u>	<u>9,960,801</u>	<u>9</u>
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that will not be reclassified subsequently to profit or loss:								
Remeasurement of defined benefit plans	-	-	-	-	-	-	39	-
Share of the other comprehensive income of associates accounted for using the equity method	(5,434)	-	418	-	(5,434)	-	30,503	-
	<u>(5,434)</u>	<u>-</u>	<u>418</u>	<u>-</u>	<u>(5,434)</u>	<u>-</u>	<u>30,542</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	(631,377)	(1)	(1,400,528)	(2)	(1,147,619)	(1)	(953,678)	(1)
Unrealized gain (loss) on available-for-sale financial assets	(56,677)	-	3,821	-	82,509	-	(579,642)	-
Cash flow hedges	91,124	-	(20,280)	-	134,877	-	(67,715)	-
Share of the other comprehensive loss of associates accounted for using the equity method	(893,478)	(2)	(436,795)	(1)	158,751	-	(656,188)	(1)
	<u>(1,490,408)</u>	<u>(3)</u>	<u>(1,853,782)</u>	<u>(3)</u>	<u>(771,482)</u>	<u>(1)</u>	<u>(2,257,223)</u>	<u>(2)</u>
Total other comprehensive income (loss)	<u>(1,495,842)</u>	<u>(3)</u>	<u>(1,853,364)</u>	<u>(3)</u>	<u>(776,916)</u>	<u>(1)</u>	<u>(2,226,681)</u>	<u>(2)</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 4,070,239</u>	<u>7</u>	<u>\$ 4,560,148</u>	<u>8</u>	<u>\$ 9,415,669</u>	<u>9</u>	<u>\$ 7,734,120</u>	<u>7</u>
NET PROFIT ATTRIBUTABLE TO:								
Owners of the Company	\$ 3,670,643	7	\$ 4,398,156	8	\$ 6,305,932	6	\$ 6,214,062	6
Noncontrolling interests	<u>1,895,438</u>	<u>3</u>	<u>2,015,356</u>	<u>3</u>	<u>3,886,653</u>	<u>3</u>	<u>3,746,739</u>	<u>3</u>
	<u>\$ 5,566,081</u>	<u>10</u>	<u>\$ 6,413,512</u>	<u>11</u>	<u>\$ 10,192,585</u>	<u>9</u>	<u>\$ 9,960,801</u>	<u>9</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Company	\$ 2,228,704	4	\$ 2,546,713	4	\$ 5,607,295	5	\$ 3,661,402	3
Noncontrolling interests	<u>1,841,535</u>	<u>3</u>	<u>2,013,435</u>	<u>4</u>	<u>3,808,374</u>	<u>4</u>	<u>4,072,718</u>	<u>4</u>
	<u>\$ 4,070,239</u>	<u>7</u>	<u>\$ 4,560,148</u>	<u>8</u>	<u>\$ 9,415,669</u>	<u>9</u>	<u>\$ 7,734,120</u>	<u>7</u>

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FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

CONSOLIDATED EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Note 28)	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2015 (Reviewed)		2014		2015 (Reviewed)		2014	
	Amount	%	Amount	%	Amount	%	Amount	%
Basic	<u>\$ 0.73</u>		<u>\$ 0.88</u>		<u>\$ 1.26</u>		<u>\$ 1.24</u>	
Diluted	<u>\$ 0.73</u>		<u>\$ 0.88</u>		<u>\$ 1.26</u>		<u>\$ 1.24</u>	

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

(With Deloitte & Touche review report dated August 11, 2015)

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Equity Attributable to Owners of the Company												Noncontrolling Interests (Note 27)	Total Equity
	Common Stock (Note 27)	Stock Dividend to Be Distributed	Capital Surplus (Notes 4 and 27)	Retained Earnings			Other Equity					Total Equity Attributable to Owners of the Company		
				Legal Reserve (Note 27)	Special Reserve (Note 27)	Unappropriated Earnings (Note 27)	Exchange Differences on Translating Foreign Operations (Notes 4 and 27)	Unrealized Gain (Loss) on Available-for-sale Financial Assets (Notes 4 and 27)	Unrealized Loss on Cash Flow Hedge (Notes 4 and 27)	Unrealized Revaluation Increments (Note 27)	Treasury Stocks (Note 27)			
BALANCE AT JANUARY 1, 2014	\$ 51,450,165	\$ -	\$ 4,681,042	\$ 12,687,509	\$ 105,911,942	\$ 13,955,940	\$ 291,196	\$ 4,472,732	\$ (118,363)	\$ 8,161	\$ (25,063)	\$ 193,315,261	\$ 66,133,950	\$ 259,449,211
Effect of the retrospective application of an accounting policy and financial statement restatement	-	-	-	-	-	188,006	-	-	-	-	-	188,006	-	188,006
BALANCE AT JANUARY 1, 2014 AS RESTATED	<u>51,450,165</u>	<u>-</u>	<u>4,681,042</u>	<u>12,687,509</u>	<u>105,911,942</u>	<u>14,143,946</u>	<u>291,196</u>	<u>4,472,732</u>	<u>(118,363)</u>	<u>8,161</u>	<u>(25,063)</u>	<u>193,503,267</u>	<u>66,133,950</u>	<u>259,637,217</u>
Appropriation of the 2013 earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	720,708	-	(720,708)	-	-	-	-	-	-	-	-
Cash dividends - NTS1.3 per share	-	-	-	-	-	(6,688,522)	-	-	-	-	-	(6,688,522)	-	(6,688,522)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(7,958,747)	(7,958,747)
Stock dividends from capital surplus - NTS0.2 per share	-	1,029,003	(1,029,003)	-	-	-	-	-	-	-	-	-	-	-
Net profit for the six months ended June 30, 2014	-	-	-	-	-	6,214,062	-	-	-	-	-	6,214,062	3,746,739	9,960,801
Other comprehensive loss for the six months ended June 30, 2014	-	-	-	-	-	39	(1,428,823)	(1,143,577)	(10,802)	30,503	-	(2,552,660)	325,979	(2,226,681)
Total comprehensive income (loss) for the six months ended June 30, 2014	-	-	-	-	-	6,214,101	(1,428,823)	(1,143,577)	(10,802)	30,503	-	3,661,402	4,072,718	7,734,120
Change in associates accounted for using the equity method	-	-	21,680	-	-	-	-	-	-	-	-	21,680	158	21,838
Disposal of investments accounted for using the equity method	-	-	-	-	-	(4,705)	-	-	-	-	-	(4,705)	-	(4,705)
Partial acquisition/disposal of interests in subsidiaries	-	-	-	-	-	(35)	-	-	-	-	-	(35)	35	-
Decrease in noncontrolling interests	-	-	-	-	-	-	-	-	-	-	-	-	(1,334,798)	(1,334,798)
Change in the Company's capital surplus due to the distribution of dividends to subsidiaries	-	-	974	-	-	-	-	-	-	-	-	974	-	974
BALANCE, JUNE 30, 2014	<u>\$ 51,450,165</u>	<u>\$ 1,029,003</u>	<u>\$ 3,674,693</u>	<u>\$ 13,408,217</u>	<u>\$ 105,911,942</u>	<u>\$ 12,944,077</u>	<u>\$ (1,137,627)</u>	<u>\$ 3,329,155</u>	<u>\$ (129,165)</u>	<u>\$ 38,664</u>	<u>\$ (25,063)</u>	<u>\$ 190,494,061</u>	<u>\$ 60,913,316</u>	<u>\$ 251,407,377</u>
BALANCE AT JANUARY 1, 2015	\$ 52,479,168	\$ -	\$ 3,666,948	\$ 13,408,217	\$ 105,911,942	\$ 17,218,149	\$ 2,871,860	\$ 3,629,652	\$ (173,051)	\$ 512,607	\$ (25,063)	\$ 199,500,429	\$ 63,818,325	\$ 263,318,754
Effect of the retrospective application of an accounting policy and financial statement restatement	-	-	-	-	-	165,557	-	-	-	-	-	165,557	-	165,557
BALANCE AT JANUARY 1, 2015 AS RESTATED	<u>52,479,168</u>	<u>-</u>	<u>3,666,948</u>	<u>13,408,217</u>	<u>105,911,942</u>	<u>17,383,706</u>	<u>2,871,860</u>	<u>3,629,652</u>	<u>(173,051)</u>	<u>512,607</u>	<u>(25,063)</u>	<u>199,665,986</u>	<u>63,818,325</u>	<u>263,484,311</u>
Appropriation of the 2014 earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	1,103,342	-	(1,103,342)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	4,348,583	(4,348,583)	-	-	-	-	-	-	-	-
Cash dividends - NTS1.2 per share	-	-	-	-	-	(6,297,500)	-	-	-	-	-	(6,297,500)	-	(6,297,500)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(7,933,930)	(7,933,930)
Stock dividends from capital surplus - NTS0.2 per share	-	1,049,583	(1,049,583)	-	-	-	-	-	-	-	-	-	-	-
Net profit for the six months ended June 30, 2015	-	-	-	-	-	6,305,932	-	-	-	-	-	6,305,932	3,886,653	10,192,585
Other comprehensive income for the six months ended June 30, 2015	-	-	-	-	-	(5,434)	(1,433,138)	690,736	49,199	-	-	(698,637)	(78,279)	(776,916)
Total comprehensive income for the six months ended June 30, 2015	-	-	-	-	-	6,300,498	(1,433,138)	690,736	49,199	-	-	5,607,295	3,808,374	9,415,669
Change in associates accounted for using the equity method	-	-	-	-	-	8,487	-	-	-	-	-	8,487	-	8,487
Increase in noncontrolling interests	-	-	-	-	-	-	-	-	-	-	-	-	490,917	490,917
Change in the Company's capital surplus due to the distribution of dividends to subsidiaries	-	-	916	-	-	-	-	-	-	-	-	916	-	916
Partial acquisition/disposal of interests in subsidiaries	-	-	-	-	-	(7,762)	-	-	-	-	-	(7,762)	7,762	-
Reversal of special reserve	-	-	-	-	(1,515,189)	1,515,189	-	-	-	-	-	-	-	-
BALANCE, JUNE 30, 2015	<u>\$ 52,479,168</u>	<u>\$ 1,049,583</u>	<u>\$ 2,618,281</u>	<u>\$ 14,511,559</u>	<u>\$ 108,745,336</u>	<u>\$ 13,450,693</u>	<u>\$ 1,438,722</u>	<u>\$ 4,320,388</u>	<u>\$ (123,852)</u>	<u>\$ 512,607</u>	<u>\$ (25,063)</u>	<u>\$ 198,977,422</u>	<u>\$ 60,191,448</u>	<u>\$ 259,168,870</u>

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

(With Deloitte & Touche review report dated August 11, 2015)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2015 (Reviewed)	2014 (Reviewed after Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated income before income tax	\$ 13,355,615	\$ 12,762,221
Adjustments for:		
Depreciation	6,854,654	6,933,761
Amortization	1,918,716	1,404,147
Allowance for doubtful accounts	160,047	169,826
Interest expenses	1,213,084	907,016
Interest income	(259,798)	(205,705)
Dividend revenue	(204,400)	(142,662)
Loss on disposal of property, plant and equipment, net	432,451	464,529
Gain on disposal of investment properties	(983,629)	-
Loss on disposal of intangible assets, net	409	1,329
Share of the profit of associates	(1,567,886)	(2,586,387)
Gain on disposal of investments, net	(79,647)	(61,924)
Impairment loss recognized on assets	120,704	19,792
Realized gain on the transactions with associates	(278)	(278)
Net (gain) loss on unrealized foreign currency exchange	(123,872)	2,404
Revaluation gain on investment properties	(3,796,810)	(3,186,449)
Deferred loss on derivative assets for hedging	(180)	(9,503)
Net changes in operating assets and liabilities		
Financial assets held for trading	(459,903)	(134,406)
Notes and accounts receivable	254,493	(1,536,100)
Amounts due from customers for construction contracts	1,004,626	(962,730)
Other receivables	1,962,196	43,327
Inventories	(3,080,451)	1,736,494
Prepayments	59,287	(922,688)
Other current assets	(147,024)	(1,091,354)
Financial liabilities held for trading	18,515	5,869
Notes and accounts payable	2,331,456	422,679
Notes and accounts payable to related parties	(178,244)	280,680
Amounts due to customers for construction contracts	(27,448)	371,908
Other payables	20,270	77,659
Provisions	26,190	61,194
Receipts in advance	60,107	(199,659)
Other current liabilities	495,970	1,157,136
Net defined benefit liabilities	(134,018)	(48,157)
Unearned revenue	227	158,817
Cash generated from operations	19,245,429	15,892,786
Interest received	210,366	153,608
Dividend received	406,293	134,424

(Continued)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2015 (Reviewed)	2014 (Reviewed after Restated)
Interest paid	\$ (1,155,354)	\$ (915,800)
Income tax paid	<u>(3,034,368)</u>	<u>(1,039,260)</u>
Net cash generated from operating activities	<u>15,672,366</u>	<u>14,225,758</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of available-for-sale financial assets	(32,209)	(22,588)
Proceeds of the disposal of available-for-sale financial assets	212,850	166,200
Decrease (increase) in debt investments with no active market	434,444	(158,569)
Acquisition of equity-method investments	(548,960)	(2,126,294)
Proceeds of the disposal of equity-method investments	13,425	56,111
Net cash outflow on the loss of control over subsidiaries	-	(857,294)
Acquisition of property, plant, equipment and prepayment for equipment	(11,921,644)	(14,924,264)
Proceeds of the disposal of property, plant and equipment	64,042	76,190
Increase in refundable deposits	(135,863)	(43,079)
Increase in other receivables	-	(19,000)
Acquisition of intangible assets	(485,665)	(436,057)
Proceeds of the disposal of intangible assets	477	-
Acquisition of investment properties	(244,552)	(5,994)
Proceeds of the disposal of investment properties	66,347	-
Increase in long-term prepayments for lease	(2,998)	(144,945)
Increase in concession	(105,750)	(1,031,936)
Decrease in other financial assets	647,875	106,906
Decrease (increase) in other assets - noncurrent	<u>123,178</u>	<u>(64,541)</u>
Net cash used in investing activities	<u>(11,915,003)</u>	<u>(19,429,154)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term borrowings	1,157,927	(1,317,778)
Increase (decrease) in short-term bills payables	1,879,000	(1,387,000)
Proceeds of the issue of bonds	10,600,000	3,000,000
Repayments of bonds payable	(4,650,000)	(2,750,000)
Proceeds of long-term borrowings	124,687,145	104,393,285
Repayment of long-term borrowings	(117,577,155)	(86,756,095)
(Decrease) increase in guarantee deposits	(17,880)	34,206
Decrease in other liabilities - noncurrent	(28,145)	(78,849)
Increase in noncontrolling interests	<u>490,917</u>	<u>434,850</u>
Net cash generated from financing activities	<u>16,541,809</u>	<u>15,572,619</u>
EFFECTS OF EXCHANGE RATE CHANGES	<u>(69,542)</u>	<u>62,735</u>

(Continued)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2015 (Reviewed)	2014 (Reviewed after Restated)
NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 20,229,630	\$ 10,431,958
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>25,985,419</u>	<u>26,645,574</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 46,215,049</u>	<u>\$ 37,077,532</u>

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

(With Deloitte & Touche review report dated August 11, 2015)

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2015 AND 2014 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise) (Reviewed, Not Audited)

1. GENERAL INFORMATION

Far Eastern New Century Corporation (FENC or the “Company”), which was incorporated in 1954, manufactures and sells polyester materials, semifinished products and finished goods such as cotton, synthetic or blended fabrics, towels and bedsheets, and woven and knitted garments; PET (polyethylene terephthalate) bottles and PET sheets; and natural, synthetic or blended yarns and polyester textured yarns. It also does yarn, silk and cloth printing and dyeing as well as manufactures wide-view film, antiglare film, antireflection film and other optical films. The Company’s stock is listed on the Taiwan Stock Exchange. On October 19, 1999, the Company issued global depositary receipts (GDRs), which became listed on the Luxembourg Stock Exchange.

On October 13, 2009, the stockholders resolved to change their company name of Far Eastern Textile Ltd. to Far Eastern New Century Corporation; thus, the original stock symbol of FETL was changed to FENC.

The consolidated financial statements are presented in New Taiwan dollars, the functional currency of the Company.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors on August 11, 2015.

3. APPLICATION OF NEW AND REVISED STANDARDS, AMENDMENTS AND INTERPRETATIONS

- a. The 2013 version of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) in issue but not yet effective

Rule No. 1030029342 and Rule No. 1030010325 issued by the FSC on April 3, 2014, stipulated that the Group should apply the 2013 version of IFRS, IAS, IFRIC and SIC (collectively, the “IFRSs”) endorsed by the FSC and the related amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers starting January 1, 2015.

Except for the following, the initial application of the above 2013 IFRSs version has not had any material impact on the Group’s accounting policies:

- 1) IFRS 10 “Consolidated Financial Statements”

IFRS 10 replaces IAS 27 “Consolidated and Separate Financial Statements” and SIC 12 “Consolidation - Special Purpose Entities”. The Group considers whether it has control over other entities for consolidation. The Group has control over an investee if and only if it has i) power over the investee; ii) exposure, or rights, to variable returns from its involvement with the investee and iii) the ability to use its power over the investee to affect the amount of its returns. Additional guidance has been included in IFRS 10 to explain when an investor has control over an investee.

2) IFRS 12 “Disclosure of Interests in Other Entities”

IFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in IFRS 12 are more extensive than in the current standards.

3) IFRS 13 “Fair Value Measurement”

IFRS 13 establishes a single source of guidance for fair value measurements. It defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The disclosure requirements in IFRS 13 are more extensive than those required in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only will be extended by IFRS 13 to cover all assets and liabilities within its scope.

The fair value measurements under IFRS 13 will be applied prospectively from January 1, 2015.

4) Amendment to IAS 1 “Presentation of Items of Other Comprehensive Income”

The amendment to IAS 1 requires items of other comprehensive income to be grouped into those items that (1) will not be reclassified subsequently to profit or loss; and (2) may be reclassified subsequently to profit or loss. Income taxes on related items of other comprehensive income are grouped on the same basis. Under current IAS 1, there were no such requirements.

The Group will apply the above amendments in presenting the consolidated statement of comprehensive income, starting from the year 2015. Items not expected to be reclassified to profit or loss are the actuarial gain (loss) arising from defined benefit plans and share of the actuarial gains (loss) arising from defined benefit plans of associates accounted for using the equity method. Items expected to be reclassified to profit or loss are the exchange differences on translating foreign operations, unrealized gains (loss) on available-for-sale financial assets, cash flow hedges, and share of the other comprehensive income (except the share of the actuarial gains (loss) arising from defined benefit plans) of associates accounted for using the equity method.

5) Revision to IAS 19 “Employee Benefits”

Revised IAS 19 requires the recognition of changes in defined benefit obligations and in the fair value of plan assets when they occur, and hence eliminates the “corridor approach” permitted under current IAS 19 and accelerate the recognition of past service costs. The revision requires all remeasurements of the defined benefit plans to be recognized immediately through other comprehensive income in order for the net pension asset or liability to reflect the full value of the plan deficit or surplus. Remeasurement of the defined benefit plans is presented separately as other equity.

Furthermore, the interest cost and expected return on plan assets used in current IAS 19 are replaced with a “net interest” amount, which is calculated by applying the discount rate to the net defined benefit liability or asset. In addition, the revised IAS 19 introduces certain changes in the presentation of the defined benefit cost, and also includes more extensive disclosures.

In addition, revised IAS 19 changes the definition of short-term employee benefits. The revised definition is “employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service”. The Group’s unused annual leave, which can be carried forward within 24 months after the end of the annual period in which the employee renders service and which is currently classified as short-term employee benefits, is classified as other long-term employee benefits under revised IAS 19. Related defined benefit obligation of such other long-term benefit is calculated using the Projected Unit Credit Method. However, this change does not affect unused annual leave to be presented as a current liability in the consolidated balance sheet.

On initial application of the revised IAS 19, the changes in cumulative employee benefit costs as of December 31, 2013 resulting from the retrospective application are adjusted to net defined benefit liabilities and retained earnings. In addition, in preparing the consolidated financial statements for the three months ended June 30, 2015, the Group elects not to present 2014 comparative information about the sensitivity of the defined benefit obligation.

The impact on the current period is set out below:

Impact on Assets, Liabilities and Equity	As Originally Stated	IAS 19 Adjustment	Restated
<u>December 31, 2014</u>			
Net defined benefit liabilities - noncurrent	\$ 2,814,439	\$ (165,557)	\$ 2,648,882
Unappropriated earnings	\$ 17,218,149	\$ 165,557	\$ 17,383,706
<u>June 30, 2014</u>			
Net defined benefit liabilities - noncurrent	\$ 2,643,454	\$ (97,841)	\$ 2,545,613
Unappropriated earnings	\$ 12,846,236	\$ 97,841	\$ 12,944,077
<u>January 1, 2014</u>			
Net defined benefit liabilities - noncurrent	\$ 2,781,776	\$ (188,006)	\$ 2,593,770
Unappropriated earnings	\$ 13,955,940	\$ 188,006	\$ 14,143,946
Impact on Total Comprehensive Income	As Originally Stated	IAS 19 Adjustment	Restated
<u>For the three months ended June 30, 2014</u>			
Operating expense	\$ (8,397,160)	\$ (45,082)	\$ (8,442,242)
Total effect on net profit for the period	\$ 6,458,594	\$ (45,082)	\$ 6,413,512
Total effect on other comprehensive income for the period	\$ 4,605,230	\$ (45,082)	\$ 4,560,148
Impact on net profit attributable to:			
Owners of the Company	\$ 4,443,238	\$ (45,082)	\$ 4,398,156
Impact on total comprehensive income attributable to:			
Owners of the Company	\$ 2,591,795	\$ (45,082)	\$ 2,546,713

(Continued)

Impact on Total Comprehensive Income	As Originally Stated	IAS 19 Adjustment	Restated
<u>For the six months ended June 30, 2014</u>			
Operating expense	<u>\$ (16,744,667)</u>	<u>\$ (90,165)</u>	<u>\$ (16,834,832)</u>
Total effect on net profit for the period	<u>\$ 10,050,966</u>	<u>\$ (90,165)</u>	<u>\$ 9,960,801</u>
Total effect on other comprehensive income for the period	<u>\$ 7,824,285</u>	<u>\$ (90,165)</u>	<u>\$ 7,734,120</u>
Impact on net profit attributable to:			
Owners of the Company	<u>\$ 6,304,227</u>	<u>\$ (90,165)</u>	<u>\$ 6,214,062</u>
Impact on total comprehensive income attributable to:			
Owners of the Company	<u>\$ 3,751,567</u>	<u>\$ (90,165)</u>	<u>\$ 3,661,402</u> (Concluded)

6) Annual Improvements to IFRSs: 2009-2011 Cycle

Several standards including IFRS 1 “First-time Adoption of International Financial Reporting Standards”, IAS 1 “Presentation of Financial Statements”, IAS 16 “Property, Plant and Equipment”, IAS 32 “Financial Instruments: Presentation” and IAS 34 “Interim Financial Reporting” were amended in this annual improvement.

The amendments to IAS 1 clarify that an entity is required to present a balance sheet as at the beginning of the preceding period when a) it applies an accounting policy retrospectively, or makes a retrospective restatement or reclassifies items in its financial statements, and b) the retrospective application, restatement or reclassification has a material effect on the information in the balance sheet at the beginning of the preceding period. The amendments also clarify that related notes are not required to accompany the balance sheet at the beginning of the preceding period.

The amendments to IAS 16 clarify that spare parts, stand-by equipment and servicing equipment should be recognized in accordance with IAS 16 when they meet the definition of property, plant and equipment and otherwise as inventory.

The amendments to IAS 32 clarify that income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction should be accounted for in accordance with IAS 12 “Income Taxes”.

The amendments to IAS 34 clarify that a measure of total liabilities for a reportable segment would be disclosed in interim financial reporting when such amounts are regularly provided to the chief operating decision maker of the Group and there has been a material change from the amounts disclosed in the last annual financial statements for that reportable segment.

The initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the 2013 IFRSs version in 2015 has material effect on the consolidated balance sheet. In preparing the consolidated financial statements for the year ended December 31, 2015, the Group would present the consolidated balance sheet as of January 1, 2014 in accordance of the above amendments to IAS 1 and disclose related information in accordance with IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”, but not required to make disclosures about the line items of the balance sheet as of January 1, 2014.

c. New IFRSs in issue but not yet endorsed by the FSC

The Group has not applied the following New IFRSs issued by the IASB but not yet endorsed by the FSC. As of the date the consolidated financial statements were authorized for issue, the FSC has not announced their effective dates.

New IFRSs	Effective Date Announced by IASB (Note 1)
Annual Improvements to IFRSs 2010-2012 Cycle	July 1, 2014 (Note 2)
Annual Improvements to IFRSs 2011-2013 Cycle	July 1, 2014
Annual Improvements to IFRSs 2012-2014 Cycle	January 1, 2016 (Note 4)
IFRS 9 “Financial Instruments”	January 1, 2018
Amendments to IFRS 9 and IFRS 7 “Mandatory Effective Date of IFRS 9 and Transition Disclosures”	January 1, 2018
Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”	January 1, 2016 (Note 3)
Amendments to IFRS 10, IFRS 12 and IAS 28 “Investment Entities: Applying the Consolidation Exception”	January 1, 2016
Amendment to IFRS 11 “Accounting for Acquisitions of Interests in Joint Operations”	January 1, 2016
IFRS 14 “Regulatory Deferral Accounts”	January 1, 2016
IFRS 15 “Revenue from Contracts with Customers”	January 1, 2017
Amendment to IAS 1 “Disclosure Initiative”	January 1, 2016
Amendments to IAS 16 and IAS 38 “Clarification of Acceptable Methods of Depreciation and Amortization”	January 1, 2016
Amendments to IAS 16 and IAS 41 “Agriculture: Bearer Plants”	January 1, 2016
Amendment to IAS 19 “Defined Benefit Plans: Employee Contributions”	July 1, 2014
Amendment to IAS 27 “Equity Method in Separate Financial Statements”	January 1, 2016
Amendment to IAS 36 “Impairment of Assets: Recoverable Amount Disclosures for Non-financial Assets”	January 1, 2014
Amendment to IAS 39 “Novation of Derivatives and Continuation of Hedge Accounting”	January 1, 2014
IFRIC 21 “Levies”	January 1, 2014

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual periods beginning on or after their respective effective dates.

Note 2: The amendment to IFRS 2 applies to share-based payment transactions with grant date on or after July 1, 2014; the amendment to IFRS 3 applies to business combinations with acquisition date on or after July 1, 2014; the amendment to IFRS 13 is effective immediately; the remaining amendments are effective for annual periods beginning on or after July 1, 2014.

Note 3: Prospectively applicable to transactions occurring in annual periods beginning on or after January 1, 2016.

Note 4: The amendment to IFRS 5 is applied prospectively to changes in a method of disposal that occur in annual periods beginning on or after January 1, 2016; the remaining amendments are effective for annual periods beginning on or after January 1, 2016.

Except for the following, the future initial application of the above New IFRSs is not expected to have any material impact on the Group's accounting policies:

1) IFRS 9 "Financial Instruments"

Recognition and measurement of financial assets

With regards to financial assets, all recognized financial assets that are within the scope of IAS 39 "Financial Instruments: Recognition and Measurement" are subsequently measured at amortized cost or fair value. Under IFRS 9, the requirement for the classification of financial assets is stated below.

For the Group's debt instruments that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, their classification and measurement are as follows:

- a) For debt instruments, if they are held within a business model whose objective is to collect the contractual cash flows, the financial assets are measured at amortized cost and are assessed for impairment continuously with impairment loss recognized in profit or loss, if any. Interest revenue is recognized in profit or loss by using the effective interest method.
- b) For debt instruments, if they are held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of financial assets, the financial assets are measured at fair value through other comprehensive income (FVTOCI) and are assessed for impairment. Interest revenue is recognized in profit or loss by using the effective interest method, and other gain or loss shall be recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses. When the debt instruments are derecognized or reclassified, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

Except for above, all other financial assets are measured at fair value through profit or loss. However, the Group may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognized in profit or loss. No subsequent impairment assessment is required, and the cumulative gain or loss previously recognized in other comprehensive income cannot be reclassified from equity to profit or loss.

The impairment of financial assets

IFRS 9 requires that impairment loss on financial assets is recognized by using the "Expected Credit Losses Model". The credit loss allowance is required for financial assets measured at amortized cost, financial assets mandatorily measured at FVTOCI, lease receivables, contract assets arising from IFRS 15 "Revenue from Contracts with Customers", certain written loan commitments and financial guarantee contracts. A loss allowance for the 12-month expected credit losses is required for a financial asset if its credit risk has not increased significantly since initial recognition. A loss allowance for full lifetime expected credit losses is required for a financial asset if its credit risk has increased significantly since initial recognition. However, a loss allowance for full lifetime expected credit losses is required for trade receivables that do not constitute a financing transaction.

For purchased or originated credit-impaired financial assets, the Group takes into account the expected credit losses on initial recognition in calculating the credit-adjusted effective interest rate. Subsequently, any changes in expected losses are recognized as a loss allowance with a corresponding gain or loss recognized in profit or loss.

Hedge accounting

The main changes in hedge accounting amended the application requirements for hedge accounting to better reflect the entity's risk management activities. Compared with IAS 39, the main changes include: (1) enhancing types of transactions eligible for hedge accounting, specifically broadening the risk eligible for hedge accounting of non-financial items; (2) changing the way hedging derivative instruments are accounted for to reduce profit or loss volatility; and (3) replacing retrospective effectiveness assessment with the principle of economic relationship between the hedging instrument and the hedged item.

2) Amendment to IAS 19: Amendment in 2013

The amended IAS 19 states that if contributions from employees or third parties are not linked to service, these contributions affect the remeasurement of the net defined benefit liability (asset). If the contributions are linked solely to service, the employees' service rendered in that period in which they are paid, these contributions may be recognized as a reduction of service cost in the same period. If the contributions depend on the number of years of service, an entity is required to attribute these contributions to service periods as a reduction of service cost.

3) Amendment to IAS 36 "Recoverable Amount Disclosures for Non-financial Assets"

In issuing IFRS 13 "Fair Value Measurement", the IASB made consequential amendment to the disclosure requirements in IAS 36 "Impairment of Assets", introducing a requirement to disclose in every reporting period the recoverable amount of an asset or each cash-generating unit. The amendment clarifies that such disclosure of recoverable amounts is required only when an impairment loss has been recognized or reversed during the period. Furthermore, the Group is required to disclose the discount rate used in measurements of the recoverable amount based on fair value less costs of disposal measured using a present value technique.

4) IFRIC 21 "Levies"

IFRIC 21 provides guidance on when to recognize a liability for a levy imposed by a government. It addresses the accounting for a liability whose timing and amount is certain and the accounting for a provision whose timing or amount is not certain. The Group accrues related liability when the transaction or activity that triggers the payment of the levy occurs. Therefore, if the obligating event occurs over a period of time (such as generation of revenue over a period of time), the liability is recognized progressively. If an obligation to pay a levy is triggered upon reaching a minimum threshold (such as a minimum amount of revenue or sales generated), the liability is recognized when that minimum threshold is reached.

5) Annual Improvements to IFRSs: 2010-2012 Cycle

Several standards including IFRS 2 "Share-based Payment", IFRS 3 "Business Combinations" and IFRS 8 "Operating Segments" were amended in this annual improvement.

The amended IFRS 2 changes the definitions of "vesting condition" and "market condition" and adds definitions for "performance condition" and "service condition". The amendment clarifies that a performance target can be based on the operations (i.e. a non-market condition) of the Group or another entity in the same group or the market price of the equity instruments of the Group or another entity in the same group (i.e. a market condition); that a performance target can relate either to the performance of the Group as a whole or to some part of it (e.g. a division); and that the period for achieving a performance condition must not extend beyond the end of the related service period. In addition, a share market index target is not a performance condition because it not only reflects the performance of the Group, but also of other entities outside the Group.

IFRS 3 was amended to clarify that contingent consideration should be measured at fair value, irrespective of whether the contingent consideration is a financial instrument within the scope of IFRS 9 or IAS 39. Changes in fair value should be recognized in profit or loss.

The amended IFRS 8 requires an entity to disclose the judgments made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have “similar economic characteristics”. The amendment also clarifies that a reconciliation of the total of the reportable segments’ assets to the entity’s assets should only be provided if the segments’ assets are regularly provided to the chief operating decision-maker.

IFRS 13 was amended to clarify that the issuance of IFRS 13 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting, if the effect of not discounting is immaterial.

IAS 24 was amended to clarify that a management entity providing key management personnel services to the Group is a related party of the Group. Consequently, the Group is required to disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services. However, disclosure of the components of such compensation is not required.

6) Annual Improvements to IFRSs: 2011-2013 Cycle

Several standards, including IFRS 3, IFRS 13 and IAS 40 “Investment Property”, were amended in this annual improvement.

IFRS 3 was amended to clarify that IFRS 3 does not apply to the accounting for the formation of all types of joint arrangements in the financial statements of the joint arrangement itself.

The scope in IFRS 13 of the portfolio exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis was amended to clarify that it includes all contracts that are within the scope of, and accounted for in accordance with, IAS 39 or IFRS 9, even if those contracts do not meet the definitions of financial assets or financial liabilities within IAS 32.

IAS 40 was amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive and application of both standards may be required to determine whether the investment property acquired is acquisition of an asset or a business combination.

7) Amendments to IFRS 11 “Accounting for Acquisitions of Interests in Joint Operations”

The amendments require that the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in IFRS 3, is required to apply all of the principles on business combinations accounting in IFRS 3 and other IFRSs with the exception of those principles that conflict with the guidance in IFRS 11. Accordingly, a joint operator that is an acquirer of such an interest has to:

- Measure most identifiable assets and liabilities at fair value;
- Expense acquisition-related costs (other than debt or equity issuance costs);
- Recognize deferred taxes;
- Recognizing any goodwill or bargain purchase gain;
- Perform impairment tests for the cash generating units to which goodwill has been allocated;
- Disclose information required relevant for business combinations.

The amendments also apply to the formation of a joint operation if, and only if, an existing business is contributed to the joint operation on its formation by one of the parties that participate in the joint operation.

The amendments do not apply on the acquisition of an interest in a joint operation when the parties sharing control are under common control before and after the acquisition.

8) Annual Improvements to IFRSs: 2012-2014 Cycle

Several standards including IFRS 5 “Noncurrent assets held for sale and discontinued operations”, IFRS 7, IAS 19 and IAS 34 were amended in this annual improvement.

IFRS 5 was amended to clarify that reclassification between noncurrent assets (or disposal group) “held for sale” and noncurrent assets “held for distribution to owners” does not constitute a change to a plan of sale or distribution. Therefore, previous accounting treatment is not reversed. The amendment also explains that assets that no longer meet the criteria for “held for distribution to owners” and do not meet the criteria for “held for sale” should be treated in the same way as assets that cease to be classified as held for sale.

The amendments to IFRS 7 provide additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset. In addition, the amendments clarify that the offsetting disclosures are not explicitly required for all interim periods.

IAS 19 was amended to clarify that the depth of the market for high quality corporate bonds used to estimate discount rate for post-employment benefits should be assessed by the market of the corporate bonds denominated in the same currency as the benefits to be paid, i.e. assessed at currency level (instead of country or regional level).

IAS 34 was amended to clarify that other disclosure information required by IAS 34 should be included in interim financial statements. If the Group includes the information in other statements (such as management commentary or risk report) issued at the same time, it is not required to repeat the disclosure in the interim financial statements. However, it is required to include a cross-reference from the interim financial statements to that issued statements that is available to users on the same terms and at the same time as the interim financial statements.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group’s financial position and financial performance, and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, IAS 34 “Interim Financial Reporting” as endorsed by the FSC. Disclosures in interim financial reports are less than those required for a full set of annual financial reports.

b. Basis of consolidation

Refer to Note 15 for the detailed information of subsidiaries, including the percentage of ownership and main business.

c. Other significant accounting policies

Except for the following, the same accounting policies of consolidated financial statements have been followed in these consolidated financial statements as were applied in the preparation of the consolidated financial statements for the year ended December 31, 2014.

1) Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost, (past service cost/, as well as gains and losses on settlements) and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period they occur, (or when the plan amendment or curtailment occurs/when the settlement occurs). Remeasurement, comprising actuarial gains and losses, (the effect of the changes to the asset ceiling) and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in (retained earnings/other equity) and will not be reclassified to profit or loss.

Net defined benefit liability (asset) represents the actual deficit (surplus) in the Group's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis. Interim period income tax expense is calculated by applying to an interim period's pre-tax income and the tax rate that would be applicable to expected total annual earnings.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The same critical accounting judgments and key sources of estimation uncertainty of consolidated financial statements have been followed in these consolidated financial statements as were applied in the preparation of the consolidated financial statements for the year ended December 31, 2014.

6. CASH AND CASH EQUIVALENTS

	June 30, 2015	December 31, 2014	June 30, 2014
Cash			
Cash on hand and petty cash	\$ 35,254	\$ 36,872	\$ 38,528
Demand and checking accounts	<u>26,644,785</u>	<u>16,414,588</u>	<u>14,737,272</u>
	<u>26,680,039</u>	<u>16,451,460</u>	<u>14,775,800</u>
Cash equivalents			
Time deposits with original maturities of less than three months	3,814,456	6,308,925	8,252,297
Commercial paper purchased under resell agreements	30,000	2,627,403	2,367,678
Corporate bonds purchased under resell agreements	<u>15,568,413</u>	<u>429,774</u>	<u>11,513,562</u>
	<u>19,412,869</u>	<u>9,366,102</u>	<u>22,133,537</u>
Management discretionary accounts			
Demand accounts	<u>122,141</u>	<u>167,857</u>	<u>168,195</u>
	<u>\$ 46,215,049</u>	<u>\$ 25,985,419</u>	<u>\$ 37,077,532</u>

The Group's members individually contracted and fully authorized Oriental Securities Investment Advisory Co., Ltd. (OSIAC, trustee) to manage discretionary funds. Deposits that were entrusted to OSIAC's full management amounted to NT\$122,141 thousand, NT\$167,857 thousand and NT\$168,195 thousand as of June 30, 2015, December 31, 2014 and June 30, 2014, respectively.

The market rates for bank deposits as of the balance sheet date were as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Time deposits	0.11%-3.00%	0.10%-4.48%	0.01%-3.30%
Commercial paper purchased under resell agreements	0.50%	0.46%-0.70%	0.50%-0.65%
Corporate bonds purchased under resell agreement	0.35%-8.50%	0.60%-10.71%	0.35%-5.00%

Time deposits with original maturities of over three months amounted to NT\$3,702,122 thousand, NT\$4,077,160 thousand and NT\$2,498,251 thousand as of June 30, 2015, December 31, 2014 and June 30, 2014, respectively, and were classified under debt investments with no active market (Note 12).

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2015	December 31, 2014	June 30, 2014
<u>Financial assets held for trading</u>			
Beneficial certificates	\$ 1,047,927	\$ 630,567	\$ 825,776
Marketable equity securities	474,269	374,567	451,328
Guarantee deposits - cotton futures contracts	40,484	41,450	39,085
Guarantee deposits - PTA futures contracts	13,368	12,451	7,024

(Continued)

	June 30, 2015	December 31, 2014	June 30, 2014
Combined foreign exchange options	\$ 645	\$ 40,085	\$ 230
Forward exchange contracts	<u>7,326</u>	<u>24,996</u>	<u>2,651</u>
	<u>\$ 1,584,019</u>	<u>\$ 1,124,116</u>	<u>\$ 1,326,094</u>
Current	<u>\$ 1,584,019</u>	<u>\$ 1,124,116</u>	<u>\$ 1,326,094</u>
<u>Financial liabilities held for trading</u>			
Forward exchange contracts	\$ 13,283	\$ -	\$ 1,516
Foreign exchange options	2,391	-	934
Combined foreign exchange options	<u>3,648</u>	<u>807</u>	<u>4,009</u>
	<u>\$ 19,322</u>	<u>\$ 807</u>	<u>\$ 6,459</u>
Current	<u>\$ 19,322</u>	<u>\$ 807</u>	<u>\$ 6,459</u> (Concluded)

a. Cotton futures contracts

The Group entered into cotton futures contracts mainly to hedge against the adverse fluctuation of cotton prices in the six months ended June 30, 2015 and 2014. Since these transactions did not meet the criteria for hedge accounting, they were classified as held for trading.

The Group had no outstanding cotton futures contracts as of June 30, 2015, December 31, 2014 and June 30, 2014.

b. PTA futures contracts

The Group entered into PTA futures contracts mainly to hedge against the adverse fluctuation to PTA prices in the six months ended June 30, 2015 and 2014. Since these transactions did not meet the criteria for hedge accounting, they were classified as held for trading.

The Group had no outstanding cotton futures contracts as of June 30, 2015 and December 31, 2014.

The outstanding PTA futures contracts as of June 30, 2014, well as follows:

Currency	Maturity Date	Units	Contract Amount (Thousands)
<u>June 30 2014</u>			
PTA futures contracts	May 2014	300	RMB9,540/NTD45,975

c. Forward exchange contracts

The Group entered into forward exchange contracts for the six months ended June 30, 2015 and 2014 to hedge against the exchange risks on foreign currency assets and liabilities. Since these transactions did not meet the criteria for hedge accounting, they were classified as held for trading.

As of June 30, 2015, December 31, 2014 and June 30, 2014, the Group had outstanding forward exchange contracts, as follows:

	Currency	Maturity	Contract Amount (Thousands)
<u>June 30, 2015</u>			
Sell	EUR/USD	2015.7.29-2015.8.28	EUR3,000/USD3,175
Buy	EUR/USD	2015.7.22-2015.9.29	EUR9,000/USD10,254
Sell	USD/JPY	2015.8.28	USD1,000/JPY120,840
Buy	USD/JPY	2015.9.29-2015.10.28	USD2,000/JPY246,292
Buy	USD/NTD	2015.7.3-2015.12.10	USD35,700/NTD1,099,022
Sell	USD/CAD	2015.7.24	USD2,000/CAD2,458
<u>December 31, 2014</u>			
Sell	EUR/USD	2015.3.27-2015.5.28	EUR9,000/USD11,121
Buy	USD/JPY	2015.3.5-2015.4.28	USD5,000/JPY592,722
Buy	USD/NTD	2015.1.5-2015.3.27	USD39,200/NTD1,226,708
<u>June 30, 2014</u>			
Sell	USD/NTD	2014.7.7-2014.9.19	USD48,710/NTD1,460,298
Sell	EUR/USD	2014.7.14-2014.9.26	EUR17,000/USD23,107
Buy	USD/JPY	2014.8.8	USD1,000/JPY101,768
Buy	USD/NTD	2014.7.9-2014.8.8	USD19,400/NTD581,393

d. Option contracts

The Group sold option contracts to profit on royalties and the difference between exchange rate fluctuations for the six months ended June 30, 2015 and 2014.

The outstanding option contracts as of June 30, 2015 and 2014 were as follows:

	Currency	Maturity	Contract Amount (Thousands)
<u>June 30, 2015</u>			
Sell call option	USD/NTD	2015.7.6-2015.7.17	USD13,000/NTD402,245
Sell put option	USD/JPY	2015.7.2-2015.7.16	USD5,000/JPY610,120
<u>June 30, 2014</u>			
Sell call option	EUR/USD	2014.7.10	EUR6,000/USD8,196
Sell call option	USD/NTD	2014.7.2-2014.7.9	USD10,000/NTD300,596

As of December 31, 2014, the Group had no outstanding option contracts.

e. Combined foreign exchange options

The Group entered into combined foreign exchange options for the six months ended June 30, 2015 and 2014 to hedge against the exchange risks on foreign currency assets and liabilities. As of June 30, 2015, December 31, 2014 and June 30, 2014, the Group had outstanding combined foreign exchange options, as follows:

	Currency	Maturity	Contract Amount (Thousands)
<u>June 30, 2015</u>			
Sell EUR call options	EUR/USD	2015.7.10-2015.11.12	EUR48,150/USD54,298
Buy EUR put options	EUR/USD	2015.7.10-2015.11.12	EUR16,050/USD18,099
Buy EUR call options	EUR/USD	2015.7.1-2015.12.15	EUR2,300/USD2,438
Sell EUR put options	EUR/USD	2015.7.1-2015.12.15	EUR9,200/USD9,754
Sell USD put options	USD/JPY	2015.8.6-2015.11.12	USD94,950/JPY11,356,926
Buy USD call options	USD/JPY	2015.8.6-2015.11.12	USD31,650/JPY3,785,642
<u>December 31, 2014</u>			
Sell EUR call options	EUR/USD	2015.1.27-2015.3.27	EUR76,650/USD98,139
Buy EUR put options	EUR/USD	2015.1.27-2015.3.27	EUR25,550/USD32,713
Sell EUR put options	EUR/USD	2015.1.2-2015.1.23	EUR800/USD999
Buy EUR call options	EUR/USD	2015.1.2-2015.1.23	EUR200/USD250
Sell USD put options	USD/JPY	2015.1.28-2015.4.1	USD91,500/JPY10,146,776
Buy USD call options	USD/JPY	2015.1.28-2015.4.1	USD30,500/JPY3,382,259
<u>June 30, 2014</u>			
Buy USD call options	USD/JPY	2014.8.27-2014.11.25	USD41,600/JPY4,174,980
Sell USD put options	USD/JPY	2014.8.27-2014.11.25	USD124,800/JPY12,524,940
Buy EUR put options	EUR/USD	2014.11.5-2014.11.7	EUR3,800/USD5,228
Sell EUR call options	EUR/USD	2014.11.5-2014.11.7	EUR11,400/USD15,684

8. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	June 30, 2015	December 31, 2014	June 30, 2014
<u>Equity investments</u>			
Marketable equity securities	\$ 4,721,263	\$ 4,620,397	\$ 4,630,141
Open-end mutual funds - beneficial certificates	62,250	111,100	168,834
Overseas mutual funds - beneficial certificates	440,556	701,421	643,732
Overseas securities	<u>114,575</u>	<u>214,801</u>	<u>172,916</u>
Available-for-sale financial assets	<u>\$ 5,338,644</u>	<u>\$ 5,647,719</u>	<u>\$ 5,615,623</u>
Current	\$ 600,696	\$ 929,101	\$ 930,314
Noncurrent	<u>4,737,948</u>	<u>4,718,618</u>	<u>4,685,309</u>
	<u>\$ 5,338,644</u>	<u>\$ 5,647,719</u>	<u>\$ 5,615,623</u>

9. HELD-TO-MATURITY FINANCIAL ASSETS

	June 30, 2015	December 31, 2014	June 30, 2014
<u>Bond investments</u>			
Asia Cement Corp. (ACC)	\$ -	\$ -	\$ 99,988
Current	\$ -	\$ -	\$ 99,988
Noncurrent	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,988</u>

In September 2009, an FENC subsidiary, Far EasTone, bought five-year corporate bonds of ACC for NT\$199,540 thousand (par value of NT\$200,000 thousand), with the effective interest rate of 2.004% and coupon interest rate of 1.95%. The interest is payable on September 22 annually. The Group had no outstanding held-to-maturity financial assets of December 31, 2014.

10. DERIVATIVE FINANCIAL INSTRUMENTS FOR HEDGING

	June 30, 2015	December 31, 2014	June 30, 2014
<u>Derivative financial assets under hedge accounting</u>			
Cash flow hedges - cross-currency interest rate swaps	\$ 50	\$ -	\$ 1,620
Cash flow hedges - forward exchange contracts	<u>1,180</u>	<u>-</u>	<u>6,120</u>
	<u>\$ 1,230</u>	<u>\$ -</u>	<u>\$ 7,740</u>
Current	<u>\$ 1,230</u>	<u>\$ -</u>	<u>\$ 7,740</u>
<u>Derivative financial liabilities under hedge accounting</u>			
Cash flow hedges - cross-currency interest rate swaps	\$ -	\$ 3,150	\$ -
Cash flow hedges - forward exchange contracts	200	11,800	-
Cash flow hedges - interest rate swaps	<u>416,069</u>	<u>535,837</u>	<u>482,790</u>
	<u>\$ 416,269</u>	<u>\$ 550,787</u>	<u>\$ 482,790</u>
Current	\$ 200	\$ 14,950	\$ -
Noncurrent	<u>416,069</u>	<u>535,837</u>	<u>482,790</u>
	<u>\$ 416,269</u>	<u>\$ 550,787</u>	<u>\$ 482,790</u>

Cash Flow Hedges

The Group's hedge strategy is to use cross-currency interest rate swaps and forward exchange contracts to hedge against adverse exchange risks on foreign currency assets.

The terms of the cross-currency interest rate swaps and forward exchange contracts were negotiated to match the terms of the respective designated hedged items. The outstanding cross-currency interest rate swaps and forward exchange contracts at the end of the reporting period were as follows:

June 30, 2015

	Currency	Maturity Date	Contract Amount (Thousands)
Cross-currency interest rate swaps	USD/NTD	2015.7.31	USD5,000
Forward exchange contracts	USD/NTD	2015.7.13-2015.7.17	USD15,000

December 31, 2014

	Currency	Maturity Date	Contract Amount (Thousands)
Cross-currency interest rate swaps	USD/NTD	2015.1.30	USD5,000
Forward exchange contracts	USD/NTD	2015.2.17-2015.3.12	USD15,000

June 30, 2014

	Currency	Maturity Date	Contract Amount (Thousands)
Cross-currency interest rate swaps	USD/NTD	2014.8.27	USD5,000
Forward exchange contracts	USD/NTD	2014.7.31-2014.8.12	USD15,000

The Group invested in overseas mutual funds and used cross-currency interest rate swaps and foreign exchange swaps (with terms of up to six months) to hedge against adverse cash flow fluctuations, and the foreign exchange agreements were designated as cash flow hedge. The cash flows will be generated when the hedged target is sold, and the unrealized gain (loss) on this cash flow hedge will be reclassified from equity to profit or loss.

The gain on the hedged items that was reclassified from equity to profit in the consolidated comprehensive statements of income for the three months and six months ended June 30, 2015 and 2014 were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Net gain on sales of securities	\$ -	\$ -	\$ -	\$ 3,825

The Group entered into interest rate swaps contracts to mitigate the risk of adverse in interest rates on the cash flow exposure related to outstanding variable rate debt. The outstanding interest rate swaps contracts at the end of the reporting period were as follows:

Notional Amount (In Thousands)	Maturity Date	Range of Interest Rates Paid	Range of Interest Rates Received
NTD2,112,378	2021.2.10	0%-4.8%	90d CP+1.10% (Note)
NTD3,294,000	2025.11.10	0%-4.8%	0.60%-4.90%

Note: The reference interest rate is based on Taiwan's second market 90 days, commercial paper fixing rate on page 6165 of Telerate interest rate index at 11:00 am.

All interest rate swaps contracts, which involved the exchange of floating interest amounts for fixed interest amounts, were designated as cash flow hedges to reduce the Group's cash flow exposure to adverse changes in interest rates on borrowings. The interest rate swaps and the interest payments on the loan were transacted simultaneously, and the amount accumulated in equity was reclassified to profit or loss over the period that the floating interest payments on debts affected profit or loss.

Profit or loss reclassified from equity were included in the following line item in the consolidated statements of comprehensive income:

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2015	2014	2015	2014
Interest expense debits (credits)	<u>\$ 42,864</u>	<u>\$ (20,377)</u>	<u>\$ 89,617</u>	<u>\$ (36,417)</u>

11. FINANCIAL ASSETS CARRIED AT COST

	June 30, 2015	December 31, 2014	June 30, 2014
Domestic unlisted common shares	\$ 885,506	\$ 886,533	\$ 750,874
Overseas unlisted common shares	176,077	177,671	185,181
Convertible bonds-conversion rights (Note 12)	<u>5,764</u>	<u>6,948</u>	<u>7,895</u>
	<u>\$ 1,067,347</u>	<u>\$ 1,071,152</u>	<u>\$ 943,950</u>
Current	\$ -	\$ -	\$ 11,409
Noncurrent	<u>1,067,347</u>	<u>1,071,152</u>	<u>932,541</u>
	<u>\$ 1,067,347</u>	<u>\$ 1,071,152</u>	<u>\$ 943,950</u>

The Group's management believed that the above unlisted equity investments and convertible bonds-conversion rights held by the Group, whose fair value cannot be reliably measured due to the range of reasonable fair value estimates was so significant; therefore, they were measured at cost less impairment at the end of reporting period.

12. DEBT INVESTMENTS WITH NO ACTIVE MARKET

	June 30, 2015	December 31, 2014	June 30, 2014
Bond investments - Bockhold N.V.	\$ 164,040	\$ 220,074	\$ 264,603
Time deposits with original maturities of more than 3 months	<u>3,702,122</u>	<u>4,077,160</u>	<u>2,498,251</u>
	<u>\$ 3,866,162</u>	<u>\$ 4,297,234</u>	<u>\$ 2,762,854</u>
Current	\$ 3,702,122	\$ 4,114,651	\$ 2,493,351
Noncurrent	<u>164,040</u>	<u>182,583</u>	<u>269,503</u>
	<u>\$ 3,866,162</u>	<u>\$ 4,297,234</u>	<u>\$ 2,762,854</u>

On February 26, 2009, an FENC subsidiary, Yuan Tong Investment Co., Ltd., bought convertible bonds amounting to EUR6,670 thousand and issued by Bockhold N.V. The maturity date of the bond is February 26, 2014. The 7.5% interest on these three-year convertible bonds is payable semiannually, and the bonds can be converted proportionally to a total of 933 common shares of Bockhold N.V. The amount of the host debt contract was recognized as a bond investment with no active market and the amount of conversion rights of convertible bonds was recognized as financial assets carried at cost (Note 11). On January 13, 2014, Yuan Tong Investment Co., Ltd. renegotiated with Bockhold N.V. and obtained an extension of the bond maturity to March 14, 2019. As of June 30, 2015, Yuan Tong Investment Co., Ltd. had received EUR1,800 thousand.

13. NOTES AND ACCOUNTS RECEIVABLE

	June 30, 2015	December 31, 2014	June 30, 2014
<u>Notes and accounts receivable</u>			
Notes and accounts receivable	\$ 28,573,083	\$ 28,966,370	\$ 30,327,590
Less: Allowance for doubtful accounts	<u>(1,266,292)</u>	<u>(1,246,348)</u>	<u>(1,218,654)</u>
	<u>\$ 27,306,791</u>	<u>\$ 27,720,022</u>	<u>\$ 29,108,936</u>

When deciding the recoverability of accounts receivable, the Group considers any change in the credit quality from the date credit was initially granted up to the end of the reporting period. Allowance for doubtful accounts is recognized against accounts receivable on the basis of estimated irrecoverable amounts determined by reference to past defaults by counter-parties and the analysis of its current financial position.

The concentration of credit risk is limited because the Group's customer base is wide and is not focused on certain customers and companies involved are unrelated. The Group does not have accounts receivable with the aging being past due but not impaired.

	June 30, 2015	December 31, 2014	June 30, 2014
1-90 days	\$ 24,296,451	\$ 26,735,704	\$ 26,348,512
91-180 days	2,046,020	804,162	2,255,058
181-365 days	871,674	43,878	245,035
More than 365 days	<u>92,646</u>	<u>136,278</u>	<u>260,331</u>
	<u>\$ 27,306,791</u>	<u>\$ 27,720,022</u>	<u>\$ 29,108,936</u>

The above aging schedule was based on the invoice date.

Movements of allowance for doubtful accounts were as follows:

	For the Six Months Ended June 30	
	2015	2014
Beginning balance	\$ 1,246,348	\$ 1,125,669
Add: Accounts recovered during the period	141,350	141,053
Add: Bad debt expenses	160,047	169,826
Deduct: Amounts written off during the period as uncollectible	(280,144)	(216,933)
Effect of exchange rate differences	<u>(1,309)</u>	<u>(961)</u>
Ending balance	<u>\$ 1,266,292</u>	<u>\$ 1,218,654</u>

14. INVENTORIES

	June 30, 2015	December 31, 2014	June 30, 2014
Merchandise inventories	\$ 4,162,673	\$ 4,165,565	\$ 3,709,494
Finished goods	5,449,526	4,974,502	5,294,065
Work in progress	3,369,474	2,662,558	2,862,526
Raw materials	6,608,289	6,238,013	7,031,436
Supplies	713,725	809,452	899,891
Available-for-sale - buildings and land	4,461,255	995,149	995,149
Available-for-construction - land	700,887	700,887	700,887
Construction-in-progress - buildings and land	-	1,459,429	955,030
	<u>\$ 25,465,829</u>	<u>\$ 22,005,555</u>	<u>\$ 22,448,478</u>

In the three months and the six months ended June 30, 2015 and 2014, the costs of sales were NT\$33,086,601 thousand, NT\$36,400,325 thousand, NT\$65,862,519 thousand and NT\$72,936,353 thousand, respectively. The costs of inventories recognized as cost of goods sold, which included inventory reversal of write-down (write-down) in the three months ended June 30, 2015, the six months ended June 30, 2015, the three months ended June 30, 2014, the six months ended June 30, 2014, were NT\$(58,918) thousand, NT\$(57,074) thousand, NT\$319,780 thousand and NT\$(27,813) thousand, respectively.

15. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

Investor	Investee	Nature of Activities	Proportion of Ownership		
			June 30, 2015	December 31, 2014	June 30, 2014
Far Eastern New Century Corporation	Far EasTone Telecommunications Co., Ltd. (Note 1)	Telecommunications	38.29	38.29	38.29
	Yuan Ding Investment Co., Ltd.	Investment	99.70	99.70	99.70
	Far Eastern Resources Development Co.	Real estate leasing and development service	100.00	100.00	100.00
	Yuan Tong Investment Co., Ltd.	Investment	100.00	100.00	100.00
	Far Eastern Polychem Industries Ltd. (FEPI)	Investment	100.00	100.00	100.00
	Oriental Petrochemical (Taiwan) Co., Ltd.	Petrochemical materials production	80.76	80.76	80.76
	Far Eastern Investment (Holding) Ltd.	Investment	100.00	100.00	100.00
	PET Far Eastern (Holding) Ltd. (PETH)	Investment	100.00	100.00	100.00
	Kai Yuan International Investment Co., Ltd.	Investment	100.00	100.00	100.00
	Far Eastern Polytex (Holding) Ltd.	Investment	100.00	100.00	100.00
	Yuan Ding Company Ltd.	Real estate construction and selling	49.99	49.99	49.99
	Far Eastern Construction Co., Ltd.	Real estate construction and selling	65.11	65.11	65.11
	Ding Yuan International Investment Co., Ltd.	Investment	100.00	100.00	100.00
	An Ho Garment Co., Ltd.	Investment	100.00	100.00	100.00
	FEDP (Holding) Ltd. (FEDP)	Investment	100.00	100.00	100.00
	Fu Kwok Garment Manufacturing Co., Ltd.	Garment production	99.99	99.99	99.99
	Far Eastern Textile Ltd.	Textile production	100.00	100.00	100.00
	Far Eastern Electronic Toll Collection Co., Ltd.	Electronic toll collection service	66.33	66.33	66.33
	Yuan Hsin Digital Payment Co., Ltd.	Other financing and supporting services	65.01	65.01	68.43

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership		
			June 30, 2015	December 31, 2014	June 30, 2014
Yuan Ding Investment Co., Ltd.	Oriental Textile (Holding) Ltd. (OTTI)	Investment	100.00	100.00	100.00
	Far Eastern Apparel (Holding) Ltd. (FEAH)	Sale of textile, garments, and clothing	100.00	100.00	100.00
	Far Eastern Fibertech Co., Ltd.	Nylon production	100.00	100.00	100.00
	Far Eastern Apparel Co., Ltd.	Sale of textile, garments, and clothing	100.00	100.00	100.00
	Oriental Resources Development Ltd.	Waste recycling and processing	70.00	70.00	70.00
Far Eastern Investment (Holding) Ltd. (FEIH)	Yuan Faun Ltd.	PET bottle production and selling	100.00	100.00	100.00
	FETG Investment Antilles N.V.	Investment	100.00	100.00	100.00
	PET Far Eastern (M) Sdn. Bhd.	Bottle production	50.00	50.00	50.00
	Far Eastern Apparel (Vietnam) Ltd.	Clothing production	100.00	100.00	100.00
	Worldwide Polychem (HK) Ltd. (WWPI)	Petrochemical, PET and apparel productions foreign trade	100.00	100.00	100.00
Far Eastern Polychem Industries Ltd. (FEPI)	Far Eastern Polytex (Vietnam) Ltd. (Note 6)	Chemical fiber and textile production	-	-	-
	Far Eastern Industries (Shanghai) Ltd.	Chemical fiber production	100.00	100.00	100.00
	Far Eastern Industries (Yangzhou) Ltd.	PA and its by-product production	100.00	100.00	100.00
Far Eastern Construction Co., Ltd.	Far Eastern Ishizuka Green Pet Corporation (FIGP)	PET production and sale	85.15	80.00	80.00
	Far Eastern General Contractor Co., Ltd.	Construction	99.95	99.95	99.95
Far Eastern Apparel (Holding) Ltd. (FEAH)	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Dyeing and finishing	100.00	100.00	100.00
FETG Investment Antilles N.V.	Waldorf Services B.V.	Investment	100.00	100.00	100.00
Yuan Faun Ltd.	Yuan Cheng Human Resources Consultant Corp.	Personnel recruitment	55.19	55.19	55.19
Yuan Tong Investment Co., Ltd.	Sino Belgium (Holding) Ltd.	Investment	93.72	93.55	92.56
Far Eastern Apparel (Suzhou) Ltd.	An Ho Garment (Suzhou) Ltd.	Garment production	100.00	100.00	100.00
	Suqian Far Eastern Apparel Co., Ltd. (Note 2)	Garment production and accessories	-	-	-
PET Far Eastern (Holding) Ltd. (PETH)	Oriental Petrochemical (Shanghai) Corp.	PTA production and sale	61.35	61.35	61.35
	Far Eastern Union Petrochemical (Yangzhou) Corporation (Note 3)	MEG and its by-product sale	-	-	-
Oriental Textile (Holding) Ltd. (OTTI)	Far Eastern Industries (Wuxi) Ltd.	Fiber and textile production	100.00	100.00	100.00
	Oriental Industries (Suzhou) Ltd.	Textile production	100.00	100.00	100.00
FEDP (Holding) Ltd. (FEDP)	Far Eastern Industries (Suzhou) Ltd.	Garment production	100.00	100.00	100.00
Far Eastern Polytex (Holding) Ltd.	Wuhan Far Eastern New Material Ltd.	Garment production and sale	100.00	100.00	100.00
	Far Eastern Apparel (Suzhou) Ltd.	Garment production	100.00	100.00	100.00
	Far Eastern Yihua Petrochemical (Yangzhou) Corporation	PTA and by-product production and sale	60.00	60.00	60.00
	Far Eastern New Century (China) Investment Ltd.	Investment	100.00	100.00	100.00
Far Eastern New Century (China) Investment Ltd.	Shanghai Yuan Zi Information Technology Co., Ltd.	Software development, equipment maintenance and consulting	100.00	100.00	100.00
	Yuan Ding Enterprise (Shanghai) Ltd.	Software development	100.00	100.00	100.00
Sino Belgium (Holding) Ltd.	Sino Belgium Beer (Suzhou) Ltd.	Brewer	100.00	100.00	100.00
	Martens Beers Trading (Shanghai) Ltd.	Beer sale	100.00	100.00	100.00
Oriental Petrochemical (Shanghai) Corp.	Shanghai Far Eastern Petrochemical Logistic Ltd.	Transportation	100.00	100.00	100.00
Yuan Ding Company Ltd.	Ding Ding Hotel Co., Ltd.	Hotel	80.99	80.99	80.99
	YDT Technology International Co., Ltd.	Electronic materials and by-product sale	100.00	100.00	100.00
Far Eastern New Century (China) Investment Ltd.	Far Eastern Technical Consultants Co., Ltd.	Real estate development business consulting and management	100.00	100.00	100.00
	FET Consulting Engineers Co., Ltd.	Investment	100.00	100.00	100.00
	Ding Ding Integrated Marketing Services Co., Ltd.	Market research and general advertisement	80.00	80.00	80.00
	Far Eastern Electronic Commerce Co., Ltd.	Electronic information providing services	73.42	73.42	73.42
	DDIM (Virgin Islands) Ltd.	Investment	100.00	100.00	100.00
FET Consulting Engineers Co., Ltd.	DDIM (Virgin Islands) Ltd.	Investment	100.00	100.00	100.00
YDT Technology International Co., Ltd.	YDC (Virgin Islands) Ltd.	Investment	100.00	100.00	100.00
YDC (Virgin Islands) Ltd.	Speedy (Shanghai) Digital Tech. Co., Ltd.	Intelligent control equipment and security monitoring products	100.00	100.00	100.00
DDIM (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	Internet software development services	100.00	100.00	100.00

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership		
			June 30, 2015	December 31, 2014	June 30, 2014
Far EasTone Telecommunications Co., Ltd.	New Century InfoComm Tech Co., Ltd.	Types I and II telecommunications services	100.00	100.00	100.00
	ARCOA Communication Co., Ltd.	Type II telecommunications services, sale of communications products and office equipment	61.63	61.63	61.07
	KGEx.com Co., Ltd.	Type II telecommunications services	99.99	99.99	99.99
	Yuan Cing Co., Ltd.	Call center services	99.99	99.99	99.99
	E. World (Holdings) Ltd.	Investment	85.92	85.92	85.92
	Far EasTron Holding Ltd.	Investment	100.00	100.00	100.00
	Far Eastern Info Service Holding Ltd.	Investment	100.00	100.00	100.00
	O-music Co., Ltd.	Electronic information providing services	50.00	50.00	50.00
	Q-Ware Communication Co., Ltd.	Type II telecommunications services	81.46	81.46	81.46
	Hiiir Co., Ltd.	Electronic information providing services	89.54	89.54	80.00
ARCOA Communication Co., Ltd.	DataExpress Infotech Co., Ltd.	Sale of communications products	70.00	70.00	70.00
New Century InfoComm Tech Co., Ltd.	New Diligent Co., Ltd.	Investment	100.00	100.00	100.00
	Information Security Service Digital United Co., Ltd.	Security and monitoring service via Internet	100.00	100.00	100.00
Digital United (Cayman) Ltd.	Digital United (Cayman) Ltd.	Investment	100.00	100.00	100.00
	Simple InfoComm Co., Ltd.	Type II telecommunications	100.00	100.00	100.00
Digital United (Cayman) Ltd.	Digital United Information Technology (Shanghai) Co., Ltd.	Design and research of computer system	100.00	100.00	100.00
New Diligent Co., Ltd.	Sino Lead Enterprise Limited	Telecommunications services	100.00	100.00	100.00
	Far Eastern New Diligent Co., Ltd.	Electronic toll collection service	100.00	100.00	100.00
	New Diligent (Hong Kong) Co., Ltd. (Note 4)	Investment	-	-	-
Far Eastern Info Service (Holding) Ltd.	Far Eastern Tech-info Ltd. (Shanghai)	Computer software, data processing and network information providing services	-	-	-
Far Eastern New Diligent Co., Ltd.	Far Eastern Tech-info Ltd. (Shanghai)	Computer software, data processing and network information providing services	100.00	100.00	100.00
	Far Eastern New Century Information Technology (Beijing) Limited	Software development, equipment maintenance and consulting	79.04	79.04	79.04
DataExpress Infotech Co., Ltd.	Linkwell Tech. Co., Ltd.	Sale of communications products	100.00	100.00	100.00
	Home Master Technology Co., Ltd.	Sale of communications products	100.00	99.99	99.99
	Jing Yuan Technology Co., Ltd. (Note 5)	Data Processing services	-	-	-

(Concluded)

Note 1: Even though the consolidated ownership of the Company and its subsidiaries to Far EasTone was not over 50%, over half of board of directors of Far EasTone were served by the Group. Thus, Far EasTone were included in a subsidiaries in the consolidated financial statement.

Note 2: A subsidiary was liquidated as of May 2014.

Note 3: The Group lost control over the subsidiaries by re-electing the board of directors as of June 30, 2014.

Note 4: A subsidiary was established completed on December 4, 2014, but the investment amount had not been remitted to the investee as of June 30, 2015.

Note 5: A subsidiary was liquidated as of January 28, 2014.

Note 6: A subsidiary was established on June 29, 2015, and the investment amount US\$5,300 thousand was fully paid on July 2, 2015.

Except for the financial statements as of and for the six months ended June 30, 2015 and 2014 of the Company, Far EasTone Telecommunications Co., Ltd. (Far EasTone), Yuan Ding Investment Co., Ltd., Far Eastern Construction Co., Ltd., Far Eastern General Contractor Co., Ltd., Oriental Industries (Suzhou) Ltd., New Century InfoComm Tech Co., Ltd. (NCIC) and ARCOA Communication Co., Ltd. (ARCOA), and the financial statements as of and for the six months ended June 30, 2014 of Far Eastern Industries (Wuxi) Ltd., all the financial statements of nonsignificant subsidiaries were unreviewed.

b. Details of subsidiaries that have material noncontrolling interests

Name of Subsidiary	Profit Allocated to Noncontrolling Interests				Accumulated Noncontrolling Interests		
	For the Three Months Ended		For the Six Months Ended		June 30, 2015	December 31, 2014	June 30, 2014
	June 30 2015	2014	2015	June 30 2014			
Far EasTone	\$ 1,959,242	\$ 2,155,307	\$ 3,823,305	\$ 4,112,627	\$ 41,911,066	\$ 45,697,926	\$ 42,572,144

Far EasTone and Far EasTone's subsidiaries:

	June 30, 2015	December 31, 2014	June 30, 2014
Current assets	\$ 33,229,466	\$ 20,806,012	\$ 33,314,729
Noncurrent assets	103,171,637	102,902,175	101,248,908
Current liabilities	(32,105,751)	(22,675,815)	(33,339,451)
Noncurrent liabilities	<u>(36,846,354)</u>	<u>(27,479,371)</u>	<u>(32,695,772)</u>
Equity	\$ <u>67,448,998</u>	\$ <u>73,553,001</u>	\$ <u>68,528,414</u>
Equity attributable to:			
Owners of the Group	\$ 25,537,932	\$ 27,855,075	\$ 25,956,270
Noncontrolling interests of Far EasTone	41,158,156	44,892,575	41,832,369
Noncontrolling interests of Far EasTone's subsidiaries	<u>752,910</u>	<u>805,351</u>	<u>739,775</u>
	\$ <u>67,448,998</u>	\$ <u>73,553,001</u>	\$ <u>68,528,414</u>

	For the Three Months Ended		For the Six Months Ended	
	June 30 2015	2014	June 30 2015	2014
Revenue	\$ <u>23,636,523</u>	\$ <u>22,022,176</u>	\$ <u>48,421,021</u>	\$ <u>44,886,661</u>
Profit for the period	\$ 3,168,299	\$ 3,483,508	\$ 6,175,236	\$ 6,631,512
Other comprehensive income for the period	<u>(3,476)</u>	<u>(40,711)</u>	<u>25,246</u>	<u>(44,102)</u>
Total comprehensive income for the period	\$ <u>3,164,823</u>	\$ <u>3,442,797</u>	\$ <u>6,200,482</u>	\$ <u>6,587,410</u>
Profit attributable to:				
Owners of the Group	\$ 1,209,057	\$ 1,328,201	\$ 2,351,931	\$ 2,518,885
Noncontrolling interests of Far EasTone	1,948,575	2,140,591	3,790,486	4,059,555
Noncontrolling interests of Far EasTone's subsidiaries	<u>10,667</u>	<u>14,716</u>	<u>32,819</u>	<u>53,072</u>
	\$ <u>3,168,299</u>	\$ <u>3,483,508</u>	\$ <u>6,175,236</u>	\$ <u>6,631,512</u>

(Continued)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Total comprehensive income attributable to:				
Owners of the Group	\$ 1,207,758	\$ 1,312,801	\$ 2,361,657	\$ 2,502,145
Noncontrolling interests of Far EasTone	1,946,482	2,115,774	3,806,159	4,032,578
Noncontrolling interests of Far EasTone's subsidiaries	<u>10,583</u>	<u>14,222</u>	<u>32,666</u>	<u>52,687</u>
	<u>\$ 3,164,823</u>	<u>\$ 3,442,797</u>	<u>\$ 6,200,482</u>	<u>\$ 6,587,410</u>

(Concluded)

	For the Six Months Ended June 30	
	2015	2014
Net cash inflow from:		
Operating activities	\$ 9,862,552	\$ 13,818,583
Investing activities	(6,840,141)	(7,215,131)
Financing activities	9,644,969	8,125,326
Effect of exchange rate changes	<u>(2,044)</u>	<u>(2,828)</u>
Net cash inflow	<u>\$ 12,665,336</u>	<u>\$ 14,725,950</u>

16. AMOUNTS DUE FROM (TO) CUSTOMERS FOR CONSTRUCTION CONTRACTS

	June 30, 2015	December 31, 2014	June 30, 2014
Amount due from customers for <u>construction contracts</u>			
Construction costs incurred plus recognized profits less recognized losses to date	\$ 10,186,773	\$ 11,212,107	\$ 17,231,555
Less: Progress billings	<u>8,904,488</u>	<u>8,925,196</u>	<u>14,795,039</u>
	<u>\$ 1,282,285</u>	<u>\$ 2,286,911</u>	<u>\$ 2,436,516</u>
Amounts due to customers for <u>construction contracts</u>			
Progress billings	\$ 2,763,843	\$ 2,541,337	\$ 2,877,878
Less: Construction costs incurred plus recognized profits less recognized losses to date	<u>2,680,697</u>	<u>2,430,743</u>	<u>2,093,472</u>
	<u>\$ 83,146</u>	<u>\$ 110,594</u>	<u>\$ 784,406</u>
Retentions receivable	<u>\$ 135,724</u>	<u>\$ 100,978</u>	<u>\$ 272,659</u>
Retentions payable	<u>\$ 279,050</u>	<u>\$ 356,256</u>	<u>\$ 332,510</u>

Certain amounts due from (to) customers for construction contracts are accounted for as retentions receivable on construction contracts. Retentions receivable on construction contracts bear no interest and are expected to remain as receivables until the satisfaction of conditions specified in each contract for the payment of such amounts during the retention periods, which are within the Group's normal operating cycle of usually more than 12 months after the reporting period.

17. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in Associates

	June 30, 2015		December 31, 2014		June 30, 2014	
	Carrying Value	% of Ownership	Carrying Value	% of Ownership	Carrying Value	% of Ownership
Associate that are individually material						
Asia Cement Corp.	\$ 23,435,529	25	\$ 24,231,445	25	\$ 21,783,162	25
Associate that are not individually material						
Listed companies						
Far Eastern Department Stores Co., Ltd.	7,271,250	23	7,370,454	22	6,702,694	22
Oriental Union Chemical Corp.	6,689,715	32	6,597,024	31	5,852,691	28
Everest Textile Co., Ltd.	1,117,597	26	1,172,804	26	1,106,480	26
	<u>15,078,562</u>		<u>15,140,282</u>		<u>13,661,865</u>	
Unlisted companies						
Oriental Securities Corp.	4,821,065	46	4,995,787	46	4,972,084	46
Pacific Liu Tong Investment Co., Ltd.	3,977,883	40	4,201,060	40	4,007,768	40
Yu Yuan Investment Co.	2,664,524	44	2,984,472	44	3,517,561	44
Far Eastern International Leasing Corp.	2,359,332	34	2,362,406	34	2,284,063	34
Far Easter Union Petrochemical (Yangzhou) Corporation	1,910,892	50	1,974,612	50	1,906,897	50
Liquid Air Far East Co., Ltd.	1,495,545	35	1,600,555	35	1,403,057	35
Da Ju Fiber Corp.	1,236,948	42	1,193,637	42	1,138,847	42
Tong Da Air Industry (Yangzhou) Co., Ltd.	1,020,522	50	1,048,327	50	987,433	50
Yu Ding Industry Co., Ltd.	634,420	31	617,990	31	598,696	31
Kowloon Cement Corp.	468,713	49	448,282	49	399,507	49
Yuan Ding Leasing Corp.	427,959	46	428,360	46	417,792	46
Freudenberg Far Eastern Spunweb Co., Ltd.	267,585	30	291,867	30	239,734	30
FEDS Asia Pacific Development Co., Ltd.	125,445	5	128,195	5	123,893	5
Malaysia Garment Manufactures PET Ltd.	78,030	38	65,794	38	71,585	38
Yue Ming Corp.	72,781	47	71,869	47	72,755	47
Alliance Digital Technology Co., Ltd.	18,675	13	21,917	13	25,475	19
iScreen Corporation	16,916	40	16,526	40	16,416	40
Com 2B Corporation	14,086	20	14,450	20	13,543	20
Opas Fund Segregated Portfolio Company	1,607	34	1,646	34	1,552	34
	<u>21,612,928</u>		<u>22,467,752</u>		<u>22,198,658</u>	
	\$ 60,127,019		\$ 61,839,479		\$ 57,643,685	

Material associates were as follow:

Name of Associate	Nature of Activities	Principal Place of Business	Proportion of Ownership and Voting Rights		
			June 30, 2015	December 31, 2014	June 30, 2014
Asia Cement Corp.	Cement production	Taiwan	25.38%	25.37%	25.34%

On March 31, 2014, the Group lost control over Far Eastern Union Petrochemical (Yangzhou) Corp. (FEUPY) when half of the board members, who represented the Group, lost their seats after a board of directors' election. The Group revalued its retained holding of FEUPY shares at fair value and recognized RMB3,912 thousand as gain on disposal of investment.

In the six months ended June 2014, the Group and Oriental Union Chemical Corp. co-establish Tong Da Air Industry (Yangzhou) Co., Ltd. and the Group acquired 50% ownership of it.

As of June 30, 2015 and 2014, investments in FEDS Asia Pacific Development Co., Ltd., Com2B Corporation and Alliance Digital Technology Co., Ltd. were accounted for the equity-method since the Group exercised significant influence on them even though the Group owned less than 20% of each investee's voting stock.

The financial statements used as basis for the calculation of the gains (losses) and other comprehensive income from the equity-method investments for the three months and the six months ended June 30, 2015 and 2014 had been unreviewed, except those of Asia Cement Corp. (ACC), Far Eastern Department Stores Co., Ltd., Oriental Union Chemical Corp., Everest Textile Co., Ltd., Oriental Securities Corp. and Pacific Liu Tong Investment Co., Ltd. The independent auditors expressed a qualified reviewed report on the financial statements of these six associates because the financial statements of some of the investees of these associates had not been reviewed.

The fair values of publicly traded investments accounted for using the equity method are summarized as follows, based on the closing prices of those investments as of the balance sheet date:

Name of Associate	June 30, 2015	December 31, 2014	June 30, 2014
Listed companies	<u>\$ 46,542,495</u>	<u>\$ 51,674,947</u>	<u>\$ 52,769,387</u>

18. PROPERTY, PLANT AND EQUIPMENT

	June 30, 2015	December 31, 2014	June 30, 2014
Total property, plant and equipment	\$ 141,712,900	\$ 139,055,972	\$ 128,611,541
Prepayment for equipment	<u>4,791,062</u>	<u>4,914,856</u>	<u>6,704,828</u>
	<u>\$ 146,503,962</u>	<u>\$ 143,970,828</u>	<u>\$ 135,316,369</u>

	Land	Buildings	Machinery and Equipment	Telecommunications Equipment	Computer Equipment	Leasehold Improvements	Operating And Miscellaneous Equipment	Construction-in-progress and Prepayment for Equipment	Total
Cost									
Balance at January 1, 2015	\$ 17,327,539	\$ 29,327,112	\$ 116,998,189	\$ 141,788,190	\$ 14,008,541	\$ 4,957,919	\$ 18,898,657	\$ 30,945,222	\$ 374,251,369
Additions	15,079	34,935	157,240	36,799	16,007	21,192	169,086	10,958,333	11,408,671
Disposals	-	(173,556)	(738,038)	(12,022,156)	(271,787)	(127,941)	(180,204)	(15,960)	(13,529,642)
Adjustments and reclassification	6,900	580,365	2,307,422	7,257,462	735,978	150,587	741,131	(12,514,264)	(734,419)
Effect of exchange rate difference	-	(201,505)	(1,086,153)	-	(316)	(17,429)	(48,864)	(180,082)	(1,534,349)
Balance at June 30, 2015	<u>\$ 17,349,518</u>	<u>\$ 29,567,351</u>	<u>\$ 117,638,660</u>	<u>\$ 137,060,295</u>	<u>\$ 14,488,423</u>	<u>\$ 4,984,328</u>	<u>\$ 19,579,806</u>	<u>\$ 29,193,249</u>	<u>\$ 369,861,630</u>
Accumulated depreciation and impairment									
Balance at January 1, 2015	\$ (96,557)	\$ (13,088,831)	\$ (79,700,476)	\$ (109,278,453)	\$ (11,286,648)	\$ (3,446,256)	\$ (13,383,320)	\$ -	\$ (230,280,541)
Disposals	-	173,384	737,712	11,573,525	270,941	100,522	177,065	-	13,033,149
Impairment loss	-	-	(70,000)	-	-	-	-	-	(70,000)
Depreciation expense	-	(364,313)	(1,914,501)	(3,177,932)	(562,003)	(207,947)	(627,958)	-	(6,854,654)
Adjustments and reclassification	-	-	149,534	-	-	-	37,348	-	186,882
Effect of exchange rate differences	-	100,705	526,030	-	148	8	605	-	627,496
Balance at June 30, 2015	<u>\$ (96,557)</u>	<u>\$ (13,179,055)</u>	<u>\$ (80,271,701)</u>	<u>\$ (100,882,860)</u>	<u>\$ (11,577,562)</u>	<u>\$ (3,553,673)</u>	<u>\$ (13,796,260)</u>	<u>\$ -</u>	<u>\$ (223,357,668)</u>
Cost									
Balance at January 1, 2014	\$ 17,332,301	\$ 28,166,768	\$ 112,175,350	\$ 144,771,595	\$ 12,716,058	\$ 4,631,998	\$ 17,617,938	\$ 23,268,152	\$ 360,680,160
Additions	-	12,684	507,340	40,244	11,335	13,206	267,516	13,186,703	14,039,028
Disposals	-	(56,731)	(1,114,774)	(5,415,831)	(61,195)	(55,739)	(251,128)	(19,187)	(6,974,585)
Derecognition of subsidiaries due to control loss	-	-	-	-	-	-	(20,565)	(1,505,414)	(1,525,979)
Adjustments and reclassification	254	397,394	1,888,604	5,318,033	642,554	164,997	794,000	(8,917,981)	287,855
Effect of exchange rate difference	-	(165,664)	(845,033)	(1)	(176)	(13)	(56,782)	(45,405)	(1,113,074)
Balance at June 30, 2014	<u>\$ 17,332,555</u>	<u>\$ 28,354,451</u>	<u>\$ 112,611,487</u>	<u>\$ 144,714,040</u>	<u>\$ 13,308,576</u>	<u>\$ 4,754,449</u>	<u>\$ 18,350,979</u>	<u>\$ 25,966,868</u>	<u>\$ 365,393,405</u>

(Continued)

	Land	Buildings	Machinery and Equipment	Telecommunications Equipment	Computer Equipment	Leasehold Improvements	Operating And Miscellaneous Equipment	Construction-in-progress and Prepayment for Equipment	Total
Accumulated depreciation and impairment									
Balance at January 1, 2014	\$ (96,557)	\$ (12,193,478)	\$ (76,675,611)	\$ (114,352,153)	\$ (10,530,559)	\$ (3,138,722)	\$ (12,822,163)	\$ -	\$ (229,809,243)
Disposals	-	45,146	1,092,682	4,976,512	60,476	41,879	217,171	-	6,433,866
Derecognition of subsidiaries due to control loss	-	-	-	-	-	-	2,335	-	2,335
Depreciation expense	-	(346,143)	(1,794,982)	(3,605,558)	(446,472)	(184,837)	(555,769)	-	(6,933,761)
Adjustments and reclassification	-	(150,084)	(63,221)	1,832	(3,852)	(431)	(2,266)	-	(218,022)
Effect of exchange rate difference	-	49,884	366,833	-	89	(3)	30,986	-	447,789
Balance at June 30, 2014	<u>\$ (96,557)</u>	<u>\$ (12,594,675)</u>	<u>\$ (77,074,299)</u>	<u>\$ (112,979,367)</u>	<u>\$ (10,920,318)</u>	<u>\$ (3,282,114)</u>	<u>\$ (13,129,706)</u>	<u>\$ -</u>	<u>\$ (230,077,036)</u>

(Concluded)

The above items of property, plant and equipment were depreciated on a straight-line basis over the following estimated useful lives:

Building	3-60 years
Telecommunications equipment - excluding submarine cable system usage	2-25 years
Computer equipment	3-10 years
Machinery and equipment	3-20 years
Leasehold improvements and operating and miscellaneous equipment	3-15 years

As of June 30, 2015, December 31, 2014 and June 30, 2014, farmland was reclassified to property, plant and equipment amounting to NT\$238,430 thousand and to investment properties amounting to NT\$34,591 thousand, NT\$34,591 thousand, and NT\$34,783 thousand, respectively. The titles to the land are temporarily registered in the name of trustees who have either signed an agreement showing the farmlands belong to the Company or have pledged the land to the Company.

19. INVESTMENT PROPERTIES

	Completed Investment Properties
Balance at January 1, 2015	\$ 119,663,209
Additions	441,540
Disposals	(1,998,238)
Adjustments and reclassifications	1,692,627
Gain on change in fair value of investment properties	3,211,804
Effect of exchange rate differences	<u>(12,965)</u>
Balance at June 30, 2015	<u>\$ 122,997,977</u>
Balance at January 1, 2014	\$ 113,458,525
Additions	5,994
Adjustments and reclassifications	(62,119)
Gain on change in fair value of investment properties	3,186,449
Effect of exchange rate differences	<u>7,099</u>
Balance at June 30, 2014	<u>\$ 116,595,948</u>

The Group and Asia Cement Corporation (ACC) co-own land located on Dunhua South Road in Taipei. Under an agreement with the Group and ACC, Yuan Ding paid for the construction of a multifunctional building on this land and owned the 30-year right of superficies. However, the ownership of the building was registered in the name of the Group, ACC and Yuan Ding at 12%, 12% and 76%, respectively. Upon expiration of the agreement, the Company and ACC will acquire Yuan Ding's 76% ownership of the building based on the carrying value of the building.

The construction of a building (Bangiao Zhong Ben) located in the Bangiao Xin Ban section was completed in 2011, and the building was leased to Far Eastern Department Stores Co., Ltd. (FEDS) as its department store space. A portion of the rental income generated from the operating lease was recognized over the lease term on a straight-line basis and the rest of the income was recognized as a percentage of FEDS's gross operating income. The lease of FEDS will expire in December 2026. The construction of Bangiao Zhong Ben commercial building was completed in the three months ended March 31, 2015 and recognized as inventories (available for sale-land and building). A portion of floors has been rent out was reclassified from inventories to investment properties in an amount of NT\$1,084,023 thousand by its fair value and recognized valuation gain on investment properties NT\$585,006 thousand (recognized as gain on change in fair value of investment properties).

The construction project - Taipei Far Eastern Telecom Park, investment property located in Banqiao was in accordance with the enforcement rules of Act for Promotion of Private Participation in Infrastructure Projects and the market rentals were valued between NT\$0.4 thousand and NT\$1.1 thousand per ping (i.e. 1 ping = 3.3 square meters).

The fair values of investment properties were as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Independent valuation	<u>\$ 122,997,977</u>	<u>\$ 119,663,209</u>	<u>\$ 116,595,948</u>

The fair values of the investment properties as of December 31, 2014 and January 1, 2014 were based on the valuations carried out at these dates by an independent qualified professional valuator, Mr. Tsai, Chia-ho and Ms. Hu Chun-Chun, from Debenham Tie Leung Real Estate Appraiser Office, a member of certified ROC real estate appraisals. In consultation with the appraisers, except for some investment properties were adjusted in accordance with fair value movement, the Group determined that the fair values reported as of December 31, 2014 and January 1, 2014 were still valid as of June 30, 2015 and 2014.

Except for the undeveloped land, the fair value of investment properties was measured using the income approach. The significant assumptions used were as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Expected future cash inflows	\$ 60,401,963	\$ 57,791,454	\$ 54,754,355
Expected future cash outflows	<u>(2,032,285)</u>	<u>(1,952,832)</u>	<u>(1,949,447)</u>
Expected future cash inflows, net	<u>\$ 58,369,678</u>	<u>\$ 55,838,622</u>	<u>\$ 52,804,908</u>
Discount rate	2.125%-2.32%	2.125%-2.28%	2.125%-2.28%

The Group identified the investment properties located in Banqiao on the basis of their individual operating purposes and estimated future cash inflows/outflows by type of investment property. The difference between the estimated future cash inflows and outflows was used in estimating the total fair value of the Group's investment properties in Banqiao.

All floors of the investment properties had been leased out under operating leases. The rental incomes generated for the six months ended June 30, 2015 and 2014 were NT\$538,948 thousand and NT\$491,202 thousand, respectively.

The expected future cash inflows generated by investment properties referred to rental income, interest income on rental deposits, loss on vacancy rate of space and disposal value. The rental income was extrapolated using the comparative market rentals covering 10 years, excluding too-high and too-low values, taking into account the annual rental growth rate. However, when the investment properties had specific rental period, the rental income was extrapolated on that rental period with no more than 10 years. Loss on vacancy rate of space was extrapolated using the vacancy rates of the neighboring stores and factories, the interest income on rental deposits was extrapolated using 1.36%, the interest rate announced by the central bank for the one-year average deposit interest rate of five major banks, and the disposal value was determined using the direct capitalization method under the income approach. The expected future cash outflows on investment property included expenditures such as land value taxes, house taxes, insurance premium, maintenance costs, replacement allowance and depreciation. These expenditures were extrapolated on the basis of the current level of expenditures, taking into account the future adjustment to the government-announced land value and the tax rate promulgated under the House Tax Act.

The discount rate was determined by reference to the local same class product, a reasonable rental income level and the selling price of investment properties taking into consideration the liquidity, potential risk, appreciation and the complexity of management; in addition, the discount rate should not be lower than the interest rate for two-year time deposits of Chunghwa Post Co., Ltd. plus 0.75%.

The Group's undeveloped lands were located in Zhongli District and Taipei City. The fair value was measured using the land development analysis, because it was undeveloped and cannot be measured by income approach. The significant assumptions used were as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Estimated total sale price	<u>\$ 27,051,660</u>	<u>\$ 27,051,660</u>	<u>\$ 25,492,100</u>
Rate of return	15%-18%	15%-18%	15%-18%
Overall capital interest rate	1.36%-1.56%	1.36%-1.56%	1.36%-1.46%

The estimated total sale price located in Chung Li, Taoyuan is disclosed by reference to any existing lease, local rents, or market rents for similar comparable subjects. The fair value in that area is determined by the sale price of each constructing building which is adjusted according to different conditions and calculated the estimated fair value of total areas.

The total selling price is estimated on the basis of the most effective use of land or property available for sale after development is completed, taking into account the related regulations, optimism of domestic macroeconomic prospects, local land use, and market rates.

20. GOODWILL

	For the Six Months Ended June 30	
	2015	2014
<u>Cost</u>		
Beginning balance	\$ 11,930,443	\$ 11,928,782
Impairment loss	(43,535)	-
Effect of exchange rate differences, net	<u>(4,119)</u>	<u>(1,015)</u>
Ending balance	<u>\$ 11,882,789</u>	<u>\$ 11,927,767</u>

If an investment acquisition cost exceeds the fair value of identifiable net assets acquired, and the source of this excess cannot be identified, this excess should be recorded as goodwill. Goodwill mainly resulted from the mergers and acquisitions of Far Eastone, which obtained a large percentage of companies with which it had merged.

21. CONCESSION AND INTANGIBLE ASSETS

	June 30, 2015	December 31, 2014	June 30, 2014	
<u>Carrying amounts</u>				
Concession	\$ 36,275,522	\$ 37,314,277	\$ 38,199,785	
Other intangible assets				
Computer software	2,634,332	2,602,855	2,490,257	
Others	<u>926,560</u>	<u>1,169,584</u>	<u>1,433,383</u>	
	<u>3,560,892</u>	<u>3,772,439</u>	<u>3,923,640</u>	
	<u>\$ 39,836,414</u>	<u>\$ 41,086,716</u>	<u>\$ 42,123,425</u>	
	Concession	Computer Software	Others	Total
Balance at January 1, 2015	\$ 37,314,277	\$ 2,602,855	\$ 1,169,584	\$ 41,086,716
Additions	105,859	429,910	55,755	591,524
Amortization	(1,107,925)	(411,353)	(299,378)	(1,818,656)
Disposals	(518)	-	(477)	(995)
Adjustments and reclassifications	(36,171)	14,530	196	(21,445)
Effect of exchange rate differences	<u>-</u>	<u>(1,610)</u>	<u>880</u>	<u>(730)</u>
Balance at June 30, 2015	<u>\$ 36,275,522</u>	<u>\$ 2,634,332</u>	<u>\$ 926,560</u>	<u>\$ 39,836,414</u>
Balance at January 1, 2014	\$ 37,734,135	\$ 2,557,237	\$ 1,626,885	\$ 41,918,257
Additions	1,031,936	322,223	113,834	1,467,993
Amortization	(564,960)	(386,163)	(305,872)	(1,256,995)
Disposals	(1,326)	(3)	-	(1,329)
Derecognition of subsidiaries due to control loss	-	(4,563)	-	(4,563)
Adjustments and reclassifications	-	2,469	1,270	3,739
Effect of exchange rate differences	<u>-</u>	<u>(943)</u>	<u>(2,734)</u>	<u>(3,677)</u>
Balance at June 30, 2014	<u>\$ 38,199,785</u>	<u>\$ 2,490,257</u>	<u>\$ 1,433,383</u>	<u>\$ 42,123,425</u>

The above other intangible assets were depreciated on a straight-line basis up to the estimated useful lives of the assets, as follows:

Concession	17 years
Computer software	10 years
Others	16 years

22. SHORT-TERM BORROWINGS AND SHORT-TERM BILLS PAYABLE

a. Short-term borrowings

	June 30, 2015	December 31, 2014	June 30, 2014
Credit loans	\$ 25,233,865	\$ 23,365,794	\$ 23,000,215
Secured and pledged borrowings	-	283,036	262,407
Loans from related parties	<u>3,562,722</u>	<u>3,989,830</u>	<u>3,473,448</u>
	<u>\$ 28,796,587</u>	<u>\$ 27,638,660</u>	<u>\$ 26,736,070</u>

- 1) The interest rates for bank loans were 0.63%-5.10%, 0.80%-4.48% and 0.63%-4.24% as of June 30, 2015, December 31, 2014 and June 30, 2014, respectively.
- 2) Loans from related parties were the Group's repayments to related parties. Interest rates were all 0% as of June 30, 2015, December 31, 2014 and June 30, 2014.

b. Short-term bills payable

	June 30, 2015	December 31, 2014	June 30, 2014
Commercial paper	\$ 6,545,000	\$ 4,666,000	\$ 3,734,000
Less: Unamortized discount on bills payable	<u>3,810</u>	<u>3,468</u>	<u>2,243</u>
	<u>\$ 6,541,190</u>	<u>\$ 4,662,532</u>	<u>\$ 3,731,757</u>

The short-term bills payable outstanding were issued at interest rates of 0.63%-1.49%, 0.80%-1.40% and 1.1%-1.36% as of June 30, 2015, December 31, 2014 and June 30, 2014, respectively.

23. PROVISIONS

	June 30, 2015	December 31, 2014	June 30, 2014
Decommissioning obligations	\$ 891,913	\$ 870,515	\$ 835,580
Warranties	137,697	124,565	96,307
Onerous contracts	<u>-</u>	<u>8,340</u>	<u>28,498</u>
	<u>\$ 1,029,610</u>	<u>\$ 1,003,420</u>	<u>\$ 960,385</u>
Current	\$ 249,885	\$ 240,197	\$ 226,163
Noncurrent	<u>779,725</u>	<u>763,223</u>	<u>734,222</u>
	<u>\$ 1,029,610</u>	<u>\$ 1,003,420</u>	<u>\$ 960,385</u>

	Decommis- sioning Obligations	Warranties	Onerous Contracts	Total
Balance at January 1, 2015	\$ 870,515	\$ 124,565	\$ 8,340	\$ 1,003,420
Additional provisions recognized	33,085	38,720	-	71,805
Reductions	<u>(11,687)</u>	<u>(25,588)</u>	<u>(8,340)</u>	<u>(45,615)</u>
Balance at June 30, 2015	<u>\$ 891,913</u>	<u>\$ 137,697</u>	<u>\$ -</u>	<u>\$ 1,029,610</u>
Balance at January 1, 2014	\$ 799,760	\$ 87,260	\$ 12,171	\$ 899,191
Additional provisions recognized	41,912	42,222	16,327	100,461
Reductions	<u>(6,092)</u>	<u>(33,175)</u>	<u>-</u>	<u>(39,267)</u>
Balance at June 30, 2014	<u>\$ 835,580</u>	<u>\$ 96,307</u>	<u>\$ 28,498</u>	<u>\$ 960,385</u>

24. LONG-TERM BORROWINGS

	June 30, 2015	December 31, 2014	June 30, 2014
Bank loans	\$ 71,868,137	\$ 64,785,517	\$ 61,368,882
Less: Current portion	<u>1,731,549</u>	<u>786,307</u>	<u>793,622</u>
	<u>\$ 70,136,588</u>	<u>\$ 63,999,210</u>	<u>\$ 60,575,260</u>
Nonconvertible bonds	\$ 79,973,500	\$ 74,144,000	\$ 74,748,500
Discount of nonconvertible bonds	<u>(90,844)</u>	<u>(90,393)</u>	<u>(102,550)</u>
	79,882,656	74,053,607	74,645,950
Less: Current portion	<u>18,963,486</u>	<u>13,341,588</u>	<u>10,644,386</u>
	<u>\$ 60,919,170</u>	<u>\$ 60,712,019</u>	<u>\$ 64,001,564</u>

Bank Loans

The foregoing loans are repayable through a lump sum payment on maturity in New Taiwan dollars, Japanese yen and U.S. dollars. Except for these non-revolving credit loans, the Group had been allowed to make loans within the credit line limit until maturity. The maturity dates and bank interest rates of the Group's revolving loans were as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Maturity	July 2016- March 2031	January 2016- March 2031	July 2015- March 2031
Bank interest rates	0.68%-1.92%	0.65%-2.09%	0.65%-2.95%

On March 22, 2011, a company subsidiary, FECC entered into a credit agreement with Hua Nan Bank and other financial institutions, and update the credit agreement into NT\$7,400,000 thousand on March 20, 2015. FECC pledged its land and construction pertaining to the Zhong Ben and Zhong Ben (2) project (Ban Qiao - New Section No. 8) and amounting to NT\$8,880,000 thousand as first mortgage to the creditor banks. Other agreement terms were as follows:

	Credit Line	Maturity Period	Interest Rate	Repayment
A	NT\$ 2,000,000 thousand	20 years after use of the credit	Hua Nan Bank's periodic savings interest rate plus 0.4% then over 0.946%	No revolving credit but batch employed available within 5 years; No repayment in the first 5 years; quarterly repayments of NT\$30,000 thousand quarterly from the sixth year and redemption of rest on maturity
B	NT\$ 1,400,000 thousand	5 years after approve of the credit	Reference interest rate plus 0.6295% (negotiated by each loan)	Revolving credit within the period; no longer than 6 months; lump sum repayment on maturity
C	NT\$ 1,000,000 thousand	5 years after approve of the credit	Reference interest rate plus 0.6295% (negotiated by each loan)	Revolving credit within the period; no longer than 6 months; lump sum repayment on maturity
D	NT\$ 3,000,000 thousand	7 years after drawn of the credit	Reference interest rate plus 0.804% (negotiated by each loan, but no less than 1.5%)	No revolving credit but be partly drawn available within 3 years; credit will be paid every 6 months from 3 years after each drawdown date. The first 8 installments should repay 5% of the loan, and the last installment should repay 60% of loan.
<hr/>				
NT\$ 7,400,000 <u>thousand</u>				

Note: The reference interest rate is based on The Taipei Inter-bank 90 days' Offered Rate (TAIBOR)

On December 4, 2009, an FENC subsidiary, Oriental Petrochemicals (Taiwan) Co., Ltd. (OPTC), got a five-year syndicated loan of NT\$4,200,000 thousand from Mega International Commercial Bank and Chinatrust Commercial Bank. OPTC committed that, during the contract period, its financial statements should show it was keeping its liability ratio within a certain range. Once OPTC fails to meet its commitment, it should issue new shares for cash by the end of November of next year, fully repay the loan, or put the asset/liability ratio back within the required range. Otherwise, OPTC should pay fees monthly at 0.2% per day of the outstanding amounts during the period between the maturity date and the day before the asset/liability ratio has met the range requirement; the banks will assess OPTC's condition to determine the new deadline for the settlement of the principal and the interests. As of June 30, 2014, OPTC was in compliance with the ratio requirement.

In 2013, an FENC subsidiary, Oriental Petrochemicals (Taiwan) Co., Ltd. (OPTC), got a five-year and seven-year syndicated loan in a total amount of NT\$11,000,000 thousand from Mega International Commercial Bank. OPTC committed that, during the contract period, its financial statements should show it was keeping its liability ratio within a certain range. Once OPTC fails to meet its commitment, it should issue new shares for cash by the end of November of next year, fully repay the loan, or put the asset/liability ratio back within the required range. Otherwise, OPTC should pay fees monthly at 0.125% per day of the outstanding amounts during the period between the maturity date and the day before the asset/liability ratio has met the range requirement; the banks will assess OPTC's condition to determine the new deadline for the settlement of the principal and the interests. As of June 30, 2014, OPTC was in compliance with the ratio requirement.

On April 23, 2012, in order to construct a freeway taximeter system infrastructure, an FENC subsidiary, Far Eastern Electronic Toll Collection Co., Ltd. (FETC), entered into a syndicated loan agreement amounting to NT\$6,420,000 thousand with Cathay United bank and three other financial institutions. The agreement terms are as follows:

The syndicated loan, which consisted of three different loans with different terms and lines of credit (A, B and C), was obtained to meet FETC's capital needs for operating and maintain the infrastructure for the electronic toll collection project ("ETC project"). FETC withdrew NT\$2,906,000 thousand from Loan A and NT\$3,294,000 thousand from Loan B. FETC provided a guarantee amounting to NT\$22,000 thousand from Loan C. Credit Line A has been partly drawn for the first time on May 10, 2012. Loan A is repayable quarterly in 26 equal installments from November 10, 2014 until February 2021. Bank annual interest rates were 2.10% in 2013 and 2.0758% in 2012. Credit Line B has been partly drawn for the first time on May 10, 2012. Credit line B will be paid quarterly in 26 installments from August 10, 2019, with maturity in November 2025.

Another requirement in the syndicated loan agreement was for FETC to open special bank accounts and to place appropriate payments to these bank accounts through deposits and time deposits. The bank accounts pertaining to the loan reserve and time deposits that had been pledged to Cathy United Bank were accounted for under other financial assets - noncurrent (Note 36). The terms of loan A and B further included a requirement for FETC to keep its loan capital and interest coverage ratio at more than 1.10 during the interest accrual period after November 10, 2014. In addition, FETC should get prior written consent from Cathy United Bank based on the schedule and amount of the ETC project shown in FETC's annual budget before FETC disposes of the pledged deposits and should replace these deposits with other operating assets as collateral. The value of the operating assets should be the lower of the value of newly built operating assets for ETC's operations or the value of other assets that had not been provided to Cathay United Bank as collateral.

With FETC's long-term debts with floating rates, which may cause material cash flow risks, FETC started to use interest rate swaps on the first day it made a loan drawdown to hedge against adverse cash flow fluctuations on its liabilities under the syndicated loan agreement.

Bonds

FENC

On May 27, 2010, the Company issued five-year unsecured bonds (the first tranche) amounting to NT\$5,500,000 thousand at a unit face value of NT\$1,000 thousand. The five-year bonds are repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance, with a 1.68% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On September 16, 2010, the Company issued five-year unsecured bonds (the second tranche) amounting to NT\$6,000,000 thousand at a unit face value of NT\$1,000 thousand. These five-year bonds are repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance, with a 1.59% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On May 27, 2011, the Company issued five-year unsecured bonds (the first tranche) amounting to NT\$3,800,000 thousand at a unit face value of NT\$1,000 thousand. The five-year bonds are repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance, with a 1.50% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On September 29, 2011, the Company issued five-year unsecured bonds (the second tranche) amounting to NT\$2,200,000 thousand at a unit face value of NT\$1,000 thousand. These five-year bonds are repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance, with a 1.55% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On February 15, 2012, the Company issued five-year unsecured bonds (the third tranche) amounting to NT\$6,000,000 thousand at a unit face value of NT\$1,000 thousand. These five-year bonds are repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance, with a 1.36% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On June 7, 2012, the Company issued five-year unsecured bonds (the first tranche) amounting to NT\$3,200,000 thousand at a unit face value of NT\$1,000 thousand. These five-year bonds are repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance, with a 1.35% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On November 26, 2012, the Company issued five-year unsecured bonds (the second tranche) amounting to NT\$4,200,000 thousand at a unit face value of NT\$1,000 thousand. These five-year bonds are repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance, with a 1.3% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On May 16, 2013, the Company issued three-year unsecured bonds (the first tranche) amounting to (a) RMB500,000 thousand and (b) JPY5,000,000 thousand with unit face values of RMB1,000 thousand and JPY 10,000 thousand, respectively. These three-year bonds will be repaid in lump sum on maturity. The interest rate of (a) is 2.95% and that of (b) is defined as three month JPY LIBOR + 1.10%. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On August 28, 2013, the Company issued three-year and six-month unsecured bonds (second tranche) amounting to NT\$3,000,000 thousand, with a unit face value of NT\$1,000 thousand. These three-year and six-month bonds will be repaid in lump sum on maturity plus a 1.39% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On December 23, 2013, the Company issued the five-year unsecured bonds (third tranche) amounting to NT\$2,800,000 thousand, with a unit face of NT\$1,000 thousand. These five-year bonds will be repaid in lump sum on maturity plus a 1.45% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On August 21, 2014, the Company issued the five-year unsecured bonds (the first tranche) amounting to NT\$3,200,000 thousand, with a unit face of NT\$1,000 thousand. These five-year bonds are repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance, with a 1.47% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On December 4, 2014, the Company issued the five-year unsecured bonds (second tranche) amounting to NT\$2,200,000 thousand, with a unit face of NT\$1,000 thousand. These five-year bonds are repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance, with a 1.47% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On February 6, 2015, the Company issued the five-year unsecured bonds (third tranche) amounting to NT\$2,600,000 thousand, with a unit face of NT\$1,000 thousand. These five-year bonds are repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance, with a 1.38% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On May 25, 2015, the Company issued the five-year unsecured bonds (first tranche) amounting to NT\$8,000,000 thousand, with a unit face of NT\$1,000 thousand. These five-year bonds are repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance, with a 1.39% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

Yuan Ding Investment Co., Ltd. (YDI)

On July 19, 2010, an FENC subsidiary, YDI made its first issuance of unsecured bonds, with an aggregate value of NT\$2,000,000 thousand and par value of NT\$1,000 thousand. These five-year unsecured bonds are repayable at 30%, 30% and 40% of aggregate value at the end of the third, fourth and fifth years, respectively, of bond issuance, and the simple interest of 1.62% is payable annually.

On July 20, 2011, YDI made its first issuance of unsecured bonds, with an aggregate value of NT\$3,000,000 thousand and a par value of NT\$1,000 thousand. These five-year unsecured bonds are repayable at 30%, 30% and 40% of the aggregate value at the end of the third, fourth and fifth years, respectively, of bond issuance, and the simple interest of 1.5% is payable annually.

YDI issued five-year unsecured/nonconvertible bonds (the second tranche) on December 15, 2011. The bonds, which are repayable annually, have aggregate values of NT\$2,000,000 thousand and a par value of NT\$1,000 thousand. These bonds are repayable at 50% of aggregate value for each end of the fourth and fifth years, respectively, and the simple interest of 1.45% is payable annually.

On August 6, 2012, YDI issued three-year and five-year unsecured/nonconvertible bonds, with a total amount of NT\$3,000,000 thousand and a par value of NT\$1,000 thousand. The three-year bonds have an aggregate amount of NT\$1,900,000 thousand and are fully repayable on maturity, with 1.25% annual interest rate. The five-year bonds have an aggregate amount of NT\$1,100,000 thousand and are repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance, with a 1.4% annual interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On November 25, 2013, YDI made its first issuance of unsecured nonconvertible bonds, with an aggregate value of NT\$3,000,000 thousand and a par value of NT\$1,000 thousand. These three-year bonds will be repaid in lump sum on maturity plus 1.35% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

On May 26, 2014 YDI issued five-year unsecured/nonconvertible bonds. The bonds, which are payable annually, have aggregate value of NT\$3,000,000 thousands and a par value of NT\$1,000 thousand. These bonds are repayable at 50% of aggregate value for each end of the for the forth and fifty years, respectively, of bond issuance, and the simple interest of 1.35% is payable annually.

Far EasTone

On June 27, 2013, Far EasTone issued seven-year unsecured domestic bonds (the fourth tranche), with an aggregate principal of NT\$5,000,000 thousand, each having a face value of \$10,000 thousand and a coupon interest rate of 1.33%, with simple interest due annually. Equal principal repayments will be made annually in the fifth and seventh years of bond issuance.

On October 15, 2013, Far EasTone issued the fifth unsecured domestic bonds with an aggregate principal amount of \$5,000,000 thousand and a par value of \$10,000 thousand. The bonds included four-year bonds and five-year bonds, with the principle amount of \$1,000,000 thousand and \$4,000,000 thousand, having a coupon interest rate of 1.46% and 1.58%, with simple interest due annually, respectively. Repayment will be made in the fourth and fifth years with full amount.

On December 24, 2013, Far EasTone issued the sixth unsecured domestic bonds, with an aggregate principal amount of NT\$10,000,000 thousand and a par value of NT\$10,000 thousand. The bonds included three-year bonds, four-year bonds and six-year bonds, with the principal amounts of NT\$1,600,000 thousand and NT\$5,200,000 thousand and NT\$3,200,000 thousand, respectively, and coupon interest rates of 1.17%, 1.27% and 1.58%, with simple interest due annually. Full repayment will be made in the third, fourth and sixth years.

25. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The contract-related assets and liabilities of Far Eastern Construction Co., Ltd. (FECC), Far Eastern General Contractor Inc. (FEGC) are classified as current or noncurrent depending on the operating cycle. Amounts expected to be received or paid within one year or less were as follows:

	June 30, 2015		
	Within One Year	Over One Year	Total
<u>Assets</u>			
Notes and accounts receivable	\$ 572,604	\$ 135,322	\$ 707,926
Inventories - construction and real estate	4,461,255	700,887	5,162,142
Amounts due from customers for construction contracts	46,403	1,235,882	1,282,285
Other financial assets - current	485,606	888,137	1,373,743
Refundable deposits - current	35,002	7,283	42,285
<u>Liabilities</u>			
Notes and accounts payable	1,311,274	465,582	1,776,856
Notes and accounts payable to related parties	69,227	-	69,227
Amounts due to customers for construction contracts	11,334	71,812	83,146
Advances on land and buildings	42,350	-	42,350
Provisions - current	-	53,144	53,144

	December 31, 2014		
	Within One Year	Over One Year	Total
<u>Assets</u>			
Notes and accounts receivable	\$ 126,283	\$ 174,481	\$ 300,764
Inventories - construction and real estate	2,454,578	700,887	3,155,465
Amounts due from customers for construction contracts	1,195,314	1,091,597	2,286,911
Other financial assets - current	315,863	1,276,691	1,592,554
Refundable deposits - current	531	7,068	7,599
<u>Liabilities</u>			
Notes and accounts payable	1,461,336	356,256	1,817,592
Notes and accounts payable to related parties	193,195	-	193,195
Amounts due to customers for construction contracts	3,737	106,857	110,594
Provisions - current	-	53,445	53,445
	June 30, 2014		
	Within One Year	Over One Year	Total
<u>Assets</u>			
Notes and accounts receivable	\$ 362,693	\$ 61,587	\$ 424,280
Inventories - construction and real estate	1,950,179	700,887	2,651,066
Amounts due from customers for construction contracts	1,207,845	1,228,671	2,436,516
Other financial assets - current	313,320	1,332,292	1,645,612
Refundable deposits - current	535	7,803	8,338
<u>Liabilities</u>			
Notes and accounts payable	971,869	148,278	1,120,147
Notes and accounts payable to related parties	204,220	-	204,220
Amounts due to customers for construction contracts	37,329	747,077	784,406
Provisions - current	-	54,364	54,364

26. RETIREMENT BENEFIT PLANS

For defined benefit plans, employee benefit expense were calculated using the actuarially determined pension cost discount rate as of December 31, 2014 and 2013 and were recognized in their respective periods.

The pension expense were included in the following line item:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Defined contribution plans	\$ 217,755	\$ 191,369	\$ 420,710	\$ 371,689
Defined benefit plans	<u>39,956</u>	<u>28,273</u>	<u>81,142</u>	<u>88,262</u>
Total retirement benefit plan expenses	<u>\$ 257,711</u>	<u>\$ 219,642</u>	<u>\$ 501,852</u>	<u>\$ 459,951</u>

27. EQUITY

a. Share capital

Common shares

	June 30, 2015	December 31, 2014	June 30, 2014
Number of shares authorized (in thousands)	<u>6,000,000</u>	<u>6,000,000</u>	<u>6,000,000</u>
Amount of shares authorized	<u>\$ 60,000,000</u>	<u>\$ 60,000,000</u>	<u>\$ 60,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>5,247,917</u>	<u>5,247,917</u>	<u>5,145,017</u>
Shares issued	<u>\$ 52,479,168</u>	<u>\$ 52,479,168</u>	<u>\$ 51,450,165</u>

The shares issued had a par value of NT\$10 and have the rights of voting and receiving dividends.

b. Capital surplus

	June 30, 2015	December 31, 2014	June 30, 2014
May be used to offset a deficit, distributed as cash dividends or transferred to share capital (1)			
Difference between consideration and carrying amounts arising from disposal/acquisition subsidiaries	\$ 2,587,241	\$ 3,636,824	\$ 3,637,116
<u>May be used to offset a deficit only (2)</u>			
Arising from changes in percentage of ownership interest in subsidiaries	4,183	4,183	4,680
Treasury stock transaction	11,729	10,813	10,813
<u>May not be used for any purpose</u>			
Changes in equity-method associates capital surplus	<u>15,128</u>	<u>15,128</u>	<u>22,084</u>
	<u>\$ 2,618,281</u>	<u>\$ 3,666,948</u>	<u>\$ 3,674,693</u>

- 1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or may be transferred to share capital once a year within a certain percentage of the Company's capital surplus (limited to a certain percentage of the Company's paid-in capital and once a year).
 - 2) Such capital surplus arises from the effect of changes in ownership interest in a subsidiary, with these changes treated as equity transactions instead of actual disposal or acquisition of ownership interests, or from changes in capital surplus of subsidiaries.
- c. Retained earnings and dividend policy

Under the Company's Articles of Incorporation, net income should be used to pay its business income tax and offset deficits. From any remaining net income will be appropriated 10% as legal reserve and a special reserve as required by government regulations. After adding prior years' unappropriated earnings, the Company would retain a certain amount for expansion plans and then make the following appropriations:

	%
Dividends	60.0
Bonus for stockholders	33.0
Bonus for employees	4.0
Remuneration for directors and supervisors	3.0

All appropriations are approved by the stockholders in the year, and disclosed in the financial statements of the year, following the year of earnings generation. The Company's dividends should be appropriated at a percentage based on the Company's Articles of Incorporation to have a stable dividend distribution while taking into account the future economic condition, cash demands and taxation. The cash dividends should be at least 10% of total dividends declared, unless cash is required for investments, productivity expansion, any significant future capital expenditures or plans to improve financial structure.

Under the Company Act amended in May 2015, the recipients of dividends and bonuses are limited to shareholders, i.e., excluding employees. Thus, the Company will make consequential amendments to the Company's Articles of Incorporation and present these amendments for approval at the 2016 annual shareholders' meeting. For information on the accrued employee remuneration and remuneration to directors and supervisors for the three months and the six months ended June 30, 2015 and 2014, and the actual appropriations for the years ended December 31, 2014 and 2013, please refer to Note 29-c on Employee benefits expense.

Under Rule No. 1010012865 and Rule No. 1010047490 issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs", the Company should appropriate or reverse to a special reserve. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and thereafter distributed. Furthermore, Rule No. 1030006415 is followed.

The Company appropriated and reversed special reserve in accordance with Rule No. 1010012865 issued by the FSC and the directive entitled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs." Distributions can be made out of any subsequent reversal of the debit to other equity items. Far EasTone also appropriated and reversed special reserve in accordance with Rule No. 1030006415 issued by the FSC.

Appropriation of earnings to legal reserve should be made until the legal reserve equals the Company's paid-in capital. Legal reserve may be used to offset deficit. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's capital surplus, the excess may be transferred to capital or distributed in cash.

Except for non-ROC resident stockholders, all stockholders receiving the dividends are allowed a tax credit equal to their proportionate shares of the income tax paid by the Company.

The appropriations from the 2014 and 2013 earnings were approved in the stockholders' meetings on June 26, 2015 and 2014, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	For Year 2014	For Year 2013	For Year 2014	For Year 2013
Legal reserve	\$ 1,103,342	\$ 720,708		
Special reserve	4,348,583	-		
Cash dividends	<u>6,297,500</u>	<u>6,688,522</u>	\$ 1.2	\$ 1.3
	<u>\$ 11,749,425</u>	<u>\$ 7,409,230</u>		

In order to refine company's financial and capital structures, the Company's stockholders' meetings resolved to issue share dividends from capital surplus of NT\$1,049,583 thousand of par value at NT\$0.2 and NT\$1,029,003 thousand of par value at NT\$0.2 on June 26, 2015 and 2014.

In considering of earning available for appropriation each year, the Company did not recognize the number of the shares held by associates as treasury shares and did not deduct the number of treasury shares from the weighted average number of outstanding shares in the current period. Therefore, based on the calculation, the Company's EPS was NT\$2.1 per share in 2014.

d. Special reserves appropriated following the first-time adoption of IFRSs

The Company's special reserves appropriated following the first-time adoption of IFRSs were as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Special reserve	<u>\$ 21,860,117</u>	<u>\$ 22,275,153</u>	<u>\$ 22,275,153</u>

Information on the above special reserve appropriated or reversed on elimination of the original need to appropriate a special reserve is as follows:

	For the Six Months Ended June 30, 2015
Balance at January 1, 2015	\$ 22,275,153
Reversed on elimination of the original need to appropriate a special reserve	
Disposal of investment properties	<u>(415,036)</u>
Balance at June 30, 2015	<u>\$ 21,860,117</u>

On the initial application of fair value model to investment properties, the Company appropriated a special reserve of NT\$80,462,245 thousand, the same amount as the net increase that arose from fair value measurement and was transferred to retained earnings.

**For the Six
Months Ended
June 30, 2015**

Balance at January 1, 2015	\$ 80,462,245
Reversed on elimination of the original need to appropriate a special reserve	
Disposal of investment properties	<u>(1,100,153)</u>
 Balance at June 30, 2015	 <u>\$ 79,362,092</u>

e. Other equity items

The changes in other equity items were as follow:

	Exchange Differences on Translating Operations	Unrealized Gain (Loss) on Available-for- sale Financial Assets	Cash Flow Hedges	Unrealized Revaluation Increments	Total
Balance at January 1, 2015	\$ 2,871,860	\$ 3,629,652	\$ (173,051)	\$ 512,607	\$ 6,841,068
Exchange differences on translating operations	(1,006,634)	-	-	-	(1,006,634)
Unrealized gain (loss) on available-for-sale financial assets	-	110,781	-	-	110,781
Losses on hedging instruments in cash flow hedges arising from fair value changes	-	-	47,035	-	47,035
Share of the other comprehensive income (loss) of associates	<u>(426,504)</u>	<u>579,955</u>	<u>2,164</u>	<u>-</u>	<u>155,615</u>
 Balance at June 30, 2015	 <u>\$ 1,438,722</u>	 <u>\$ 4,320,388</u>	 <u>\$ (123,852)</u>	 <u>\$ 512,607</u>	 <u>\$ 6,147,865</u>
Balance at January 1, 2014	\$ 291,196	\$ 4,472,732	\$ (118,363)	\$ 8,161	\$ 4,653,726
Exchange differences on translating operations	(1,362,872)	-	-	-	(1,362,872)
Unrealized gain (loss) on available-for-sale financial assets	-	(560,915)	-	-	(560,915)
Losses on hedging instruments in cash flow hedges arising from fair value changes	-	-	(11,586)	-	(11,586)
Share of the other comprehensive income (loss) of associates	<u>(65,951)</u>	<u>(582,662)</u>	<u>784</u>	<u>30,503</u>	<u>(617,326)</u>
 Balance at June 30, 2014	 <u>\$ (1,137,627)</u>	 <u>\$ 3,329,155</u>	 <u>\$ (129,165)</u>	 <u>\$ 38,664</u>	 <u>\$ 2,101,027</u>

f. Noncontrolling interests

	For the Six Months Ended June 30	
	2015	2014
Beginning balance	\$ 63,818,325	\$ 66,133,950
Attributable to noncontrolling interests:		
Share of current profit	3,886,653	3,746,739
Cash dividends distributed by subsidiaries	(7,933,930)	(7,958,747)
Exchange differences arising on translation of foreign operations	(140,985)	409,149
Gain (loss) on hedging instruments in cash flow hedges arising from fair value changes	87,842	(56,129)
Unrealized gains (loss) on available-for-sale financial assets	(28,272)	(22,215)
		(Continued)

	For the Six Months Ended June 30	
	2015	2014
Noncontrolling interests arising from the new capital stock issued by subsidiaries	\$ 490,917	\$ 434,850
Noncontrolling decreases arising from the lossing control of subsidiaries	-	(1,769,648)
Acquisition (disposal) of partial interests of subsidiaries	7,762	35
Share of net comprehensive income of associates	<u>3,136</u>	<u>(4,668)</u>
Ending balance	<u>\$ 60,191,448</u>	<u>\$ 60,913,316</u> (Concluded)

g. Treasury shares

The Company's shares held by its subsidiary, Yuan Ding Company Ltd. (Yuan Ding), at the end of the reporting periods were as follows:

Name of Subsidiary	Number of Shares Held (In Thousands)	Carrying Amount	Market Price
<u>June 30, 2015</u>			
Yuan Ding	764	<u>\$ 25,063</u>	<u>\$ 24,069</u>
<u>December 31, 2014</u>			
Yuan Ding	764	<u>\$ 25,063</u>	<u>\$ 23,992</u>
<u>June 30, 2014</u>			
Yuan Ding	749	<u>\$ 25,063</u>	<u>\$ 24,084</u>

The Company consolidated its subsidiary, Yuan Ding, on December 28, 2011. As of December 31, 2011, the Company's shares held by Yuan Ding had a carrying value of NT\$25,063 thousand.

The Company's shares held by the subsidiary are recognized as treasury stock. The subsidiaries holding treasury shares, however, retain stockholders' rights, except the rights to participate in any share issuance for cash and to vote.

28. EARNINGS PER SHARE

	Unit: NT\$ Per Share			
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Basic earnings per share				
Basic earnings per share	<u>\$ 0.73</u>	<u>\$ 0.88</u>	<u>\$ 1.26</u>	<u>\$ 1.24</u>
Diluted earnings per share				
Diluted earnings per share	<u>\$ 0.73</u>	<u>\$ 0.88</u>	<u>\$ 1.26</u>	<u>\$ 1.24</u>

The earnings per share computation was retrospectively adjusted for the effects of adjustments resulting from stock dividends from capital surplus on August 5, 2015. The basic and diluted earnings per share were adjusted retrospectively as follows:

Unit: NT\$ Per Share

	Before Adjusted Retrospectively		After Adjusted Retrospectively	
	For the Three Months Ended June 30, 2014	For the Six Months Ended June 30, 2014	For the Three Months Ended June 30, 2014	For the Six Months Ended June 30, 2014
Basic earnings per share	<u>\$ 0.90</u>	<u>\$ 1.26</u>	<u>\$ 0.88</u>	<u>\$ 1.24</u>
Diluted earnings per share	<u>\$ 0.90</u>	<u>\$ 1.26</u>	<u>\$ 0.88</u>	<u>\$ 1.24</u>

The earnings and weighted average number of common shares outstanding that were used in the computation of earnings per share were as follows:

Net Profit for the Period

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Profit for the period attributable to owners of the Company	<u>\$ 3,670,643</u>	<u>\$ 4,398,156</u>	<u>\$ 6,305,932</u>	<u>\$ 6,214,062</u>

Weighted Average Number of Common Shares Outstanding

Unit: In Thousand Shares

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Weighted average number of common shares used in the computation of basic earnings per share	5,002,574	5,004,664	5,002,575	5,004,664
Effect of dilutive potential common shares:				
Bonus issue to employee	<u>15,234</u>	<u>15,833</u>	<u>15,234</u>	<u>15,833</u>
Weighted average number of common shares used in the computation of diluted earnings per share	<u>5,017,808</u>	<u>5,020,497</u>	<u>5,017,809</u>	<u>5,020,497</u>

If the Company decides to settle the employee bonus in cash or stock, it should presume that the entire amount of the bonus would be settled in shares, and if the resulting potential shares would have a dilutive effect, these shares should be included in the weighted-average number of shares outstanding to be used in the calculation of the diluted EPS. The number of shares is estimated by dividing the entire amount of the bonus by the closing price of the shares at the balance sheet date. The dilutive effect of the potential shares should be included in the calculation of the diluted EPS until the stockholders resolve the number of shares to be distributed to employees at their meeting in the following year.

The Company calculated basic EPS with the weighted average number of shares actual outstanding and retrospectively adjusted for the effects of adjustments resulting from stock dividends from capital surplus in the current period. Based on the calculation, for the three months ended June 30, 2015 and 2014 and six months ended June 30, 2015 and 2014, the Company's EPS were NT\$0.69, NT\$0.82, NT\$1.18 and NT\$1.16, respectively.

29. NET PROFIT FROM CONTINUING OPERATIONS

a. Capital interest expenses were as follow:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Capitalized interests on properties	\$ 58,971	\$ 54,895	\$ 121,505	\$ 99,452
Capitalization rates	1.14%-1.56%	0.9%-1.71%	1.14%-1.56%	0.9%-1.71%

b. Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Property, plant and equipment	\$ 3,510,937	\$ 3,472,097	\$ 6,854,654	\$ 6,933,761
Intangible assets	999,448	646,284	1,818,656	1,256,995
Long-term prepayments for lease	<u>51,046</u>	<u>46,535</u>	<u>100,060</u>	<u>147,152</u>
	<u>\$ 4,561,431</u>	<u>\$ 4,164,916</u>	<u>\$ 8,773,370</u>	<u>\$ 8,337,908</u>
An analysis of deprecation by function				
Operating costs	\$ 3,028,811	\$ 3,053,562	\$ 5,909,321	\$ 6,129,269
Operating expenses	451,680	393,751	886,768	770,287
Other expense	<u>30,446</u>	<u>24,784</u>	<u>58,565</u>	<u>34,205</u>
	<u>\$ 3,510,937</u>	<u>\$ 3,472,097</u>	<u>\$ 6,854,654</u>	<u>\$ 6,933,761</u>
An analysis of amortization by function				
Operating costs	\$ 831,515	\$ 458,317	\$ 1,447,111	\$ 890,008
Operating expenses	<u>218,979</u>	<u>234,502</u>	<u>471,605</u>	<u>514,139</u>
	<u>\$ 1,050,494</u>	<u>\$ 692,819</u>	<u>\$ 1,918,716</u>	<u>\$ 1,404,147</u>

c. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Post-employment benefits				
Defined contribution plans	\$ 217,755	\$ 191,369	\$ 420,710	\$ 371,689
Defined benefit plans	39,956	28,273	81,142	88,262
Other employee benefits	<u>4,747,773</u>	<u>4,599,505</u>	<u>9,407,546</u>	<u>9,032,020</u>
Total employee benefit expense	<u>\$ 5,005,484</u>	<u>\$ 4,819,147</u>	<u>\$ 9,909,398</u>	<u>\$ 9,491,971</u>
Analysis of employee benefit expense by function				
Operating costs	\$ 2,401,460	\$ 2,105,484	\$ 4,639,182	\$ 4,245,462
Operating expenses	<u>2,605,024</u>	<u>2,713,663</u>	<u>5,271,216</u>	<u>5,246,509</u>
	<u>\$ 5,005,484</u>	<u>\$ 4,819,147</u>	<u>\$ 9,909,398</u>	<u>\$ 9,491,971</u>

Under the Company Act as amended in May 2015, the Company's Articles of Incorporation should stipulate a fixed amount or ratio of annual profit to be distributed as employee remuneration. However, the Company has not made consequential amendments to its policies for distribution of employee remuneration. In accordance with Company's Articles of Incorporation, the bonus to employees and remuneration to directors and supervisors, were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Bonuses to employees	\$ 74,825	\$ 84,644	\$ 189,941	\$ 169,288
Remuneration to directors and supervisors	56,119	63,483	142,456	126,966

Material differences between such estimated amounts and the amounts proposed by the board of directors on or before the annual consolidated financial statements are authorized for issue are adjusted in the year the bonus and remuneration were recognized. If there is a change in the proposed amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in accounting estimate.

The bonus to employees and the remuneration to directors and supervisors for 2014 and 2013, which were approved in the stockholders' meetings on June 26, 2015 and 2014, respectively, were as follows:

	For the Years Ended December 31			
	2014		2013	
	Cash	Stock	Cash	Stock
Bonuses to employees	\$ 270,860	\$ -	\$ 287,678	\$ -
Remuneration to directors and supervisors	203,145	-	215,759	-

The approved amounts of the bonus to employees and the remuneration to directors and supervisors were the same as the accrual amounts reflected in the financial statements for the years ended December 31, 2014 and 2013.

Information on the bonus of employees approved at stockholders' meetings can be accessed online through the Market Observation Post System on the Web site of the Taiwan Stock Exchange Corporation (<http://emops.tse.com.tw>).

30. INCOME TAXES

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Current tax	\$ 632,011	\$ 729,039	\$ 1,554,901	\$ 1,374,671
Deferred tax	165,100	1,358,151	1,593,812	1,426,156
Prior year's adjustments	<u>14,317</u>	<u>593</u>	<u>14,317</u>	<u>593</u>
Income tax expense recognized in profit or loss	<u>\$ 811,428</u>	<u>\$ 2,087,783</u>	<u>\$ 3,163,030</u>	<u>\$ 2,801,420</u>

b. Integrated income tax

	June 30, 2015	December 31, 2014	June 30, 2014
Unappropriated earnings			
Unappropriated earnings generated before January 1, 1998	<u>\$ 98,793</u>	<u>\$ 98,793</u>	<u>\$ 186,804</u>
Imputation credits accounts	<u>\$ 922,151</u>	<u>\$ 922,151</u>	<u>\$ 551,127</u>
		For the Year Ended December 31	
		2014	2013
		(Actual)	(Actual)
Creditable ratio for distribution of earning		9.85%	13.90%

c. Income tax assessments

	Latest Year of Income Tax Return That Tax Authorities Had Examined and Cleared
Far Eastern New Century Corporation	2009
Far Eastern Resources Development Co.	2009
Far Eastern Fibertech Co., Ltd.	2013
Oriental Petrochemical (Taiwan) Co., Ltd.	2013
Yuan Tong Investment Co., Ltd.	2013
Ding Ding Integrated Marketing Service Co., Ltd.	2013
Ding Ding Hotel Co., Ltd.	2013
Fu Kwok Garment Manufacturing Co., Ltd.	2012
Far Eastern Apparel Co., Ltd.	2012

(Continued)

**Latest Year of Income
Tax Return That Tax
Authorities Had
Examined and Cleared**

Yuan Cheng Human Resources Consultant Corp.	2013
Yuan Ding Investment Co., Ltd.	2013
Oriental Resources Development Ltd.	2013
Yuan Faun Co., Ltd.	2013
Kai Yuan International Investment Co., Ltd.	2013
Ding Yuan International Investment Co., Ltd.	2013
An Ho Garment Co., Ltd.	2013
Far Eastern Electronic Toll Collection Co., Ltd.	2012
Far Eastern Textile Co., Ltd.	2013
Far Eastern Construction Co., Ltd.	2013
Far Eastern General Contractor Inc.	2012
Yuan Ding Co., Ltd.	2013
FET Consulting Engineers Co., Ltd.	2013
Far Eastern Technical Consultants Co., Ltd.	2013
Far Eastern Electronic Commerce Co., Ltd.	2013
YDT Technology International Co., Ltd.	2013
Far EasTone Telecommunications Co., Ltd.	2012
New Century InfoComm Tech Co., Ltd.	2012
Arcoa Communication Co., Ltd.	2011
Simple InfoComm Co., Ltd.	2013
Q-Ware Communication Corp.	2013
Information Security Service Digital United Co., Ltd.	2013
Linkwell Tech. Co., Ltd.	2013
Data Express Infotech Co., Ltd.	2012
Yuan Cing Co., Ltd.	2013
O-music Co., Ltd.	2013
New Diligent Co., Ltd.	2013
KGEx.com Co., Ltd.	2013
Homet Master Technology Co., Ltd.	2013

(Concluded)

KG Telcom (merged with Far EasTone on January 1, 2010)

Income tax returns through 2010, except for 2009, of KG Telecom (dissolved due to the merger with Far EasTone on January 1, 2010) had been assessed by the tax authorities. However, Far EasTone disagreed with the tax authorities' assessment of its 2004 returns and thus filed appeals for the reexamination of these returns. Nevertheless, Far EasTone accrued the related tax.

NCIC

NCIC disagreed with the tax authorities' assessment of its 2009 return and thus applied for reexamination. Nevertheless, NCIC accrued the related tax.

31. EQUITY TRANSACTIONS WITH NONCONTROLLING INTERESTS

For the six months ended June 30, 2015

The Group acquired an additional equity interest in Far Eastern Ishizuka Green Pet Corporation and Sino Belgium (Holding) Ltd.

	Far Eastern Ishizuka Green Pet Corporation	Sino Belgium (Holding) Ltd.
Cash consideration received (paid)	\$ (59,701)	\$ (63,550)
The proportionate share of the carrying amount of the net assets of the subsidiary transferred (to) from noncontrolling interests	<u>55,952</u>	<u>59,537</u>
Differences arising from equity transactions	<u>\$ (3,749)</u>	<u>\$ (4,013)</u>
<u>Line items adjusted for equity transactions</u>		
Retained earning	<u>\$ (3,749)</u>	<u>\$ (4,013)</u>

For the six months ended June 30, 2014

The Group acquired an additional equity interest in PET Far Eastone (Holding) Ltd.

	PET Far Eastern (Holding) Ltd.
Cash consideration received (paid)	\$ -
The proportionate share of the carrying amount of the net assets of the subsidiary transferred (to) from noncontrolling interests	<u>(35)</u>
Differences arising from equity transactions	<u>\$ (35)</u>
<u>Line items adjusted for equity transactions</u>	
Retained earning	<u>\$ (35)</u>

32. OPERATING LEASE ARRANGEMENTS

a. The Group as lessee

The operating lease were main related to lease of land, buildings, cell sites and office space.

The future minimum lease payments for noncancellable operating lease commitments were as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Up to 1 year	\$ 3,461,603	\$ 3,493,052	\$ 3,427,443
More than 1 year up to 5 years	6,464,308	6,181,599	6,167,924
More than 5 years	<u>1,138,610</u>	<u>1,326,541</u>	<u>1,264,754</u>
	<u>\$ 11,064,521</u>	<u>\$ 11,001,192</u>	<u>\$ 10,860,121</u>

b. The Group as lessor

The operating lease were main related to lease of investment properties owned by the Group. The future minimum lease payments for noncancellable operating lease commitments were as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Up to 1 year	\$ 801,040	\$ 797,771	\$ 845,036
More than 1 year up to 5 years	2,645,629	2,544,406	2,719,620
More than 5 years	<u>1,418,745</u>	<u>1,912,682</u>	<u>1,513,627</u>
	<u>\$ 4,865,414</u>	<u>\$ 5,254,859</u>	<u>\$ 5,078,283</u>

33. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stockholders through the optimization of the debt and equity balance.

34. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments

1) Fair value of financial instruments not carried at fair value

Except as detailed in the following table, the management of the Group considered the financial assets and financial liabilities recognized in the consolidated financial statements as having carrying amounts that approximate their fair values or as having fair values that cannot be reliably measured.

	June 30, 2015		December 31, 2014		June 30, 2014	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<u>Financial assets</u>						
Held-to-maturity investments	\$ -	\$ -	\$ -	\$ -	\$ 99,988	\$ 100,240
<u>Financial liabilities</u>						
Financial liabilities measured at amortized cost						
Bonds payable	79,882,656	80,188,894	74,053,607	74,247,159	74,645,950	74,869,714

b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

June 30, 2015

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVTPL)				
Open-end mutual funds - beneficial certificates	\$ 1,047,927	\$ -	\$ -	\$ 1,047,927
Marketable equity securities	474,269	-	-	474,269
				(Continued)

	Level 1	Level 2	Level 3	Total
Guarantee deposits - cotton futures contracts	\$ -	\$ -	\$ 40,484	\$ 40,484
Guarantee deposits - PTA futures contracts	-	-	13,368	13,368
Combined exchange options	-	-	645	645
Forward exchange contracts	<u>-</u>	<u>-</u>	<u>7,326</u>	<u>7,326</u>
	<u>\$ 1,522,196</u>	<u>\$ -</u>	<u>\$ 61,823</u>	<u>\$ 1,584,019</u>
Hedging derivative financial assets				
Cross-currency interest rate swaps	\$ -	\$ -	\$ 50	\$ 50
Forward exchange contracts	<u>-</u>	<u>-</u>	<u>1,180</u>	<u>1,180</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,230</u>	<u>\$ 1,230</u>
Available-for-sale financial assets				
Marketable equity securities	\$ 4,721,263	\$ -	\$ -	\$ 4,721,263
Mutual funds - beneficial certificates	62,250	440,556	-	502,806
Oversea equity securities	<u>114,575</u>	<u>-</u>	<u>-</u>	<u>114,575</u>
	<u>\$ 4,898,088</u>	<u>\$ 440,556</u>	<u>\$ -</u>	<u>\$ 5,338,644</u>
Financial liabilities at FVTPL				
Forward exchange contracts	\$ -	\$ -	\$ 13,283	\$ 13,283
Combined exchange options	-	-	3,648	3,648
Options	<u>-</u>	<u>-</u>	<u>2,391</u>	<u>2,391</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,322</u>	<u>\$ 19,322</u>
Hedging derivative financial liabilities				
Forward exchange contracts	\$ -	\$ -	\$ 200	\$ 200
Interest rate swaps	<u>-</u>	<u>-</u>	<u>416,069</u>	<u>416,069</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 416,269</u>	<u>\$ 416,269</u>

(Concluded)

December 31, 2014

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVTPL)				
Open-end mutual funds - beneficial certificates	\$ 630,567	\$ -	\$ -	\$ 630,567
Marketable equity securities	374,567	-	-	374,567
Guarantee deposits - cotton futures contracts	-	-	41,450	41,450

(Continued)

	Level 1	Level 2	Level 3	Total
Guarantee deposits - PTA				
futures contracts	\$ -	\$ -	\$ 12,451	\$ 12,451
Combined exchange options	-	-	40,085	40,085
Forward exchange contracts	-	-	<u>24,996</u>	<u>24,996</u>
	<u>\$ 1,005,134</u>	<u>\$ -</u>	<u>\$ 118,982</u>	<u>\$ 1,124,116</u>
Available-for-sale financial assets				
Marketable equity securities	\$ 4,620,397	\$ -	\$ -	\$ 4,620,397
Mutual funds - beneficial certificates	111,100	701,421	-	812,521
Oversea equity securities	<u>214,801</u>	<u>-</u>	<u>-</u>	<u>214,801</u>
	<u>\$ 4,946,298</u>	<u>\$ 701,421</u>	<u>\$ -</u>	<u>\$ 5,647,719</u>
Financial liabilities at FVTPL				
Combined exchange options	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 807</u>	<u>\$ 807</u>
Hedging derivative financial liabilities				
Cross-currency interest rate swaps	\$ -	\$ -	\$ 3,150	\$ 3,150
Forward exchange contracts	-	-	11,800	11,800
Interest rate swaps	-	-	<u>535,837</u>	<u>535,837</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 550,787</u>	<u>\$ 550,787</u> (Concluded)

June 30, 2014

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVTPL)				
Open-end mutual funds - beneficial certificates	\$ 825,776	\$ -	\$ -	\$ 825,776
Marketable equity securities	451,328	-	-	451,328
Guarantee deposits - cotton futures contracts	-	-	39,085	39,085
Guarantee deposits - PTA futures contracts	-	-	7,024	7,024
Combined exchange options	-	-	230	230
Forward exchange contracts	-	-	<u>2,651</u>	<u>2,651</u>
	<u>\$ 1,277,104</u>	<u>\$ -</u>	<u>\$ 48,990</u>	<u>\$ 1,326,094</u>
Hedging derivative financial assets				
Cross-currency interest rate swaps	\$ -	\$ -	\$ 1,620	\$ 1,620
Forward exchange contracts	-	-	<u>6,120</u>	<u>6,120</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,740</u>	<u>\$ 7,740</u> (Continued)

	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets				
Marketable equity securities	\$ 4,630,141	\$ -	\$ -	\$ 4,630,141
Mutual funds - beneficial certificates	168,834	643,732	-	812,566
Oversea equity securities	<u>172,916</u>	<u>-</u>	<u>-</u>	<u>172,916</u>
	<u>\$ 4,971,891</u>	<u>\$ 643,732</u>	<u>\$ -</u>	<u>\$ 5,615,623</u>
Financial liabilities at FVTPL				
Forward exchange contracts	\$ -	\$ -	\$ 1,516	\$ 1,516
Combined exchange options	-	-	4,009	4,009
Options	<u>-</u>	<u>-</u>	<u>934</u>	<u>934</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,459</u>	<u>\$ 6,459</u>
Hedging derivative financial liabilities				
Interest rate swaps	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 482,790</u>	<u>\$ 482,790</u>

(Concluded)

There were no transfers between Levels 1 and 2 for the six months ended June 30, 2015 and 2014.

2) Reconciliation of Level 3 fair value measurements of financial assets

June 30, 2015

	Financial Assets at Fair Value Through Profit or Loss - Held for Trading	Hedging Derivative Financial Instruments	Total
Balance at January 1, 2015	\$ 118,175	\$ (550,787)	\$ (432,612)
Total gains or losses			
In profit or loss	(75,674)	89,617	13,943
In other comprehensive income	<u>-</u>	<u>46,131</u>	<u>46,131</u>
Balance at June 30, 2015	<u>\$ 42,501</u>	<u>\$ (415,039)</u>	<u>\$ (372,538)</u>

June 30, 2014

	Financial Assets at Fair Value Through Profit or Loss - Held for Trading	Hedging Derivative Financial Instruments	Total
Balance at January 1, 2014	\$ 63,235	\$ (416,838)	\$ (353,603)
Total gains or losses			
In profit or loss	(20,704)	(40,242)	(60,946)
In other comprehensive income	<u>-</u>	<u>(17,970)</u>	<u>(17,970)</u>
Balance at June 30, 2014	<u>\$ 42,531</u>	<u>\$ (475,050)</u>	<u>\$ (432,519)</u>

- 3) Valuation techniques and inputs applied for the purpose of measuring Level 2 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Overseas mutual funds - beneficial certificates	Valuation based on the fair values of a portfolio of funds, calculated through each subfund by fair value net of the management and operating expenses for the subfund.

- 4) Valuation techniques and inputs applied for the purpose of measuring Level 3 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Future contract	<p>Future contract pricing model</p> <p>The fair values of future contracts are determined using future contract pricing models where the significant unobservable inputs are historical volatility. An increase in the historical volatility used in isolation would result in an increase in the fair value.</p>
Forward exchange contracts, Option contracts, combined exchange options, cross-currency interest rate swap and interest rate swap	<p>Discounted cash flow.</p> <p>Future cash flows are estimated based on observable spot exchange rates at the end of the reporting period and contract rates, discounted at a 0% rate; the counterparties' high credit ratings and short contract terms indicate a low credit risk on counterparties.</p>

c. Categories of financial instruments

	June 30, 2015	December 31, 2014	June 30, 2014
<u>Financial assets</u>			
FVTPL			
Held for trading	\$ 1,584,019	\$ 1,124,116	\$ 1,326,094
Derivative instruments in designated hedge accounting relationships	1,230	-	7,740
Held-to-maturity investments	-	-	99,988
Loans and receivables (Note 1)	91,728,332	68,954,539	84,096,987
Available-for-sale financial assets (Note 2)	6,405,991	6,718,871	6,559,573
<u>Financial liabilities</u>			
FVTPL			
Held for trading	19,322	807	6,459
Derivative instruments in designated hedge accounting relationships	416,269	550,787	482,790
Amortized cost (Note 3)	236,523,965	204,645,872	216,082,389

Note 1: The balances included loans and receivables measured at amortized cost, which comprised cash and cash equivalents, debt investments with no active market, notes and accounts receivable (including those from related parties), other receivables (including those from related parties), other financial assets, long-term receivables from related parties and refundable deposits. Those reclassified to held-for-sale disposal groups are also included.

Note 2: The balances included the carrying amounts of available-for-sale financial assets and financial assets carried at cost.

Note 3: The balances included financial liabilities measured at amortized cost, which comprised short-term borrowings, short-term bills payable, notes and accounts payables (including those to related parties), other payables (including those to related parties), payables to suppliers of machinery and equipment, provisions, bonds payable, long-term borrowings and guarantee deposits.

d. Financial risk management objectives and policies

The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the nonoperating activities of the Group through internal risk reports that analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in exchange rates (see (1) below) and interest rates (see (2) below).

a) Foreign currency risk

Several subsidiaries of the Group had foreign currency sales and purchases, which exposed the Group to exchange rate risk. Exchange rate exposures were managed within approved policy parameters through forward exchange contracts.

The carrying amounts of the Group's significant foreign currency-denominated monetary assets and monetary liabilities (including those eliminated on consolidation) at the end of the reporting period were as Note 39.

Sensitivity analysis

The Group was mainly exposed to the U.S. dollars.

The following table details the Group's sensitivity to a 5% increase and decrease in New Taiwan dollars (the functional currency) against the U.S. dollar. The 5% sensitivity rate is used when foreign currency risk is reported internally to key management personnel and represents management's assessment of the reasonably possible changes in exchange rates. The sensitivity analysis included only outstanding foreign currency-denominated monetary items, and the translation of these items at the end of the reporting period was adjusted for a 5% change in exchange rates. A positive number below indicates an increase in pretax profit and other equity associated with New Taiwan dollars that strengthen 5% against the relevant currency. For a 5% weakening of New Taiwan dollars against the relevant currency, there would be an equal and opposite impact on pretax profit and other equity, and the balances below would be negative.

	June 30	
	2015	2014
5% change in profit or loss USD	<u>\$ 368,705</u>	<u>\$ 604,837</u>

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates. It managed the risk by maintaining an appropriate mix of fixed and floating rate borrowings.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Fair value interest rate risk			
Financial assets	\$ 28,435,437	\$ 19,741,105	\$ 31,098,131
Financial liabilities	146,310,432	129,025,561	133,812,788
Cash flow interest rate risk			
Financial assets	18,135,134	12,333,670	11,486,464
Financial liabilities	41,194,407	42,650,591	33,152,662

Sensitivity analysis

The sensitivity analysis below was determined on the basis of the Group's exposure to interest rates for financial assets and financial liabilities at the end of the reporting period. An increase or decrease of 25 basis points is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. For the financial assets and financial liabilities with fixed interest rate, their fair value will change as the market interest rates change. For the financial assets and financial liabilities with floating interest rate, their effective interest rates will change as the market interest rates change.

For the six months ended June 30, 2015 and 2014, had interest rates been 25 basis points higher/lower and all other variables had been held constant, the fair value of the Group's financial assets with fixed interest rate would have decreased/increased by NT\$70,911 thousand and NT\$77,551 thousand, respectively, and the cash flows on the Group's financial assets with floating interest rate would have increased/decreased by NT\$45,338 thousand and NT\$28,716 thousand, respectively.

For the six months ended June 30, 2015 and 2014, had interest rates been 25 basis points higher/lower and all other variables had been held constant, the fair value of the Group's financial liabilities with fixed interest rate would have decreased/increased by NT\$364,864 thousand and NT\$333,698 thousand, respectively, and the cash flows on the Group's financial liabilities with floating interest rate would have decreased/increased by NT\$102,986 thousand and NT\$82,882 thousand, respectively.

c) Other price risks

The group was exposed to equity price risk because of its investments in domestic quoted stocks and mutual funds.

Sensitivity analysis

The following sensitivity analysis was based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 5% lower, the fair value of held-for-trading and available-for-sale financial assets as of June 30, 2015 and 2014 would have decreased by NT\$343,043 thousand and NT\$344,636 thousand, respectively.

2) Credit risk

Credit risk refers to the risk that counter-parties will default on its contractual obligations, resulting in a financial loss to the Group. As of the end of a reporting period, the Group's maximum exposure to credit risk that will cause the Group a financial loss due to (a) the counter-parties' failure to discharge their obligations and (b) financial guarantees provided by the Group could arise from:

- a) The carrying amounts of the recognized financial assets as stated in the balance sheets; and
- b) The amounts of contingent liabilities in relation to financial guarantees issued by the Group.

The Group has a policy of dealing with only creditworthy counter-parties and obtaining sufficient collateral, where appropriate, to mitigate the risk of financial loss from defaults.

The Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continually monitored.

Trade receivables refer to a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is made to determine the financial condition of trade receivables.

3) Liquidity risk

The Group manages liquidity risk by maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the use of bank borrowings and ensures compliance with loan covenants.

The maturity dates of financial liabilities (except financial liabilities - current, i.e., with maturities of less than one year) are as follows:

	1-2 Years	2-3 Years	Over 3 Years	Total
<u>June 30, 2015</u>				
Long-term borrowings	\$ 25,092,537	\$ 29,363,303	\$ 15,680,748	\$ 70,136,588
Bonds payable	<u>18,150,000</u>	<u>12,850,000</u>	<u>30,000,000</u>	<u>61,000,000</u>
	<u>\$ 43,242,537</u>	<u>\$ 42,213,303</u>	<u>\$ 45,680,748</u>	<u>\$ 131,136,588</u>
<u>December 31, 2014</u>				
Long-term borrowings	\$ 32,253,523	\$ 16,784,033	\$ 14,961,654	\$ 63,999,210
Bonds payable	<u>20,944,000</u>	<u>16,450,000</u>	<u>23,400,000</u>	<u>60,794,000</u>
	<u>\$ 53,197,523</u>	<u>\$ 33,234,033</u>	<u>\$ 38,361,654</u>	<u>\$ 124,793,210</u>

(Continued)

	1-2 Years	2-3 Years	Over 3 Years	Total
<u>June 30, 2014</u>				
Long-term borrowings	\$ 37,320,218	\$ 9,369,666	\$ 13,885,376	\$ 60,575,260
Bonds payable	<u>19,098,500</u>	<u>18,150,000</u>	<u>26,850,000</u>	<u>64,098,500</u>
	<u>\$ 56,418,718</u>	<u>\$ 27,519,666</u>	<u>\$ 40,735,376</u>	<u>\$ 124,673,760</u> (Concluded)

35. RELATED-PARTY TRANSACTIONS

The Group had significant transactions with related parties. Besides the transactions mentioned in the other notes, the transactions for the six months and for the three months ended June 30, 2015 and 2014 and the related balances as of the balance sheet dates are summarized in the accompanying Schedules B and C.

36. ASSETS PLEDGED OR MORTGAGED

In addition to those disclosed in the other notes, the following assets had been pledged or mortgaged as collaterals for short-term borrowings, short-term bills payable, tariff duties, and long-term borrowings; as construction warranties; as guarantees for related parties; and as administrative tax remedies for meeting requirements for certain projects.

	June 30, 2015	December 31, 2014	June 30, 2014
Other financial assets - current	\$ 1,764,744	\$ 1,815,650	\$ 1,687,497
Inventories - available for construction - land	693,157	693,157	693,157
Inventories - construction-in-progress - land and building	-	1,459,429	222,126
Inventories - available for sale - land and building	1,805,965	-	-
Property, plant and equipment, net	13,014,636	12,689,384	13,125,077
Investment properties	39,733,745	37,648,280	33,110,748
Available-for-sale financial assets - current and noncurrent	162,750	157,500	189,868
Investment accounted for using the equity method	3,300,631	3,509,089	3,697,989
Concession	2,504,000	1,936,000	1,483,000
Other financial assets - noncurrent	<u>2,451,662</u>	<u>2,995,948</u>	<u>3,474,255</u>
	<u>\$ 65,431,290</u>	<u>\$ 62,904,437</u>	<u>\$ 57,683,717</u>

As of June 30, 2015, December 31, 2014 and June 30, 2014, FENC and some of its subsidiaries had provided 123,794 thousand shares, 123,794 thousand shares and 126,863 thousand shares, respectively, of the common shares of Far EastTone Telecommunications Co., Ltd. and 16,500 thousand common shares of Yuan Ding Company Ltd., as collaterals for short-term borrowings, short-term bills payable and long-term borrowings.

37. SIGNIFICANT COMMITMENTS AND CONTINGENCIES

Significant commitments and contingencies of the Group as of June 30, 2015:

- a. Issued but unused letters of credit aggregated approximately NT\$1,014,039 thousand.
- b. Of (a) unpaid building construction and equipment installation contracts amounting to approximately NT\$7,602,166 thousand, and (b) properties and cellular phone equipment acquired for NT\$5,465,599 thousand and NT\$10,955,161 thousand, respectively, NT\$1,980,651 thousand and NT\$7,590,557 thousand, respectively, had been received.
- c. There were undelivered cotton contracts amounting to NT\$266,777 thousand as of June 30, 2015.
- d. Project contracts already signed by Far Eastern General Contractor Inc. (FEGC) amounted to NT\$29,847,020 thousand.
- e. Eastern Electronic Toll Collection Co., Ltd. (FETC) was entrusted by the Taiwan Area National Freeway Bureau (TANFB) to collect electronic tolls on freeways and had signed a third-party benefit trust contract with Far Eastern International Bank Co., Ltd. (FEIB) to manage the tolls collected. The trust property for this agreement had amounted to NT\$3,750,401 thousand.
- f. Endorsements and guarantees provided to the related parties are shown in Schedule E (attached).
- g. Ming-Chiung Chang filed an incidental civil suit, in connection with the criminal case of forgery, against Ming-chung Kuo (an FENC employee) and Hua-de Lin, Hung-Long Li and Yung-gi Lai (the fiduciaries of Pacific Liu Tung Investment Co. or PLT, an equity-method investee of the Company). Chang claimed that Kuo and Hua-de Lin, Hung-Long Li and Yung-gi Lai colluded and used their positions to carry out transactions that resulted in his losses and asked the Taiwan High Court to declare that the ownership of PLT held by FEDS, FEDS's subsidiaries, the Company and its subsidiaries was just a fabrication, i.e., it never existed. In October 2009, Chang lost the suit and then appealed to the Taiwan High Court. Chang later raised an appeal to the Supreme Court, but the decision of the original criminal cases made by Taiwan High Court was revoked by the Supreme Court on March 25, 2010. Under the Article 510 of The Code of Criminal Procedures, the Supreme Court remanded the criminal and the incidental civil suit to the Taiwan High Court. As of August 11, 2015, the lawsuit was pending before the Taipei High Court.
- h. A subsidiary of FENC, Far Eastern General Contractor Inc. (FEGC), contracted the Southern Taiwan Science Park (STSP) to do underground cable construction. During the construction period, material costs rose because of adverse economic factors and the rising prices of stainless steel and cable materials. Although the contract amount had been adjusted for price inflation, FEGC still incurred a great loss and got no indemnification. Thus, FEGC filed a lawsuit for indemnification with the Supreme Court. As of August 11, 2015, the result of the lawsuit was still being awaited.

In 2008, FEGC recognized a construction loss of NT\$119,949 thousand on its underground cable construction project.

- i. A company subsidiary, FECC, and Far Eastern Department Store Co., Ltd. (FEDS) had jointly developed Ban Ciao Zhong Ben (Construction License Number: Year 2010 Letter Chang No. 00135) in line with the Directions for the Urban Land Development Application (the "Directions"). Under the Directions, for the joint developers to be entitled to larger floor area and have a building occupancy permit, they should complete the construction within four years after passing an urban design review. If this deadline is unmet the joint developers should either donate the building or remit a certain amount to the New Taipei City Government (NTCG). Later, the NTCG claimed the construction was not completed on time, but the joint developers disagreed with the NTCG's claim. Thus, a dispute on this issue arose. Steps have been taken to settle this dispute, and while the settlement is being negotiated, FECC had placed in the Far Eastern International Bank a negotiable certificate of deposit amounting to

NT\$109,995 thousand as a pledge based on the NTCG's requirement. As of August 11, 2015, the lawsuit was pending before the Ministry of the Interior.

- j. On August 1, 2014, the Taiwan Area National Freeway Bureau (TANFB) claimed that the Far Eastern Electronic Toll Collection Co., Ltd. (FETC) violated the "ETC BOT Concession Agreement" for the delay of offering new jobs to former freeway toll fee collectors and was thus liable for a penalty amounting to NT\$4,500 thousand. However, FETC disagreed with the TANFB's interpretation of the contract and filed for mediation to the ETC mediation committee on August 14 2014. In the mediation, the committee members made a resolution without dissenting opinion that it was questionable whether FETC was liable for a penalty amounting to NT\$4,500 thousand; however, TANFB, regardless of the resolution of mediation committee, deducted NT\$4,500 thousand from the service fee payable to FETC. Thus, FETC filed a civil lawsuit with the Taipei District Court (TDC) to reclaim the NT\$4,500 thousand and plus interests until the repayment date. TANFB then filed a counterclaim, asserting it had the right to claim the penalty amount. The lawsuit was pending before the TDC and the estimated release date of lawsuit will be set on September 18, 2015. FETC has recognized the estimated penalty of NT\$4,500 thousand.
- k. A Company subsidiary, Far Eastern Electronic Toll Collection Co., Ltd. (FETC), has cooperated with government authorities to establish an electronic toll collection system based on the "Establishment and Operating Contract" with Taiwan Area National Freeway Bureau (TANFB). However, on the basis of the system usage rate and the manner of system implementation, TANFB claimed it had the right to penalize FETC for the latter's failing to achieve the requirements for the electronic toll collection (ETC) system stated in the contract. However, FETC disagreed with the bureau's interpretation of the contract terms and filed for arbitration with the Negotiation Committee. The contract terms were as follow:

1) Usage rate

TANFB claimed that FETC had failed to reach the 45% designated ETC usage rate in the third year stated in the contract, thus violating the terms of the contract. To act on TANFB's complaint, FETC proposed an improvement plan, which TANFB accepted, and set six inspection points to be used in determining if FETC's improvement plan was effective. FETC successfully met the inspection requirements, as shown by TANFB's confirmation of the plan results. Thus, FETC believed that its successful implementation of its improvement plan should be considered by TANFB as the FETC's added investment in the ETC plan as well as the equivalent of FETC's paying a penalty for not meeting the ETC usage rate requirement. Thus, FETC claimed TANFB should not impose a penalty on FETC anymore.

TANFB commented that FETC failed to reach the 70% designated usage rate of ETC in the sixth year of the contract and thus violated the contract, for which FETC was liable for a penalty amounting to NT\$427,500 thousand. Nevertheless, TANFB and ETC have reached a consensus to consider the implementation of the above improvement plan as making up for FETC's not meeting the 70% usage rate requirement; there was no reason for TANFB to penalize FETC. In addition, FETC exceeded the 65% usage rate stated in the "Establishment and Operating Contract" for the taximeter phase, and the operation of the taximeter system infrastructure (TSI) was also on track. Thus, there was actually no physical evidence of FETC's violating the contract. FETC also claimed that it should not be blamed for TSI-related problems because it believed the government was slow in informing the public of the TSI charges. For these reasons, FETC said TANFB should not accuse FETC of breach of contract. To settle this matter, FETC applied for a conciliation with TANFB through the Negotiation Committee. The Negotiation Committee suggested TANFB decrease its penalty on FETC because (a) FETC could enter into the taximeter phase since the 65% ETC usage rate had been reached even though this rate was lower than the 70% usage rate stated in the contract; (b) the impact of usage rate to the interest of highway users was markedly diminished (c) the amounts FETC invested in the improvement plan were more than the penalty TANFB claimed. FETC, however, could not accept the negotiation result. In September 2013, FETC filed a lawsuit against TANFB, claiming it was not liable for the penalty

imposed by TANFB. As of August 11, 2015, since there is controversy legal issue between public law and private law of Build-Operate-Transfer Contract (BOT) case, this case was pending before the Tainan District Court and FETC has recognized the possible loss which was likely to be imposed.

2) Taximeter system infrastructure

TANFB stated FETC breached the contract when FETC was unable to complete the ETC driveway infrastructure by September 21, 2012 as required in the contract. But after FETC negotiated with TANFB through the Negotiation Committee, both the FETC and TANFB agreed to extend the construction period by four months until January 21, 2013. Thus, TANFB should reset the contract expiry date according to the agreement. However, TANFB has not reset the expiry date and set the date FETC had been informed of violation of contract on February 3, 2013 and obligated FETC to complete the ETC driveway infrastructure and taximeter system infrastructure by April 21, 2013. After FETC's conciliation with TANFB through the Negotiation Committee in July 2013, the Negotiation Committee suggested that TANFB recheck the construction results and determine if after four months after the original contract expiry date of September 21, 2012, FETC violated the contract. Nevertheless, TANFB did not agree with the Negotiation Committee's decision and filed a lawsuit against FETC and imposed a penalty of NT\$142,500 thousand on FETC. Under the lawsuit, FETC applied for other conciliation on the Art. 20 - punish penalties in the contract; the Negotiation Committee suggested that FETC should forfeit the fine in a combined amount of NT\$250 thousand per day from April 22, 2013 to November 14, 2013. However, FETC did not agree with the decision and filed a counter-lawsuit against TANFB. As of April 8, 2015, this lawsuit was passed to Administrative Court and FETC has recognized the possible loss which was likely to be imposed.

1. In May 2015, Far EasTone applied to the Taipei District Court for the compulsory enforcement against Taiwan Mobile Co., Ltd. (TWM) for TWM's violation of the agreement between Far EasTone and TWM and prohibited TWM from using the C1 spectrum till TWM escheats the C4 spectrum to NCC. On July 1, 2015, the Taipei District Court issued the preliminary injunction against TWM. Under the preliminary injunction process, on July 24, 2015, Far EasTone lodged NT\$1,049,000 thousand in negotiable certificates but TWM lodged NT\$927,000 thousand as counter-guarantee in the court so that TWM could use the C1 spectrum. On July 28, 2015, Far EasTone filed a civil lawsuit with the Taipei District Court against TWM for the same charge of breach of contract.

38. SUBSEQUENT EVENTS

- a. The board of directors of the Company decided to issue unsecured bonds on August 11, 2015. The bonds, with a term of less than 10 years, will have an aggregate face value not more than NT\$8,000,000 thousand (or their equivalent value in other currency) and a par value of NT\$1,000 thousand.
- b. On July 10, 2015, YDI made its first issuance of unsecured bonds, with an aggregate value of NT\$3,000,000 thousand and a par value of NT\$1,000 thousand. These five-year bonds are repayable at 50% of the total amount at the end of the fourth year and the other 50% at the end of the fifth year of bond issuance, with a 1.43% interest rate. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.
- c. To enter the cable television market and strengthen the domain of digital convergence, Far EasTone planned to enter into a strategic alliance with Morgan Stanley Private Equity Asia IV, LLC ("MSPE Asia") and seek opportunities to cooperate with China Network Systems Group ("CNS Group") by acquiring the corporate bonds in the future. For this alliance, the board of directors of Far EasTone resolved to enter into a cooperation agreement with the subsidiaries to be individually established by North Haven Private Equity Asia IV Holdings Limited ("NHPEA") which is managed by MSPE Asia to regulate future rights and obligations between Far EasTone and MSPE Asia. Under the cooperation agreement, Far EasTone may subscribe for the corporate bonds to be issued by the subsidiaries to be

directly/indirectly owned by NHPEA and to be established in the R.O.C. to provide certain technology and advisory services as well as to explore other potential opportunities for collaboration as allowed under R.O.C. laws and regulations. Far EasTone's total subscription of the subsidiaries' corporate bonds should not exceed NT\$17,120,000 thousand.

If Far EasTone cannot acquire the permission from the administration, the original shareholders of CNS Group or its related parties could become Far EasTone's strategic cooperative partners under certain conditions. For this cooperative partnership, the board of directors of Far EasTone resolved to sign a contract with the above subsidiaries, and Evergreen Jade Sdn. Bhd. and Goodwill Tower Sdn. Bhd., both of whom are shareholders of CNS Group, to regulate the rights and obligations of each party.

39. EXCHANGE RATE OF FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the group entities and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

June 30, 2015

	Foreign Currencies	Exchange Rate	Carrying Amount (NT\$)
<u>Financial assets</u>			
Monetary items			
USD	\$ 448,759	30.91 (USD:NTD)	\$ 13,871,141
USD	164,805	6.210 (USD:RMB)	5,094,123
USD	154,546	7.753 (USD:HKD)	4,777,017
USD	7,252	3.936 (USD:MYR)	<u>224,159</u>
			<u>\$ 23,966,440</u>

Financial liabilities

Monetary items			
USD	386,247	30.91 (USD:NTD)	\$ 11,938,895
USD	567,352	6.210 (USD:RMB)	17,536,850
USD	49,915	7.753 (USD:HKD)	1,542,873
USD	10,415	3.936 (USD:MYR)	<u>321,928</u>
			<u>\$ 31,340,546</u>

December 31, 2014

	Foreign Currencies	Exchange Rate	Carrying Amount (NT\$)
<u>Financial assets</u>			
Monetary items			
USD	\$ 487,339	31.65 (USD:NTD)	\$ 15,424,279
USD	199,154	6.215 (USD:RMB)	6,303,224
USD	130,553	7.757 (USD:HKD)	4,132,002
USD	8,158	3.641 (USD:MYR)	<u>258,201</u>
			<u>\$ 26,117,706</u>

(Continued)

	Foreign Currencies	Exchange Rate	Carrying Amount (NT\$)
<u>Financial liabilities</u>			
Monetary items			
USD	\$ 257,061	31.65 (USD:NTD)	\$ 8,135,981
USD	689,603	6.215 (USD:RMB)	21,825,935
USD	46,718	7.757 (USD:HKD)	1,478,625
USD	6,092	3.641 (USD:MYR)	<u>192,812</u>
			<u>\$ 31,633,353</u> (Concluded)

June 30, 2014

	Foreign Currencies	Exchange Rate	Carrying Amount (NT\$)
<u>Financial assets</u>			
Monetary items			
USD	\$ 423,285	29.85 (USD:NTD)	\$ 12,635,057
USD	164,557	6.087 (USD:RMB)	4,912,026
USD	153,801	7.597 (USD:HKD)	4,590,960
USD	5,562	3.333 (USD:MYR)	<u>166,026</u>
			<u>\$ 22,304,069</u>

Financial liabilities

Monetary items			
USD	331,109	29.85 (USD:NTD)	\$ 9,883,604
USD	730,860	6.087 (USD:RMB)	21,816,171
USD	79,128	7.597 (USD:HKD)	2,361,971
USD	11,359	3.333 (USD:MYR)	<u>339,066</u>
			<u>\$ 34,400,812</u>

40. ADDITIONAL DISCLOSURES

a. Following are the additional disclosures required by the Securities and Futures Bureau for the Company and investees and b. Reinvestment information:

- 1) Financing provided: Schedule D (attached)
- 2) Endorsement/guarantee provided: Schedule E (attached)
- 3) Marketable securities and investments in share of stock held: Schedule F (attached)
- 4) Securities acquired and disposed of at costs or prices of at least NT\$300 million or 20% of the capital stock: Schedule G (attached)
- 5) Acquisition of individual real states at costs of at least NT\$300 million or 20% of the capital stock: Schedule H (attached)

- 6) Disposal of individual real states at prices of at least NT\$300 million or 20% of the capital stock: Schedule I (attached)
 - 7) Total purchases from or sales to related parties amounting to at least NT\$300 million or 20% of the capital stock: Schedule J (attached)
 - 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the capital stock: Schedule K (attached)
 - 9) Derivative financial transactions: Notes 7 and 10
 - 10) Intercompany relationships and significant intercompany transactions: Schedule L (attached)
 - 11) Information on investees: Schedule M (attached)
- c. Investments in Mainland China
- 1) Investee company name, the description of the primary business activity and products, issued capital, nature of the relationship, capital inflow or outflow, ownership interest, gain or loss on investment, amounts received on investment, and the limitation on investment: Schedule N and N-1 (attached)
 - 2) Significant direct or indirect transactions with the investee company, prices, payment terms, and unrealized gain or loss: Schedules N (attached)
 - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period.
 - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period.
 - c) The amount of property transactions and the amount of the resultant gains or losses.
 - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes.
 - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds.

41. SEGMENT INFORMATION

Industry Information

The information provided to the Group's chief operating decision maker in order to allocate resources to the segments and assess their performance focuses on types of goods delivered or services provided. The Group defined its operating segments as follows: Petrochemical business, chemical fiber business, textile business, mobile services business, real estate business, investment and other business.

Segment operating income is the profit generated by each operating segment, which excludes expenses allocated in group headquarter, remuneration for directors, interest revenue, gain or loss on disposal of property, exchange gain or loss, interest expense and income tax expense. It is the measure reported to the chief operating decision maker to allocate resources to the segments and assess their performance. However, information on segment assets is not regularly provided to the chief operating decision maker.

The analysis of the Group's revenues and operating results by operating segment is as follows:

	Segments Revenue		Segments Profit	
	For the Six Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Petrochemical business			\$ (520,375)	\$ (1,292,929)
Revenues generated from external customers	\$ 9,136,843	\$ 11,485,824		
Intersegment revenues	<u>6,816,549</u>	<u>9,344,027</u>		
	<u>15,953,392</u>	<u>20,829,851</u>		
Chemical fiber business			832,832	786,016
Revenues generated from external customers	30,503,425	36,959,532		
Intersegment revenues	<u>332,903</u>	<u>483,122</u>		
	<u>30,836,328</u>	<u>37,442,654</u>		
Textile business			499,288	318,159
Revenues generated from external customers	15,491,473	17,012,342		
Intersegment revenues	<u>56,770</u>	<u>85,853</u>		
	<u>15,548,243</u>	<u>17,098,195</u>		
Mobile services business			8,203,100	8,540,181
Revenues generated from external customers	48,331,634	44,779,963		
Intersegment revenues	<u>89,087</u>	<u>106,698</u>		
	<u>48,421,021</u>	<u>44,886,661</u>		
Real estate development			305,633	310,263
Revenues generated from external customers	2,720,125	3,047,917		
Intersegment revenues	<u>111,043</u>	<u>130,646</u>		
	<u>2,831,168</u>	<u>3,178,563</u>		
Investment and other			724,991	1,917,030
Revenues generated from external customers	4,776,674	6,141,472		
Intersegment revenues	<u>162,286</u>	<u>448,125</u>		
	<u>4,938,960</u>	<u>6,589,597</u>		
Adjustment and elimination	<u>(7,781,710)</u>	<u>(10,476,782)</u>	<u>(27,466)</u>	<u>(149,511)</u>
Total	<u>\$ 110,747,402</u>	<u>\$ 119,548,739</u>	<u>10,018,033</u>	<u>10,429,209</u>
Interest revenue			259,798	205,705
Exchange loss			(181,131)	(197,428)
Interest expense			(1,213,084)	(907,016)
Other revenue and income			<u>4,471,999</u>	<u>3,231,751</u>
Profit before tax			<u>\$ 13,355,615</u>	<u>\$ 12,762,221</u>

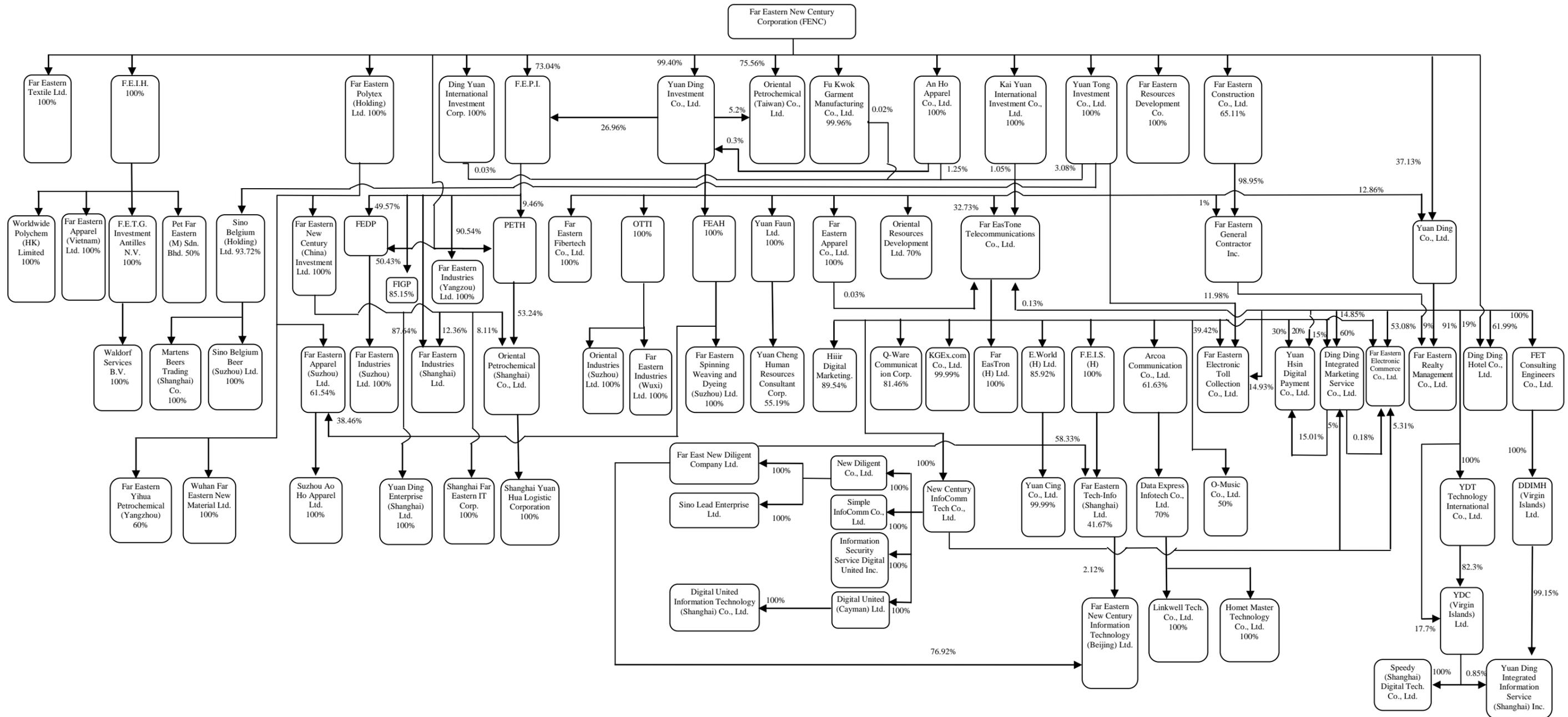
Note: For the six months ended June 30, 2015, the main differences between the total reportable segment revenue and consolidated operating revenue and those between the total reportable segment profit and consolidated operating income were due to the share of the associates' profits of NT\$1,567,886 thousand and dividend income from associates NT\$204,400 thousand, respectively. For the six months ended June 30, 2014, the main differences between the total reportable segment revenue and consolidated operating revenue and those between the total reportable segment profit and consolidated operating income were due to the share of the associates' profits of NT\$2,586,387 thousand and dividend income from associates NT\$142,662 thousand, respectively.

Segment Total Assets and Liabilities

Segment total assets and liabilities was not disclosed due to this information was not reviewed by or regularly provided to the chief operating decision maker.

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND PERCENTAGES OF OWNERSHIP
 JUNE 30, 2015



FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED RELATED-PARTY TRANSACTIONS

(In Thousands of New Taiwan Dollars)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Sales				
Associates	\$ 258,100	\$ 465,609	\$ 652,722	\$ 907,327
Others	<u>205,794</u>	<u>309,389</u>	<u>450,634</u>	<u>590,154</u>
	<u>\$ 463,894</u>	<u>\$ 774,998</u>	<u>\$ 1,103,356</u>	<u>\$ 1,497,481</u>
Operating cost				
Associates	\$ 511,145	\$ 493,522	\$ 811,012	\$ 787,832
Others	<u>313,368</u>	<u>443,180</u>	<u>450,799</u>	<u>744,568</u>
	<u>\$ 824,513</u>	<u>\$ 936,702</u>	<u>\$ 1,261,811</u>	<u>\$ 1,532,400</u>
Operating expense				
Associates	\$ 12,124	\$ 6,328	\$ 24,392	\$ 17,174
Others	<u>95,006</u>	<u>71,615</u>	<u>177,397</u>	<u>160,846</u>
	<u>\$ 107,130</u>	<u>\$ 77,943</u>	<u>\$ 201,789</u>	<u>\$ 178,020</u>
Rental revenue (recognized as operating revenue)				
Associates	\$ 52,947	\$ 61,658	\$ 105,894	\$ 105,914
Others	<u>93,206</u>	<u>103,461</u>	<u>178,528</u>	<u>171,770</u>
	<u>\$ 146,153</u>	<u>\$ 165,119</u>	<u>\$ 284,422</u>	<u>\$ 277,684</u>
Rental expense (recognized as operating cost and expense)				
Associates	\$ 26,548	\$ 27,676	\$ 58,675	\$ 56,759
Others	<u>11,644</u>	<u>25,844</u>	<u>73,404</u>	<u>87,604</u>
	<u>\$ 38,192</u>	<u>\$ 53,520</u>	<u>\$ 132,079</u>	<u>\$ 144,363</u>

Note:

- a. The terms of sales to and purchases from the related parties were based on agreements.
- b. The Group had donated NT\$14,487 thousand and NT\$13,391 thousand to other related parties for the six months ended June 30, 2015 and 2014.

(Continued)

- c. The Group had purchased the software equipments, machinery and equipment, and construction contracts from the other related parties amounted to NT\$19,321 thousand for the three months ended June 30, 2015 and NT\$26,530 thousand for the six months ended June 30, 2015. The Group had purchased the software equipments and construction contracts amounted to NT\$99,788 thousand for the three months ended June 30, 2015 and NT\$187,973 thousand for the six months ended June 30, 2015.
- d. The Group had sold other assets amounting to NT\$199,703 thousand to the associates and recognized the gain on disposal as of NT\$34,275 thousand (recognized as other income) for the six months ended June 30, 2015. The Group had sold office equipments amounted to NT\$325 thousand and NT\$23 thousand, respectively to the associates for the six months ended June 30, 2015.
- e. The Group had sold investment properties - land to other related parties amounting to NT\$1,878,322 thousand and recognized the gain on disposal of NT\$815,643 thousand for the six months ended June 30, 2015. The disposal proceeds amounting to NT\$78,322 thousand have been received in cash and the rest of proceeds amounting to NT\$1,800,000 thousand will be received in the next several years and recognized as other receivables from related parties NT\$180,000 thousand and long-term other receivables from related parties NT\$1,620,000, respectively as of June 30, 2015.
- f. The Group had exchanged its investment properties - land with fair value NT\$1,115,520 thousand and paid an extra NT\$776,850 thousand for lands with fair value NT\$1,892,370 thousand with other related parties, and recognized the gain on disposal of NT\$167,986 thousand. In addition, based on the exchange contract the Group paid NT\$158,255 thousand for related transaction cost for this exchange. The Group recognized the exchanging lands as inventories-available for sale-land and building amounting to \$1,665,015 thousand and investment properties - land amounting to \$385,610 thousand as of June 30, 2015.
- g. The fund transactions between the Group and Opas Fund Segregated Porfolio Company (“Opas Company”) involved the acquisition and disposal of the Opas Fund Segregated Portfolio Tranches B, and D through the trading platform of Opas Company. The decisions on these overseas mutual funds with different tranches were made by the investment committee formed by the Group and other investors. As of June 30, 2015, the Group disposed of funds through the trading platform of Opas Company with a carrying amount of NT\$222,750 thousand. The disposal proceeds were NT\$250,463 thousand and the gain on fund disposal were NT\$27,713 thousand.
- h. The rental expense incurred for rental agreements on factories in Hukou and Hsinchu, office and equipment rooms in Tainan, base stations and departments around Taiwan. The term of the rental agreements was from January 2009 to January 2029. The revenue generated from renting out some of the floors of the Taipei Metro Tower building and buildings in Chen-Chung Section in Taipei City, Hsin-ban Section in New Taipei City and Xinhua development zone in Shanghai City; the related lease term was from November 2006 to December 2026. Rent is received or paid quarterly or monthly, and the amount of rent was based on market conditions in nearby locations.
- i. Compensation of key management personnel:

	For the Three Months Ended		For the Six Months Ended	
	June 30		June 30	
	2015	2014	2015	2014
Short-term employee benefits	\$ 103,642	\$ 107,712	\$ 248,196	\$ 197,431
Post-employment benefits (Note)	<u>775</u>	<u>(786)</u>	<u>1,541</u>	<u>(1,585)</u>
	<u>\$ 104,417</u>	<u>\$ 106,926</u>	<u>\$ 249,737</u>	<u>\$ 195,846</u>

Note: The post-employment benefit were gain for the three months and six months ended June 30, 2014 based on the actuarial result applied by IAS 19 “Employee Benefits”.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED RELATED-PARTY TRANSACTIONS

AS OF JUNE 30, 2015 AND 2014

(In Thousands of New Taiwan Dollars)

	June 30, 2015	December 31, 2014	June 30, 2014
Notes and accounts receivable from related parties			
Associates	\$ 329,799	\$ 372,985	\$ 334,332
Others	<u>522,832</u>	<u>585,496</u>	<u>266,965</u>
	<u>\$ 852,631</u>	<u>\$ 958,481</u>	<u>\$ 601,297</u>
Notes and accounts payable from related parties			
Associates	\$ 182,345	\$ 109,211	\$ 211,783
Others	<u>153,036</u>	<u>404,414</u>	<u>330,468</u>
	<u>\$ 335,381</u>	<u>\$ 513,625</u>	<u>\$ 542,251</u>
Progress billings			
Associates	\$ 1,685,880	\$ 3,311,893	\$ 3,216,479
Others	<u>707,564</u>	<u>698,986</u>	<u>577,333</u>
	<u>\$ 2,393,444</u>	<u>\$ 4,010,879</u>	<u>\$ 3,793,812</u>
Guarantee deposits received			
Associates	\$ 18,899	\$ 18,915	\$ 18,911
Others	<u>197,555</u>	<u>173,467</u>	<u>181,314</u>
	<u>\$ 216,454</u>	<u>\$ 192,382</u>	<u>\$ 200,225</u>
Deferred credit - gains on inter - related parties accounts			
Associates	\$ 140,229	\$ 140,507	\$ 140,785
Others	<u>9,122</u>	<u>9,122</u>	<u>9,122</u>
	<u>\$ 149,351</u>	<u>\$ 149,629</u>	<u>\$ 149,907</u>
<u>Financing to related parties</u>			
Loans to related parties (recognized as other receivables)			
	June 30, 2015	December 31, 2014	June 30, 2014
Associates	<u>\$ 940,000</u>	<u>\$ 940,000</u>	<u>\$ 940,000</u>

(Continued)

Loans from related parties (recognized as short-term borrowings)

	June 30, 2015	December 31, 2014	June 30, 2014
Others	<u>\$ 3,562,722</u>	<u>\$ 3,989,830</u>	<u>\$ 3,473,448</u>

Note:

- a. The terms of sales to and purchases from other related parties were based on the agreements.
- b. The rent receivables from renting out the factories to other related parties (recognized as other receivables) were NT\$211,607 thousand, NT\$249,828 thousand and NT\$244,537 thousand as of June 30, 2015, December 31, 2014 and June 30, 2014, respectively.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED
FOR THE SIX MONTHS ENDED JUNE 30, 2015
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Lender	Borrower	Related Parties	Financial Statement Account	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note		
													Item	Value					
0	Far Eastern New Century Corporation	Far Eastern Polychem Industries Ltd. PET Far Eastern (Holding) Ltd.	Yes	Receivables from related parties	\$ 1,885,085	\$ 1,810,525	\$ 1,810,525	1.5992-3.35	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 9,948,871	\$ 99,488,712	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note D)		
			Yes	Receivables from related parties	1,965,795	1,941,225	1,941,225	3.35	2	-	-	For revolving fund	-	Promissory note	-	9,948,871		99,488,712	
1	Far EasTone Telecommunications Co., Ltd.	Q-Ware Communication Co., Ltd.	Yes	Receivables from related parties	250,000	250,000	241,000	1.59-1.66	2	-	For revolving fund	-	-	-	6,669,609	33,348,044	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note D)		
2	Yuan Ding Investment Co., Ltd.	Yue Ding Industry Co., Ltd. Oriental Resources Development Ltd. Oriental Petrochemical (Taiwan) Co. Far Eastern Resources Development Co. Ding Yuan International Investment Co., Ltd. An Ho Garment Co., Ltd. Da Ju Fiber Co., Ltd. Yuan Tong Investment Co., Ltd. Kai Yuan International Investment Co., Ltd.	Yes	Receivables from related parties	200,000	200,000	-	-	2	-	-	For revolving fund	-	Promissory note	-	3,915,058	19,575,292	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note D)	
			Yes	Receivables from related parties	300,000	300,000	-	-	2	-	-	For revolving fund	-	Promissory note	-	3,915,058	19,575,292	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note D)	
			Yes	Receivables from related parties	1,500,000	1,500,000	-	-	2	-	-	For revolving fund	-	Promissory note	-	3,915,058	19,575,292	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note D)	
			Yes	Receivables from related parties	1,000,000	1,000,000	-	1.73-1.74	2	-	-	For revolving fund	-	Promissory note	-	3,915,058	19,575,292	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note D)	
			Yes	Receivables from related parties	300,000	300,000	120,000	1.71	2	-	-	For revolving fund	-	Promissory note	-	3,915,058	19,575,292	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note D)	
			Yes	Receivables from related parties	400,000	400,000	400,000	1.71-1.79	2	-	-	For revolving fund	-	Promissory note	-	3,915,058	19,575,292	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note D)	
			Yes	Receivables from related parties	645,000	645,000	645,000	1.71-1.79	2	-	-	For revolving fund	-	Promissory note	-	3,915,058	19,575,292	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note D)	
			Yes	Receivables from related parties	800,000	750,000	750,000	1.71-1.79	2	-	-	For revolving fund	-	Promissory note	-	3,915,058	19,575,292	Amounts allowed for ending period (Note C); maximum amounts allowed for the period (Note D)	
4	Yuan Tong Investment Co., Ltd.	Far Eastern Resources Development Co. Da Ju Fiber Co., Ltd.	Yes	Receivables from related parties	500,000	500,000	-	1.54-1.78	2	-	-	For revolving fund	-	Promissory note	-	830,700	4,153,498	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note K)	
			Yes	Receivables from related parties	155,000	155,000	155,000	1.51-1.54	2	-	-	For revolving fund	-	Promissory note	-	830,700	4,153,498	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note K)	
5	Far Eastern Polychem Industries Ltd.	Oriental Petrochemical (Shanghai) Corp. Far Eastern Industries (Shanghai) Ltd. Sino Belgium Beer (Suzhou) Ltd. Far Eastern Investment (Holding) Ltd. Far Eastern New Century (China) Investment Ltd. Far Eastern Ishizuka Green Pet Far Eastern Industries (Suzhou) Ltd. Far Eastern Industries (Shanghai) Ltd.	Yes	Receivables from related parties	216,370	-	-	-	2	-	-	For revolving fund	-	Promissory note	-	4,334,762	4,334,762	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J)	
			Yes	Receivables from related parties	2,040,060	2,040,060	-	-	1	8,801,764	-	-	For revolving fund	-	Promissory note	-	7,585,833	7,585,833	Amounts allowed for ending period (Note Q); maximum amounts allowed for the period (Note L)
			Yes	Receivables from related parties	309,100	309,100	-	-	2	-	-	For revolving fund	-	Promissory note	-	5,418,452	16,255,356	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)	
			Yes	Receivables from related parties	309,100	309,100	-	-	2	-	-	For revolving fund	-	Promissory note	-	5,418,452	16,255,356	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)	
			Yes	Receivables from related parties	497,750	497,750	-	-	2	-	-	For revolving fund	-	Promissory note	-	5,418,452	16,255,356	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)	
			Yes	Receivables from related parties	505,200	505,200	290,490	1.14443	2	-	-	For revolving fund	-	Promissory note	-	4,334,762	4,334,762	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J)	
			Yes	Receivables from related parties	1,205,490	1,205,490	914,936	-	2	-	-	For revolving fund	-	Promissory note	-	5,418,452	16,255,356	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)	
			Yes	Receivables from related parties	3,029,180	3,029,180	1,823,689	-	2	-	-	For revolving fund	-	Promissory note	-	5,418,452	16,255,356	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)	
7	Far Eastern Investment (Holding) Ltd.	Oriental Petrochemical (Shanghai) Corp. FEDP (Holding) Ltd. PET Far Eastern (Holding) Ltd.	Yes	Receivables from related parties	710,930	-	-	-	2	-	-	For revolving fund	-	Promissory note	-	3,328,231	3,328,231	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J)	
			Yes	Receivables from related parties	309,100	309,100	-	1.3628	2	-	-	For revolving fund	-	Promissory note	-	4,160,289	12,480,866	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)	
			Yes	Receivables from related parties	927,300	927,300	-	-	2	-	-	For revolving fund	-	Promissory note	-	4,160,289	12,480,866	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)	

(Continued)

	Lender	Borrower	Related Parties	Financial Statement Account	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
		Far Eastern Apparel (Holding) Ltd.	Yes	Receivables from related parties	\$ 927,300	\$ 927,300	\$ -	1.3628	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 4,160,289	\$ 12,480,866	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Far Eastern Polychem Industries Ltd.	Yes	Receivables from related parties	1,081,850	1,081,850	-	1.3628	2	-	For revolving fund	-	Promissory note	-	4,160,289	12,480,866	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Worldwide Polychem (HK) Ltd.	Yes	Receivables from related parties	309,100	309,100	27,819	-	2	-	For revolving fund	-	Promissory note	-	4,160,289	12,480,866	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Sino Belgium (Holding) Ltd.	Yes	Receivables from related parties	463,650	463,650	185,460	1.3628	2	-	For revolving fund	-	Promissory note	-	3,328,231	3,328,231	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J)
		PET Far Eastern (M) Sdn. Bhd.	Yes	Receivables from related parties	309,100	309,100	232,233	1.3628	2	-	For revolving fund	-	Promissory note	-	3,328,231	3,328,231	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J)
		Far Eastern Apparel (Vietnam) Ltd.	Yes	Receivables from related parties	927,300	927,300	510,015	-	2	-	For revolving fund	-	Promissory note	-	4,160,289	12,480,866	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Far Eastern Polytex (Holding) Ltd.	Yes	Receivables from related parties	2,472,800	2,472,800	1,737,142	1.3628	2	-	For revolving fund	-	Promissory note	-	4,160,289	12,480,866	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Oriental Textile (Holding) Ltd.	Yes	Receivables from related parties	3,091,000	3,091,000	2,086,425	1.3628	2	-	For revolving fund	-	Promissory note	-	4,160,289	12,480,866	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
8	PET Far Eastern (Holding) Ltd.	Far Eastern New Century (China) Investment Ltd.	Yes	Receivables from related parties	497,750	497,750	-	-	2	-	For revolving fund	-	Promissory note	-	3,598,696	10,796,087	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Tong Da Air Industry (Yangzhou) Co., Ltd.	Yes	Receivables from related parties	1,545,500	1,236,400	-	-	2	-	For revolving fund	-	Promissory note	-	2,878,957	2,878,957	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J)
		Far Eastern Investment (Holding) Ltd.	Yes	Receivables from related parties	1,236,400	1,236,400	-	1.3628	2	-	For revolving fund	-	Promissory note	-	3,598,696	10,796,087	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Oriental Petrochemical (Shanghai) Corp.	Yes	Receivables from related parties	1,186,944	1,186,944	981,393	-	2	-	For revolving fund	-	Promissory note	-	2,878,957	2,878,957	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J)
9	Kai Yuan International Investment Co., Ltd.	Da Ju Fiber Co., Ltd.	Yes	Receivables from related parties	100,000	100,000	-	-	2	-	For revolving fund	-	Promissory note	-	518,245	2,591,227	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note K)
		Yue Ding Industry Co., Ltd.	Yes	Receivables from related parties	150,000	150,000	-	-	2	-	For revolving fund	-	Promissory note	-	518,245	2,591,227	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note K)
10	Far Eastern Polytex (Holding) Ltd.	Far Eastern Investment (Holding) Ltd.	Yes	Receivables from related parties	309,100	-	-	-	2	-	For revolving fund	-	Promissory note	-	4,349,819	13,049,458	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Wuhan Far Eastern New Material Ltd.	Yes	Receivables from related parties	278,190	278,190	154,550	-	2	-	For revolving fund	-	Promissory note	-	4,349,819	13,049,458	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
		Far Eastern New Century (China) Investment Ltd.	Yes	Receivables from related parties	4,018,300	2,040,060	1,929,775	-	2	-	For revolving fund	-	Promissory note	-	4,349,819	13,049,458	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)
11	Yuan Ding Company Ltd.	YDT Technology International Co., Ltd.	Yes	Receivables from related parties	50,000	50,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,644,017	4,110,044	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note K)
		Far Eastern Technical Consultants Co., Ltd.	Yes	Receivables from related parties	50,000	50,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,644,017	4,110,044	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note K)
		FET Consulting Engineers Co., Ltd.	Yes	Receivables from related parties	50,000	50,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,644,017	4,110,044	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note K)
		Far Eastern Electronic Commerce Co., Ltd.	Yes	Receivables from related parties	100,000	100,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,644,017	4,110,044	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note K)
		Ding Ding Integrated Marketing Services Co., Ltd.	Yes	Receivables from related parties	100,000	100,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,644,017	4,110,044	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note K)
		Ding Ding Hotel Co., Ltd.	Yes	Receivables from related parties	300,000	300,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,644,017	4,110,044	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note K)
		Yuan Ding Integrated Information Service (Shanghai) Inc.	Yes	Receivables from related parties	503,360	309,100	278,190	1.50	2	-	For revolving fund	-	Promissory note	-	1,644,017	4,110,044	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note K)
13	Ding Yuan International Investment Co., Ltd.	Far Eastern Apparel Co., Ltd.	Yes	Receivables from related parties	50,000	-	-	-	2	-	For revolving fund	-	Promissory note	-	277,726	1,388,630	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note K)
		Da Ju Fiber Co., Ltd.	Yes	Receivables from related parties	100,000	-	-	1.52-1.54	2	-	For revolving fund	-	Promissory note	-	277,726	1,388,630	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note K)
		Yue Ding Industry Co., Ltd.	Yes	Receivables from related parties	140,000	140,000	140,000	1.51-1.54	2	-	For revolving fund	-	Promissory note	-	277,726	1,388,630	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note K)
14	An Ho Garment Co., Ltd.	Far Eastern Apparel Co., Ltd.	Yes	Receivables from related parties	50,000	50,000	-	-	2	-	For revolving fund	-	Promissory note	-	187,431	937,156	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note K)

(Continued)

No.	Lender	Borrower	Related Parties	Financial Statement Account	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note	
													Item	Value				
15	FEDP (Holding) Ltd.	Far Eastern Investment (Holding) Ltd. Far Eastern Industries (Suzhou) Ltd.	Yes	Receivables from related parties	\$ 154,550	\$ 154,550	\$ -	-	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 337,993	\$ 1,013,978	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N) Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)	
			Yes	Receivables from related parties	401,830	278,190	278,190	-	2	-	-	For revolving fund	-	Promissory note	-	337,993		1,013,978
20	Oriental Textile (Holding) Ltd.	Sino Belgium Beer (Suzhou) Ltd. Sino Belgium (Holding) Ltd. Far Eastern New Century (China) Investment Ltd. Oriental Industries (Suzhou) Ltd. Far Eastern Industries (WuXi) Ltd. Oriental Industries (Suzhou) Ltd.	Yes	Receivables from related parties	185,460	185,460	-	-	2	-	For revolving fund	-	Promissory note	-	3,341,732	10,025,196	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N) Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J) Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N) Amounts allowed for ending period (Note P); maximum amounts allowed for the period (Note L) Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N) Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)	
			Yes	Receivables from related parties	309,100	309,100	-	1.3628	2	-	-	For revolving fund	-	Promissory note	-	2,673,386		2,673,386
			Yes	Receivables from related parties	497,750	497,750	-	-	2	-	-	For revolving fund	-	Promissory note	-	3,341,732		10,025,196
			Yes	Receivables from related parties	1,483,680	1,483,680	92,730	-	1	-	3,543,383	-	-	Promissory note	-	3,543,383		4,678,425
			Yes	Receivables from related parties	2,006,059	2,006,059	216,370	-	2	-	-	For revolving fund	-	Promissory note	-	3,341,732		10,025,196
Yes	Receivables from related parties	2,781,900	2,781,900	2,781,900	-	2	-	-	For revolving fund	-	Promissory note	-	3,341,732	10,025,196				
21	Far Eastern Apparel (Holding) Ltd.	Far Eastern Dyeing & Finishing (Suzhou) Ltd. Far Eastern Apparel (Suzhou) Ltd.	Yes	Receivables from related parties	618,200	618,200	-	-	1	1,659,034	-	-	Promissory note	-	1,659,034	1,718,280	Amounts allowed for ending period (Note P); maximum amounts allowed for the period (Note L) Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N) Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)	
			Yes	Receivables from related parties	927,300	927,300	-	-	2	-	-	For revolving fund	-	Promissory note	-	1,227,343		3,682,029
	Yes	Receivables from related parties	927,300	927,300	735,658	-	2	-	-	For revolving fund	-	Promissory note	-	1,227,343	3,682,029			
30	Far Eastern Industries (Shanghai) Ltd.	Oriental Petrochemical (Shanghai) Corp.	Yes	Other receivables - loans to related parties	99,550	99,550	-	-	2	-	For revolving fund	-	Promissory note	-	876,192	1,314,288	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note H)	
31	Far Eastern Industries (Yangzhou) Ltd.	Oriental Petrochemical (Shanghai) Corp.	Yes	Other receivables - loans to related parties	497,750	-	-	3.00	2	-	For revolving fund	-	Promissory note	-	614,123	614,123	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J)	
34	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Yes	Other receivables - loans to related parties	497,750	497,750	67,425	2.74538-3.37245	2	-	For revolving fund	-	Promissory note	-	2,009,230	4,464,956	Amounts allowed for ending period (Note M); maximum amounts allowed for the period (Note O)	
35	Waldorf Services B.V.	Far Eastern Polychem Industries Ltd. Far Eastern Investment (Holding) Ltd. Oriental Textile (Holding) Ltd.	Yes	Receivables from related parties	463,650	463,650	-	1.3628	2	-	For revolving fund	-	Promissory note	-	593,635	1,780,906	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N) Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N) Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note N)	
			Yes	Receivables from related parties	463,650	463,650	-	1.3628	2	-	-	For revolving fund	-	Promissory note	-	593,635		1,780,906
			Yes	Receivables from related parties	463,650	463,650	463,650	1.3628	2	-	-	For revolving fund	-	Promissory note	-	593,635		1,780,906
40	Oriental Petrochemical (Shanghai) Corp.	Wuhan Far Eastern New Material Ltd. Far Eastern Industries (Shanghai) Ltd. Shanghai Far Eastern Petrochemical Logistic Ltd.	Yes	Other receivables - loans to related parties	49,775	49,775	-	-	2	-	For revolving fund	-	Promissory note	-	394,092	1,182,277	Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H) Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H) Amounts allowed for ending period (Note F); maximum amounts allowed for the period (Note H)	
			Yes	Other receivables - loans to related parties	99,550	99,550	-	-	2	-	-	For revolving fund	-	Promissory note	-	394,092		1,182,277
			Yes	Other receivables - loans to related parties	74,663	74,663	49,775	5.90	2	-	-	For revolving fund	-	Promissory note	-	394,092		1,182,277
42	Far Eastern Industries (WuXi) Ltd.	Oriental Industries (Suzhou) Ltd.	Yes	Other receivables - loans to related parties	1,493,250	1,493,250	-	2.48874-3.37245	2	-	For revolving fund	-	Promissory note	-	2,934,560	6,521,245	Amounts allowed for ending period (Note M); maximum amounts allowed for the period (Note O)	
43	Oriental Industries (Suzhou) Ltd.	Far Eastern Apparel (Suzhou) Ltd. Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Yes	Other receivables - loans to related parties	497,750	497,750	-	3.30863	2	-	For revolving fund	-	Promissory note	-	3,697,428	8,216,506	Amounts allowed for ending period (Note M); maximum amounts allowed for the period (Note O) Amounts allowed for ending period (Note M); maximum amounts allowed for the period (Note O)	
			Yes	Other receivables - loans to related parties	497,750	497,750	-	3.30863-3.57332	2	-	-	For revolving fund	-	Promissory note	-	3,697,428		8,216,506

(Continued)

No.	Lender	Borrower	Related Parties	Financial Statement Account	Maximum Amounts Allowed for the Period	Amounts Allowed for Ending Period	Actual Borrowing Amount	Interest Rate	Nature of Financing	Business Transaction Amounts	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower	Aggregate Financing Limits	Note
													Item	Value			
		Far Eastern Industries (WuXi) Ltd.	Yes	Other receivables - loans to related parties	\$ 1,493,250	\$ 1,493,250	\$ 39,576	3.17628-3.57332	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 3,697,428	\$ 8,216,506	Amounts allowed for ending period (Note M); maximum amounts allowed for the period (Note O)
		Far Eastern Industries (Suzhou) Ltd.	Yes	Other receivables - loans to related parties	995,500	995,500	403,815	3.17628-3.57332	2	-	For revolving fund	-	Promissory note	-	3,697,428	8,216,506	Amounts allowed for ending period (Note M); maximum amounts allowed for the period (Note O)
		Sino Belgium Beer (Suzhou) Ltd.	Yes	Other receivables - loans to related parties	995,500	995,500	626,553	3.17628-3.57332	2	-	For revolving fund	-	Promissory note	-	3,697,428	8,216,506	Amounts allowed for ending period (Note M); maximum amounts allowed for the period (Note O)
44	Far Eastern Industries (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Yes	Other receivables - loans to related parties	497,750	348,425	-	2.67653-3.18567	2	-	For revolving fund	-	Promissory note	-	383,333	851,851	Amounts allowed for ending period (Note M); maximum amounts allowed for the period (Note O)
45	Wuhan Far Eastern New Material Ltd.	Oriental Petrochemical (Shanghai) Corp.	Yes	Other receivables - loans to related parties	49,775	49,775	-	-	2	-	For revolving fund	-	Promissory note	-	400,515	400,515	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J)
46	Far Eastern Apparel (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Yes	Other receivables - loans to related parties	995,500	995,500	157,115	2.48874-3.37245	2	-	For revolving fund	-	Promissory note	-	1,140,638	2,534,752	Amounts allowed for ending period (Note M); maximum amounts allowed for the period (Note O)
48	Far Eastern New Century (China) Investment Ltd.	Oriental Petrochemical (Shanghai) Corp.	Yes	Other receivables - loans to related parties	348,425	348,425	348,425	3.00	2	-	For revolving fund	-	Promissory note	-	939,850	939,850	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J)
51	Sino Belgium Beer (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	Yes	Other receivables - loans to related parties	49,775	49,775	-	-	2	-	For revolving fund	-	Promissory note	-	129,477	287,726	Amounts allowed for ending period (Note M); maximum amounts allowed for the period (Note O)
55	YDT Technology International Co., Ltd.	Yuan Ding Company Ltd.	Yes	Receivables from related parties	200,000	200,000	150,000	1.2288-1.3788	2	-	For revolving fund	-	Promissory note	-	204,195	255,244	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note K)
57	FET Consulting Engineers Co., Ltd.	Yuan Ding Company Ltd.	Yes	Receivables from related parties	220,000	140,000	140,000	1.2288-1.3788	2	-	For revolving fund	-	Promissory note	-	148,535	185,669	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note K)
64	New Century InfoComm Tech Co., Ltd.	Q-Ware Communication Co., Ltd.	Yes	Receivables from related parties	250,000	-	-	1.64	2	-	For revolving fund	-	-	-	4,644,110	11,610,274	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note R)
		Far EasTone Telecommunications Co., Ltd.	Yes	Receivables from related parties	4,000,000	4,000,000	-	1.14	1	4,465,188	-	-	-	-	4,465,188	11,610,274	Amounts allowed for ending period (Note P); maximum amounts allowed for the period (Note R)
		Far EasTone Telecommunications Co., Ltd.	Yes	Receivables from related parties	2,200,000	2,000,000	-	1.14	2	-	For revolving fund	-	-	-	4,644,110	11,610,274	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note R)

Notes: A. Reasons for financing are as follows:

1. Business relationship.
2. For short-term financing.

B. The limit is equal to 5% of the net value of the financier (based on reviewed financial statements) as of June 30, 2015.

C. The limit is equal to 10% of the net value of the financier (based on reviewed financial statements) as of June 30, 2015.

D. The limit is equal to 50% of the net value of the financier (based on reviewed financial statements) as of June 30, 2015.

E. The limit is equal to 20% of the net value of the financier (based on reviewed financial statements) as of June 30, 2015.

F. The limit is equal to 5% of the net value of the financier (based on audited financial statements) as of December 31, 2014.

G. The limit is equal to 10% of the net value of the financier (based on audited financial statements) as of December 31, 2014.

H. The limit is equal to 15% of the net value of the financier (based on audited financial statements) as of December 31, 2014.

I. The limit is equal to 20% of the net value of the financier (based on audited financial statements) as of December 31, 2014.

(Continued)

- J. The limit is equal to 40% of the net value of the financier (based on audited financial statements) as of December 31, 2014.
- K. The limit is equal to 50% of the net value of the financier (based on audited financial statements) as of December 31, 2014.
- L. The limit is equal to 70% of the net value of the financier (based on audited financial statements) as of December 31, 2014.
- M. The limit is equal to 90% of the net value of the financier (based on audited financial statements) as of December 31, 2014.
- N. The limit is equal to 150% of the net value of the financier (based on audited financial statements) as of December 31, 2014.
- O. The limit is equal to 200% of the net value of the financier (based on audited financial statements) as of December 31, 2014.
- P. The limit is equal to business transaction amount.
- Q. The limit to equal to the lower of business transaction amount and 70% of the net value of the financier (based on audited financial statements) as of December 31, 2014.
- R. The limit is equal to 50% of the net value of the financier (based on reviewed financial statements) as of June 30, 2015.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED
FOR THE SIX MONTHS ENDED JUNE 30, 2015
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

No.	Endorser/ Guarantor	Endorsee/Guarantee		Limits on Each Counter-party's Endorsement/ Guarantee Amounts	Maximum Amounts Allowed for the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	Endorsement/ Guarantee Given by Parent on behalf of Subsidiaries (Note N)	Endorsement/ Guarantee Given by Subsidiaries on behalf of Parent (Note N)	Endorsement/ Guarantee Given on behalf of Companies in Mainland China (Note N)	Note
		Name	Relationship											
0	Far Eastern New Century Corporation	Yuan Ding Investment Co., Ltd.	(Note A)	\$ 99,488,712	\$ 2,274,750	\$ 2,263,650	\$ 300,000	\$ -	1.14	\$ 198,977,424	Yes	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note F); maximum amounts allowed for the period (Note G).
1	Far EasTone Telecommunications Co., Ltd.	KGEx.com Co., Ltd.	(Note A)	33,348,044	45,000	45,000	5,994	-	0.07	66,696,088	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note F); maximum amounts allowed for the period (Note G).
2	Yuan Ding Investment Co., Ltd.	Far Eastern Apparel Co., Ltd.	(Note A)	19,575,292	130,000	130,000	-	-	0.33	39,150,584	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note F); maximum amounts allowed for the period (Note G).
		Oriental Resources Development Ltd.	(Note A)	19,575,292	250,000	250,000	100,000	-	0.64	39,150,584	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note F); maximum amounts allowed for the period (Note G).
		Da Ju Fiber Co., Ltd.	(Note B)	19,575,292	394,000	394,000	100,000	-	1.01	39,150,584	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note F); maximum amounts allowed for the period (Note G).
		PET Far Eastern (Holding) Ltd.	(Note C)	19,575,292	1,091,925	618,200	-	-	1.58	19,897,742	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note J); maximum amounts allowed for the period (Note L).
		Oriental Textile (Holding) Ltd.	(Note A)	19,575,292	2,848,500	1,545,500	318,182	-	3.95	39,150,584	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note F); maximum amounts allowed for the period (Note G).
		Far Eastern Polychem Industries Ltd.	(Note C)	19,575,292	2,215,500	1,236,400	352,229	-	3.16	19,897,742	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note J); maximum amounts allowed for the period (Note L).
		Far Eastern Apparel (Holding) Ltd.	(Note A)	19,575,292	1,582,500	927,300	248,949	-	2.37	39,150,584	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note F); maximum amounts allowed for the period (Note G).
		Far Eastern New Century Corporation	(Note D)	19,575,292	300,000	300,000	-	-	0.77	39,150,584	-	Yes	-	Limits on each counter-party's endorsement/guarantee amounts (Note F); maximum amounts allowed for the period (Note G).
3	Oriental Resources Development Ltd.	Far Eastern New Century Corporation	(Note D)	12,799,122	6,271,448	5,896,448	3,240,000	5,896,448	2.96	25,598,243	-	Yes	-	Limits on each counter-party's endorsement/guarantee amounts (Note F); maximum amounts allowed for the period (Note G).

(Continued)

No.	Endorser/ Guarantor	Endorsee/Guarantee		Limits on Each Counter-party's Endorsement/ Guarantee Amounts	Maximum Amounts Allowed for the Period	Outstanding Endorsement/ Guarantee at the End of the Period	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit	Endorsement/ Guarantee Given by Parent on behalf of Subsidiaries (Note N)	Endorsement/ Guarantee Given by Subsidiaries on behalf of Parent (Note N)	Endorsement/ Guarantee Given on behalf of Companies in Mainland China (Note N)	Note
		Name	Relationship											
8	PET Far Eastern (Holding) Ltd.	Far Eastern Union Petrochemical (Yangzhou) Corporation	(Note B)	\$ 99,488,712	\$ 4,018,300	\$ 4,018,300	\$ 2,954,850	\$ -	2.02	\$ 198,977,424	-	-	Yes	Limits on each counter-party's endorsement/guarantee amounts (Note H); maximum amounts allowed for the period (Note I).
11	Yuan Ding Company Ltd.	Ding Ding Hotel Co., Ltd.	(Note A)	4,110,044	803,000	803,000	610,000	50,000	0.40	8,220,087	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note F); maximum amounts allowed for the period (Note G).
		Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	4,110,044	62,920	61,820	-	-	0.03	8,220,087	-	-	Yes	Limits on each counter-party's endorsement/guarantee amounts (Note F); maximum amounts allowed for the period (Note G).
12	Far Eastern Construction Co., Ltd.	Far Eastern General Contractor Co., Ltd.	(Note A)	35,902,560	350,000	350,000	100,000	-	2.92	35,902,560	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note K); maximum amounts allowed for the period (Note K).
43	Oriental Industries (Suzhou) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note C)	99,488,712	1,085,838	961,400	-	-	2.46	198,977,424	-	-	Yes	Limits on each counter-party's endorsement/guarantee amounts (Note H); maximum amounts allowed for the period (Note I).

Notes: A. Parent company's direct or indirect subsidiary.

B. Equity-method investee.

C. The guarantee provider and counter-party have the same ultimate parent company.

D. Parent company of the investee.

E. The amount of the collateral/guarantee is equal to 200% of the net value of the guarantor (based on reviewed financial statements) as of June 30, 2015.

F. The amount of the collateral/guarantee is equal to 50% of the net value of the guarantor (based on reviewed financial statements) as of June 30, 2015.

G. The amount of the collateral/guarantee is equal to the net value of the guarantor (based on reviewed financial statements) as of June 30, 2015.

H. The amount of the collateral/guarantee is equal to 50% of the net value of the ultimate parent company (based on reviewed financial statements) as of June 30, 2015.

I. The amount of the collateral/guarantee is equal to the net value of the ultimate parent company (based on reviewed financial statements) as of June 30, 2015.

J. The amount of the collateral/guarantee is at the lower of 10% of the net value of the ultimate parent company (based on reviewed financial statements) and 50% of the net value of Yuan Ding Investment Co., Ltd. (based on reviewed financial statements) as of June 30, 2015.

K. The amount of the collateral/guarantee is equal to 300% of the net value of the guarantor (based on reviewed financial statements) as of June 30, 2015.

L. The amount of the collateral/guarantee is at the lower of 10% of the net value of the ultimate parent company (based on reviewed financial statements) and the net value of Yuan Ding Investment Co., Ltd. (based on reviewed financial statements) as of June 30, 2015.

M. The ratio of accumulated endorsement/guarantee to net equity in latest financial statements is calculated in accordance with Regulations Governing Loaning of Funds and Marketing of Endorsements/Guarantees by Public Companies.

N. The tariff guarantee maximum amounts allowed for a subsidiary in Mainland China for the period and the actual appropriation as of period end are as follows:

1) Far Eastern Industries (WuXi) Ltd.: RMB12,239 thousand (NT\$60,920 thousand), the actual remittance was this same amount.

2) Far Eastern Apparel (Suzhou) Ltd.: RMB2,650 thousand (NT\$13,190 thousand), the actual remittance was this same amount.

O. There will be a "Yes" if the situation meets any with endorsement/guarantee given by parent on behalf of subsidiaries, endorsement/guarantee given by subsidiaries on behalf of parent and endorsement/guarantee given on behalf of companies in Mainland China.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES AND INVESTMENTS IN SHARES OF STOCK HELD

JUNE 30, 2015

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2015				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
Far Eastern New Century Corporation	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	750,511	\$ 19,481,103	22.33	\$ 27,393,652	19,900 thousand shares pledged or mortgaged as collaterals for loans
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	241,770	4,861,174	16.80	4,654,073	
	Oriental Union Chemical Corp.	(Note A)	Investments accounted for using the equity method	81,216	1,436,860	9.17	1,945,123	
	Everest Textile Co., Ltd.	(Note A)	Investments accounted for using the equity method	129	1,460	0.03	2,354	
	Oriental Securities Corp.	(Note A)	Investments accounted for using the equity method	140,278	1,993,495	19.65	-	
	Pacific Liu Tung Investment Corp. (Note G)	(Note A)	Investments accounted for using the equity method	135,000	1,749,116	16.83	-	
	Yuan Ding Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,822,822	38,541,715	99.40	-	
	Far Eastern Resources Development Co.	(Note A)	Investments accounted for using the equity method	557,354	98,752,378	100.00	-	
	Far Eastern Polytex (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	124	8,550,260	100.00	-	
	Far Eastern Polychem Industries Ltd.	(Note A)	Investments accounted for using the equity method	830,815	8,160,971	73.04	-	
	Yuan Tong Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	705,147	7,876,819	100.00	-	
	Kai Yuan International Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	302,843	5,379,459	100.00	-	
	Far Eastern Investment (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	1,700	8,305,854	100.00	-	
	PET Far Eastern (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	333	6,263,749	90.54	-	
	Oriental Petrochemical (Taipei, Taiwan) Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,183,311	7,984,166	75.56	-	
	Far Eastern Construction Co., Ltd.	(Note A)	Investments accounted for using the equity method	198,791	7,661,455	65.11	-	
	Yuan Ding Company Ltd.	(Note A)	Investments accounted for using the equity method	186,929	3,276,816	37.13	-	
	An Ho Garment Co., Ltd.	(Note A)	Investments accounted for using the equity method	66,346	1,917,174	100.00	-	
	Ding Yuan International Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	205,000	2,828,667	100.00	-	
	FEDP (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	244	308,450	50.43	-	
Fu Kwok Garment Manufacturing Co., Ltd.	(Note A)	Investments accounted for using the equity method	3,998	224,958	99.96	-		
Ding Ding Hotel Co., Ltd.	(Note A)	Investments accounted for using the equity method	19,772	78,059	19.00	-		
Far Eastern Textile Ltd.	(Note A)	Investments accounted for using the equity method	100	1,329	100.00	-		
Far Eastern International Bank	(Note C)	Available-for-sale financial assets - non-current	75,712	821,478	2.65	821,478		

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2015				Note	
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value		
Yuan Ding Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	11,045	\$ 443,962	0.33	\$ 403,143	43,145 thousand shares pledged or mortgaged as collaterals for loans	
	Oriental Union Chemical Corp.	(Note A)	Investments accounted for using the equity method	82,169	1,659,203	9.28	1,967,948		
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	17,993	401,802	1.25	346,365		
	Everest Textile Co., Ltd.	(Note A)	Investments accounted for using the equity method	118,869	1,079,775	25.23	2,169,359		
	Far Eastone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,066,658	21,767,804	32.73	79,572,687		
	Far Eastern Polychem Industries Ltd.	(Note A)	Investments accounted for using the equity method	306,644	3,012,319	26.96	-		
	Far Eastern Apparel (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	111	2,587,521	100.00	-		
	Da Ju Fiber Co., Ltd.	(Note A)	Investments accounted for using the equity method	23,081	1,323,494	41.86	-		
	Far Eastern Apparel Co., Ltd.	(Note A)	Investments accounted for using the equity method	24,736	358,995	100.00	-		
	Yuan Faun Ltd.	(Note A)	Investments accounted for using the equity method	5,000	119,411	100.00	-		
	Yue Ming Co., Ltd.	(Note A)	Investments accounted for using the equity method	3,671	72,178	45.50	-		
	Yuan Ding Leasing Corp.	(Note A)	Investments accounted for using the equity method	36,706	427,959	46.20	-		
	Far Eastern Fibertech Co., Ltd.	(Note A)	Investments accounted for using the equity method	88,317	1,060,840	100.00	-		
	Oriental Resources Development Ltd.	(Note A)	Investments accounted for using the equity method	34,242	329,790	70.00	-		
	Air Liquide Far Eastern Ltd.	(Note A)	Investments accounted for using the equity method	86,615	1,495,524	35.00	-		
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note A)	Investments accounted for using the equity method	13,052	267,555	29.80	-		
	Oriental Securities Corp.	(Note A)	Investments accounted for using the equity method	185,247	2,739,150	25.96	-		78,125 thousand shares pledged or mortgaged as collaterals for loans
	Yuan Ding Company Ltd.	(Note A)	Investments accounted for using the equity method	64,759	1,165,294	12.86	-		16,500 thousand shares pledged or mortgaged as collaterals for loans
	Far Eastern International Leasing Corp.	(Note A)	Investments accounted for using the equity method	75,268	1,179,645	16.87	-		
	Oriental Textile (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	99	7,594,345	100.00	-		
	Pacific Liu Tung Investment Corp. (Note G)	(Note A)	Investments accounted for using the equity method	119,653	1,463,974	14.92	-		
	Yue Yuan Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	98,198	826,207	18.96	-		
	Far Eastern General Contractor Co., Ltd.	(Note A)	Investments accounted for using the equity method	1,490	22,191	1.00	-		
Oriental Petrochemical (Taipei, Taiwan) Co., Ltd.	(Note A)	Investments accounted for using the equity method	81,374	551,252	5.20	-			
Chung Nan Textile Co., Ltd.	-	Financial assets carried at cost - non-current	2,985	81,405	5.27	-			
Taipei, Taiwan Stock Exchange Corp.	-	Financial assets carried at cost - non-current	1,004	22,493	0.16	-			
Universal Venture Capital Investment Corp.	-	Financial assets carried at cost - non-current	1,400	14,000	1.16	-			

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2015				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
	Overseas Investment and Development Co., Ltd.	-	Financial assets carried at cost - non-current	1,000	\$ 10,000	1.11	\$ -	
	China Investment and Development Co., Ltd.	-	Financial assets carried at cost - non-current	1,287	8,250	0.80	-	
	Oriental Securities Investment Consultant Co., Ltd.	-	Financial assets carried at cost - non-current	1	10	-	-	
	Dah Chung Bills Finance Corp.	-	Financial assets carried at cost - non-current	2,165	30,669	0.50	-	
	U-Ming Marine Transport Corporation	(Note B)	Available-for-sale financial assets - non-current	6,184	259,110	0.72	259,110	
	Far Eastern International Bank	(Note C)	Available-for-sale financial assets - non-current	103,003	1,117,585	3.60	1,117,585	
	Financial assets under asset management contracts (Note E) Fubon SSE 180 Leveraged 2X Index ETF	-	Financial assets at fair value through profit or loss - current	250	12,200	-	12,200	
	Standard Foods Corporation	-	Financial assets at fair value through profit or loss - current	40	3,688	-	3,688	
	Compeq Manufacturing Co., Ltd.	-	Financial assets at fair value through profit or loss - current	1,050	19,163	-	19,163	
	China Airlines Ltd.	-	Financial assets at fair value through profit or loss - current	1,000	13,150	-	13,150	
	Eva Airways Corporation	-	Financial assets at fair value through profit or loss - current	1,525	32,101	-	32,101	
	T3EX Global Holdings Corp.	-	Financial assets at fair value through profit or loss - current	54	1,601	-	1,601	
	Fubon Financial Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	600	36,840	-	36,840	
	Cathay Financial Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	500	26,950	-	26,950	
	TAI-SAW Technology Co., Ltd.	-	Financial assets at fair value through profit or loss - current	100	1,955	-	1,955	
	PharmaEngine, Inc.	-	Financial assets at fair value through profit or loss - current	25	5,875	-	5,875	
	Zhen Ding Technology Holding Ltd.	-	Financial assets at fair value through profit or loss - current	150	16,200	-	16,200	
	Sino-American Silicon Products Inc.	-	Financial assets at fair value through profit or loss - current	725	28,275	-	28,275	
	Pou Chen Corporation	-	Financial assets at fair value through profit or loss - current	1,030	45,320	-	45,320	
Far Eastern Investment (Holding) Ltd.	FETG Investment Autilles N.V.	(Note A)	Investments accounted for using the equity method	6	1,184,997	100.00	-	
	Filsyn Corporation	(Note A)	Investments accounted for using the equity method	45,066	-	21.85	-	
	PET Far Eastern (M) Sdn. Bhd.	(Note A)	Investments accounted for using the equity method	Common stock 5,000 Preferred stock 3,000	191,951	50.00	-	
	Com2B	(Note A)	Investments accounted for using the equity method	9,000	14,086	20.00	-	
	Far Eastern Apparel (Vietnam) Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	304,185	100.00	-	
	Worldwide Polychem (HK) Ltd.	(Note A)	Investments accounted for using the equity method	2,700	102,281	100.00	-	
	Opas Fund Segregated Portfolio Company	(Note A)	Investments accounted for using the equity method	-	1,607	34.00	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2015				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
Ding Yuan International Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	13,222	\$ 499,349	0.39	\$ 482,603	15,000 thousand shares pledged or mortgaged as collaterals for loans
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,663	70,486	0.19	51,263	
	Everest Textile Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,226	35,331	0.90	77,125	
	Oriental Union Chemical Corp.	(Note A)	Investments accounted for using the equity method	27,710	729,487	3.13	663,655	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	920	40,022	0.03	68,632	
	Pacific Liu Tong Investment Co., Ltd. (Note G)	(Note A)	Investments accounted for using the equity method	18,000	214,906	2.24	-	
	Yue Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method	10,180	314,313	13.20	-	
	Fu Kwok Garment Manufacturing Co., Ltd.	(Note A)	Investments accounted for using the equity method	1	52	0.03	-	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - non-current	76,539	830,452	2.67	830,452	
Kai Yuan International Investment Co., Ltd.	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	20,207	752,957	0.60	737,556	23,800 thousand shares pledged or mortgaged as collaterals for loans
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	34,149	1,090,845	1.05	2,547,515	
	Oriental Union Chemical Corp.	(Note A)	Investments accounted for using the equity method	35,524	803,081	4.01	850,800	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	20,672	579,104	1.44	397,936	
	Kowloon Cement Corp.	(Note A)	Investments accounted for using the equity method	1,127	468,713	49.00	-	
	Far Eastern International Leasing Corp.	(Note A)	Investments accounted for using the equity method	74,970	1,179,687	16.80	-	
	Pacific Liu Tong Investment Co., Ltd. (Note G)	(Note A)	Investments accounted for using the equity method	18,000	215,107	2.24	-	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - non-current	92,922	1,008,204	3.25	1,008,204	
	U-Ming Marine Transport Corporation	(Note F)	Available-for-sale financial assets - non-current	819	34,316	0.10	34,316	
Far Eastern Polychem Industries Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	8,123,588	87.64	-	
	PET Far Eastern (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	35	660,474	9.46	-	
	FEDP (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	240	303,191	49.57	-	
	Far Eastern Industries (Yangzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	1,543,459	100.00	-	
	Far Eastern Ishizuka Green Pet Corporation	(Note A)	Investments accounted for using the equity method	172	122,497	85.15	-	
	Bank of Chungqing	-	Available-for-sale financial assets - non-current	3,883	114,575	0.14	114,575	
	Nippon Parison Co., Ltd.	-	Financial assets carried at cost - non-current	4	67,544	10.00	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2015				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
Far Eastern Construction Co., Ltd.	Far Eastern General Contractor Co., Ltd.	(Note A)	Investments accounted for using the equity method	147,413	\$ 2,008,664	98.95	\$ -	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	17,727	611,281	0.53	647,036	
	U-Ming Marine Transport Corporation	(Note F)	Available-for-sale financial assets - current	1,590	66,612	0.19	66,612	
Far Eastern Apparel (Holding) Ltd.	Far Eastern Apparel (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	511,097	38.46	-	
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	2,297,293	100.00	-	
Far Eastern Apparel Co., Ltd.	Yue Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method	5	96	0.01	-	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	90	6,352	-	6,714	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	200	7,348	0.01	7,300	
Far Eastern General Contractor Co., Ltd.	U-Ming Marine Transport Corporation	(Note F)	Available-for-sale financial assets - current	746	31,278	0.09	31,278	
	Kaohsiung Rapid Transit Co., Ltd.	-	Financial assets carried at cost - non-current	7,572	45,890	2.72	-	
	Ya-Li Precast Prestressed Concrete Industries Corp.	-	Financial assets carried at cost - non-current	3,106	25,142	16.03	-	
	Far Eastern Technical Consultants Co, Ltd.	(Note A)	Investments accounted for using the equity method	450	5,046	9.00	-	
	Jih Sun Money Market	-	Financial assets at fair value through profit or loss - current	3,431	50,025	-	50,025	
FETG Investment Antilles N.V.	Waldorf Services B.V.	(Note A)	Investments accounted for using the equity method	2	1,183,053	100.00	-	
Waldorf Services B.V.	Cemtex Apparel Inc.	(Note A)	Other liabilities - other	90	(11,219)	50.00	-	
	Malaysia Garment Manufactures Pte. Ltd.	(Note A)	Investments accounted for using the equity method	30	78,030	38.00	-	
	Far Eastern International Garments	(Note A)	Other liabilities - other	59	(12,155)	41.00	-	
	Albert & Orient Glycol Ltd.	-	Financial assets carried at cost - current	-	-	25.00	-	
	Filsyn Corporation	-	Financial assets carried at cost - non-current	20,513	-	9.95	-	
An Ho Garment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	40,818	1,012,122	1.25	3,045,023	22,750 thousand shares pledged or mortgaged as collaterals for loans
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	6,094	256,692	0.18	222,431	
	Oriental Union Chemical Corp.	(Note A)	Investments accounted for using the equity method	11,160	281,912	1.26	267,282	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	370	11,385	0.03	7,123	
	Oriental Securities Corp.	(Note A)	Investments accounted for using the equity method	5,890	88,420	0.83	-	
	Yue Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method	12,084	274,779	15.66	-	
	Pacific Liu Tong Investment Co., Ltd. (Note G)	(Note A)	Investments accounted for using the equity method	9,681	120,871	1.21	-	
	Yuan Ding Investment Co., Ltd.	(Note A)	Investments accounted for using the equity method	5,502	160,117	0.30	-	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - non-current	19,060	206,796	0.67	206,796	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2015				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
Yuan Faun Ltd.	Yuan Cheng Human Resources Consultant Corp.	(Note A)	Investments accounted for using the equity method	745	\$ 11,449	55.19	\$ -	34,100 thousand shares pledged or mortgaged as collaterals for loans
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - non-current	3,865	43,821	0.14	43,821	
	Yi Tong Fiber Co., Ltd.	-	Financial assets carried at cost - non-current	3,504	28,519	3.56	-	
Fu Kwok Garment Manufacturing Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	520	19,853	0.02	38,792	
Yuan Tong Investment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	100,237	2,652,411	3.08	7,477,680	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	39,619	1,251,121	2.75	762,666	
	Oriental Union Chemical Corp.	(Note A)	Investments accounted for using the equity method	49,705	1,779,172	5.61	1,190,435	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	28,579	1,167,029	0.85	1,043,134	
	Pacific Liu Tong Investment Co., Ltd. (Note G)	(Note A)	Investments accounted for using the equity method	18,000	213,909	2.24	-	
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Investments accounted for using the equity method	77,257	320,818	11.98	-	
	Liquid Air Far East Co., Ltd.	(Note A)	Investments accounted for using the equity method	1	21	-	-	
	Sino Belgium (Holding) Ltd.	(Note A)	Investments accounted for using the equity method	36	36,423	93.72	-	
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note A)	Investments accounted for using the equity method	1	30	-	-	
	Deutsche Far Eastern Global Bio Innovation Fund	-	Available-for-sale financial assets - current	5,000	62,250	-	-	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - non-current	18,418	199,839	0.64	199,839	
	Ding Shen Investment Co., Ltd.	-	Financial assets carried at cost - non-current	39,600	396,000	18.00	-	
	Bockhold N.V. - stock	-	Financial assets carried at cost - non-current	1	108,533	12.51	-	
	Bockhold N.V. - conversion option embedded into convertible bonds	-	Financial assets carried at cost - non-current	-	5,764	-	-	
	Bockhold N.V. - convertible bonds	-	Bond investments with no active market - current	-	-	-	-	
	Bockhold N.V. - convertible bonds	-	Bond investments with no active market - non-current	-	164,040	-	-	
	Financial assets under asset management contracts (Note F) Compeq Manufacturing Co., Ltd.	-	Financial assets at fair value through profit or loss - current	747	13,633	-	13,633	
Eva Airways Corporation	-	Financial assets at fair value through profit or loss - current	1,632	34,354	-	34,354		
Fubon Financial Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	638	39,173	-	39,173		
Cathay Financial Holding Co., Ltd.	-	Financial assets at fair value through profit or loss - current	516	27,812	-	27,812		
Pou Chen Corporation	-	Financial assets at fair value through profit or loss - current	887	39,028	-	39,028		
Sino-American Silicon Products Inc.	-	Financial assets at fair value through profit or loss - current	670	26,130	-	26,130		
China Airlines Ltd.	-	Financial assets at fair value through profit or loss - current	1,017	13,374	-	13,374		

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2015				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
	Standard Foods Corporation	-	Financial assets at fair value through profit or loss - current	36	\$ 3,319	-	\$ 3,319	
	Zhen Ding Technology Holding Ltd.	-	Financial assets at fair value through profit or loss - current	155	16,740	-	16,740	
	TAI-SAW Technology Co., Ltd.	-	Financial assets at fair value through profit or loss - current	65	1,271	-	1,271	
	T3EX Global Holdings Corp.	-	Financial assets at fair value through profit or loss - current	111	3,291	-	3,291	
	PharmaEngine, Inc.	-	Financial assets at fair value through profit or loss - current	28	6,580	-	6,580	
	Fubon SSE 180 Leveraged 2X Index ETF	-	Financial assets at fair value through profit or loss - current	128	6,246	-	6,246	
Far Eastern Apparel (Suzhou) Ltd.	An Ho Garment (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	33,394	100.00	-	
PET Far Eastern (Holding) Ltd.	Oriental Petrochemical (Shanghai) Corp.	(Note A)	Investments accounted for using the equity method	(Note H)	3,987,754	53.24	-	
	Far Eastern Union Petrochemical (Yangzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	1,910,892	50.00	-	
	Tong Da Air Industry (Yangzhou) Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	1,020,522	50.00	-	
Oriental Textile (Holding) Ltd.	Far Eastern Industries (WuXi) Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	3,240,481	100.00	-	
	Oriental Industries (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	4,901,862	100.00	-	
FEDP (Holding) Ltd.	Far Eastern Industries (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	378,766	100.00	-	
Far Eastern Polytex (Holding) Ltd.	Wuhan Far Eastern New Material Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	1,030,614	100.00	-	
	Far Eastern Apparel (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	817,787	61.54	-	
	Far Eastern New Century (China) Investment Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	2,237,713	100.00	-	
	Far Eastern Yihua Petrochemical (Yangzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	4,375,551	60.00	-	
Far Eastern New Century (China) Investment Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	1,090,759	12.36	-	
	Shanghai Yuan Zi Information Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	66,246	100.00	-	
	Oriental Petrochemical (Shanghai) Corp.	(Note A)	Investments accounted for using the equity method	(Note H)	573,567	8.11	-	
	Yuan Ding Enterprise (Shanghai) Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	527,615	100.00	-	
Sino Belgium (Holding) Ltd.	Sino Belgium Beer (Suzhou) Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	67,238	100.00	-	
	Martens Beers Trading (Shanghai) Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	2,807	100.00	-	
Oriental Petrochemical (Shanghai) Corp.	Shanghai Far Eastern Petrochemical Logistic Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	109,306	100.00	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2015				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
Far Eastern Industries (Yangzhou) Ltd.	Yoshizane Money Market Fund B	-	Financial assets at fair value through profit or loss - current	-	\$ 497,750	-	\$ 497,750	
Yuan Ding Company Ltd.	YDT Technology International Co., Ltd.	(Note A)	Investments accounted for using the equity method	13,992	284,151	100.00	-	
	Ding Ding Integrated Marketing Services Co., Ltd.	(Note A)	Investments accounted for using the equity method	41,633	427,465	60.00	-	
	Far Eastern Technical Consultants Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,550	55,998	91.00	-	
	YDC (Virgin Islands) Ltd.	(Note A)	Investments accounted for using the equity method	-	8,145	17.70	-	
	Ding Ding Hotel Co., Ltd.	(Note A)	Investments accounted for using the equity method	64,502	254,515	61.99	-	
	Far Eastern Electronic Commerce Co., Ltd.	(Note A)	Other liabilities - other	23,913	(49,786)	53.08	-	
	FET Consulting Engineers Co., Ltd.	(Note A)	Investments accounted for using the equity method	85,000	297,552	100.00	-	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	5,329	213,392	0.16	194,509	
	Far EasTone Telecommunications Co., Ltd.	(Note A)	Investments accounted for using the equity method	4,164	105,544	0.13	310,634	
	Yu Yuan Investment Co.	(Note A)	Investments accounted for using the equity method	129,637	1,877,979	25.02	-	104,000 thousand shares pledged or mortgaged as collaterals for loans
	Yue Ming Corp., Ltd.	(Note A)	Investments accounted for using the equity method	81	603	1.00	-	
	Yue Ding Industry Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,000	45,232	2.59	-	
	FEDS Asia Pacific Development Co., Ltd.	(Note A)	Investments accounted for using the equity method	10,500	125,445	5.00	-	10,236 thousand shares pledged or mortgaged as collaterals for loans
	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Investments accounted for using the equity method	96,312	394,522	14.93	-	
	Yuan Hsin Digital Payment Co., Ltd.	(Note A)	Investments accounted for using the equity method	30,000	246,346	20.00	-	
	Far Eastern New Century Corporation	-	Financial assets at fair value through profit or loss - current	764	24,069	0.01	24,069	
Far Eastern International Bank	(Note D)	Available-for-sale financial assets - non-current	7,205	75,294	0.25	75,294		
Ding Ding Integrated Marketing Services Co., Ltd.	Far Eastern Electronic Commerce Co., Ltd.	(Note A)	Other liabilities - other	79	(164)	0.18	-	
	Yuan Hsin Digital Payment Co., Ltd.	(Note A)	Investments accounted for using the equity method	22,515	182,854	15.01	-	
	Pacific SOGO Department Stores	-	Financial assets carried at cost - non-current	1	10	-	-	
	DFE DWS Taiwan Money Market	-	Financial assets at fair value through profit or loss - current	43,423	500,152	-	500,152	
Far Eastern Technical Consultants Co., Ltd.	Yuan Tai Foreign Exchange	-	Financial assets carried at cost - non-current	480	4,800	4.00	-	
FET Consulting Engineers Co., Ltd.	DDIM (Virgin Islands) Ltd.	(Note A)	Other liabilities - other	(Note H)	(196,665)	100.00	-	
YDC (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	Other liabilities - other	(Note H)	(1,669)	0.85	-	
	Speedy (Shanghai) Digital Tech. Co., Ltd.	(Note A)	Investments accounted for using the equity method	(Note H)	46,087	100.00	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2015				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
DDIM (Virgin Islands) Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	Other liabilities - other	(Note H)	\$ (194,208)	99.15	\$ -	
YDT Technology International Co., Ltd.	Everest Textile Co., Ltd.	(Note A)	Investments accounted for using the equity method	120	1,031	0.03	2,190	
	Far Eastern Department Stores Co., Ltd.	(Note A)	Investments accounted for using the equity method	2,764	96,178	0.19	53,207	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	61	2,416	0.00	2,227	
	YDC (Virgin Islands) Ltd.	(Note A)	Investments accounted for using the equity method	1	37,871	82.30	-	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - non-current	2,534	26,478	0.09	26,478	
	Oriental Securities Investment Consultant Co., Ltd.	-	Financial assets carried at cost - non-current	1	10	0.00	-	
	Far EasTone Telecommunications Co., Ltd.	Far Eastern Electronic Toll Collection Co., Ltd.	(Note A)	Investments accounted for using the equity method	254,240	633,631	39.42	-
Far Eastern Electronic Commerce Co., Ltd.		(Note A)	Other liabilities - other	6,691	(12,491)	14.85	-	
Ding Ding Integrated Marketing Services Co., Ltd.		(Note A)	Investments accounted for using the equity method	10,408	106,050	15.00	-	
iScreen Corporation		(Note A)	Investments accounted for using the equity method	4,000	16,916	40.00	-	
Yuan Hsin Digital Payment Co., Ltd.		(Note A)	Investments accounted for using the equity method	45,000	369,512	30.00	-	
Alliance Digital Technology Co., Ltd.		(Note A)	Investments accounted for using the equity method	3,000	18,675	13.33	-	
AppWorks Venture Co., Ltd.		-	Financial assets carried at cost - non-current	15,000	150,000	16.08	-	
Opas Fund Segregated Portfolio Tranche D		-	Available-for-sale financial assets - current	5	181,393	-	181,393	
New Century InfoComm Tech Co., Ltd.		(Note A)	Investments accounted for using the equity method	2,100,000	25,721,130	100.00	-	
Arcoa Communication Co., Ltd.		(Note A)	Investments accounted for using the equity method	82,762	1,255,335	61.63	-	
KGEx.com Co., Ltd.		(Note A)	Investments accounted for using the equity method	112,391	919,131	99.99	-	
Hiiir Digital Marketing Co., Ltd.		(Note A)	Investments accounted for using the equity method	53,726	276,445	89.54	-	
Yuan Cing Co., Ltd.		(Note A)	Investments accounted for using the equity method	19,350	132,556	99.99	-	
E. World (Holdings) Ltd.		(Note A)	Investments accounted for using the equity method	6,015	96,956	85.92	-	
Far EasTron Holding Ltd.		(Note A)	Investments accounted for using the equity method	4,487	25,978	100.00	-	
Far Eastern Info Service (Holding) Ltd.		(Note A)	Other liabilities - other	1	(4,144)	100.00	-	
O-music Co., Ltd.		(Note A)	Investments accounted for using the equity method	2,500	936	50.00	-	
New Century InfoComm Tech Co., Ltd.	Q-Ware Communication Co., Ltd.	(Note A)	Other liabilities - other	33,983	(65,933)	81.46	-	
	Ding Ding Integrated Marketing Services Co., Ltd.	(Note A)	Investments accounted for using the equity method	3,469	35,350	5.00	-	
	Far Eastern Electronic Commerce Co., Ltd.	(Note A)	Other liabilities - other	2,392	(4,466)	5.31	-	
	Opas Fund Segregated Portfolio Tranche B	-	Available-for-sale financial assets - current	5,750	259,163	-	259,163	
	Deutsche Far Eastern Global Bio Innovation Fund	-	Available-for-sale financial assets - current	5,000	55,550	-	55,550	
	Kaohsiung Rapid Transit Co., Ltd.	-	Financial assets carried at cost - non-current	8,858	50,000	3.18	-	
	BankPro E-service Technology Co., Ltd.	-	Financial assets carried at cost - non-current	450	4,500	3.33	-	
	New Diligent Co., Ltd.	(Note A)	Investments accounted for using the equity method	80,000	622,220	100.00	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	June 30, 2015				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value	
Arcoa Communication Co., Ltd.	Information Security Service Digital United Co., Ltd.	(Note A)	Investments accounted for using the equity method	14,878	\$ 95,753	100.00	\$ -	
	Digital United (Cayman) Ltd.	(Note A)	Investments accounted for using the equity method	4,320	33,865	100.00	-	
	Simple InfoComm Co., Ltd.	(Note A)	Investments accounted for using the equity method	3,400	20,936	100.00	-	
	Data Express Infotech Co., Ltd.	-	Financial assets carried at cost - non-current	1,214	12,190	18.32	-	
	THI Consultants, Inc.	-	Financial assets carried at cost - non-current	161	1,618	0.63	-	
	Web Point Co., Ltd.	(Note A)	Investments accounted for using the equity method	12,866	198,844	70.00	-	
New Diligent Co., Ltd.	Sino Lead Enterprise Limited	(Note A)	Investments accounted for using the equity method	-	161	100.00	-	
	Far Eastern New Diligent Co., Ltd.	(Note A)	Investments accounted for using the equity method	-	111,937	100.00	-	
	New Diligent (HK) Ltd.	(Note A)	Investments accounted for using the equity method	-	-	-	-	
Data Express Infotech Co., Ltd.	Linkwell Tech. Ltd.	(Note A)	Investments accounted for using the equity method	-	52,216	100.00	-	
	Home Master Technology Ltd.	(Note A)	Other liabilities - other	-	(4,282)	100.00	-	
Digital United (Cayman) Ltd.	Digital United Information Technologies (Shanghai) Co., Ltd.	(Note A)	Investments accounted for using the equity method	-	13,211	100.00	-	
Far Eastern Tech-Info Ltd. (Shanghai)	Far Eastern New Century Information Technology (Beijing) Limited	(Note A)	Investments accounted for using the equity method	-	132,982	2.12	-	
Far Eastern New Diligent Co., Ltd.	Far Eastern New Century Information Technology (Beijing) Limited	(Note A)	Investments accounted for using the equity method	-	14,791	76.92	-	
	Far Eastern Tech-Info Ltd. (Shanghai)	(Note A)	Investments accounted for using the equity method	-	81,938	58.33	-	
Far Eastern Info Service (Holding) Ltd.	Far Eastern Tech-Info Ltd. (Shanghai)	(Note A)	Investments accounted for using the equity method	-	58,536	41.67	-	

- Notes:
- A. Equity-method investee.
 - B. Investor company and investee have the same chairman.
 - C. The vice chairman of investee is the chairman of FENC.
 - D. The chairman of FENC is the vice chairman of the investee company.
 - E. Financial assets under asset management contracts and the financial assets can be sold in the open market by the investee, Oriental Securities Corp.
 - F. The chairman of the investee is FENC's chairman.
 - G. The investor opened a trust account in Shanghai Bank in Taipei on September 26, 2002 to acquire the ownership of Pacific Liu Tung Investment Co., Ltd.
 - H. A private company.
 - I. The Fair value of financial assets measured at cost and unlisted equity investments held by the Group was not disclosed due to it cannot be reliably measured.
 - J. Relevant information about investment of subsidiaries, affiliates and joint venture. Please refer Schedule M and N.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$100 MILLION OR 20% OF THE CAPITAL STOCK
FOR THE SIX MONTHS ENDED JUNE 30, 2015
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Type and Name of Marketable Securities	Financial Statement Account	Counterparty	Relationship	Beginning Balance		Acquisition		Disposal			Investment Income under the Equity Method	Ending Balance		
					Shares (Thousands)/ Thousand Units	Amount	Shares (Thousands)/ Thousand Units	Amount	Shares (Thousands)/ Thousand Units	Price	Book Value		Disposal Gain	Shares (Thousands)/ Thousand Units	Amount
Far Eastern New Century Corporation	Oriental Petrochemical (Taipei, Taiwan) Co., Ltd.	Investments accounted for using the equity method	Cash capital increase	(Note A)	1,032,195	\$ 6,665,722	151,116	\$ 1,511,163	-	\$ -	\$ -	\$ -	\$ (192,719)	1,183,311	\$ 7,984,166
Yuan Ding Investment Co., Ltd.	Oriental Textile (Holding) Ltd.	Investments accounted for using the equity method	Cash capital increase	(Note A)	89	7,009,140	10	627,725	-	-	-	-	(42,520)	99	7,594,345
Yuan Ding Company Ltd.	Ding Ding Integrated Marketing Services Co., Ltd.	Investments accounted for using the equity method	Cash capital increase	(Note A)	9,833	119,481	31,800	318,000	-	-	-	-	(10,016)	41,633	427,465
Oriental Textile (Holding) Ltd.	Oriental Industries (Suzhou) Ltd.	Investments accounted for using the equity method	Cash capital increase	(Note A)	(Note B)	US\$ 132,802	-	US\$ 19,930	-	-	-	-	US\$ 5,853	(Note B)	US\$ 158,585
Ding Ding Integrated Marketing Services Co., Ltd.	DFE DWS Taiwan Money Market	Financial assets at fair value through profit or loss - current	-	-	-	-	43,423	500,152	-	-	-	-	-	43,423	500,152
Far Eastern Industries (Yangzhou) Ltd.	Yoshizane Money Market Fund B	Financial assets at fair value through profit or loss - current	-	-	-	-	-	RMB 100,000	-	-	-	-	-	-	RMB 100,000
Far Eastern Construction Co., Ltd.	Hua Nan Phoenix Money Market Fund.	Financial assets at fair value through profit or loss - current	-	-	-	-	18,746,134	300,000	18,746,134	300,030	300,000	30	-	-	-
	CTBC Hwa-win Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	-	-	27,711,834	300,000	27,711,834	300,268	300,000	268	-	-	-
Far Eastern General Contractor Co., Ltd.	CTBC Hwa-win Money Market Fund	Financial assets at fair value through profit or loss - current	-	-	30,488,078	330,021	11,521,557	125,000	42,009,635	455,345	455,021	324	-	-	-
	Hua Nan Phoenix Money Market Fund.	Financial assets at fair value through profit or loss - current	-	-	-	-	36,476,607	430,000	36,476,607	430,185	430,000	185	-	-	-

Notes: A. Subsidiary.

B. A private company

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

**ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST \$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE SIX MONTHS ENDED JUNE 30, 2015
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)**

Buyer	Property	Event Date	Transaction Amount	Payment Status	Counterparty	Relationship	Information on Previous Title Transfer If Counterparty Is a Related Party				Pricing Reference	Purpose of Acquisition	Other Terms	
							Property Owner	Relationship	Transaction Date	Amount				
Far Eastern Resources Development Co.	Lands located in Bangiao Xin-Ya and Bangiao Ya-Tong section, New Taipei City	February 2, 2015	\$ 1,892,370	(Note)	Oriental Institute of Technology (OIT)	The buyer and the counterparty have the same chairman	Far Eastern New Century Corporation	Parent company	From 1973 to 1978	\$ 2,244	Elite Appraisers Firm Debenham Tie Leung Real Estate Appraiser Office Sinyi Real Estate Appraisers Firm CCIS Real Estate Joint Appraisers Firm	Future operation planning	Referencing Institute of Technology - Taiwan Ministry of Education (2) letter No. 103016686, the land increment tax and other taxes amounting to NT\$158,255 thousand incurred from the seller were paid by Far Eastern Resources Development Co.	
							National Property Administration	-	September 16, 1989	4,124				REPro Real Estate Joint Appraisers Firm
							Taoyuan Irrigation Association	-	June 29, 1979	235				

Note: Far Eastern Resources Development Co. (FERD) exchanged its investment properties-land amounting to NT\$1,115,520 thousand and paid an extra NT\$776,580 thousand to Oriental Institute of Technology (OIT) for this exchange.

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

**DISPOSAL OF INDIVIDUAL REAL ESTATE AT PRICES OF AT LEAST \$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE SIX MONTHS ENDED JUNE 30, 2015**

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Seller	Property	Event Date	Original Acquisition Date	Carrying Amount	Transaction Amount	Collection	Gain (Loss) on Disposal	Counterparty	Relationship	Purpose of Disposal	Price Reference	Other Terms
Far Eastern Resources Development Co.	Land No. 1006 Located in Bangiao Ya-Tong section, New Taipei City	March 3, 2015	June 10, 2004	\$ 1,048,780	\$ 1,878,322	(Note B)	\$ 815,643	Far Eastern Medical Foundation	(Note A)	Operation planning	Elite Appraisers Firm REPro Real Estate Joint Appraisers Firm Debenham Tie Leung Real Estate Appraiser Office	-
	Lands located in Bangiao Ya-Tong section, New Taipei City	February 2, 2015	June 10, 2004	949,458	1,115,520	(Note C)	167,986	Oriental Institute of Technology (OIT)	(Note A)	Operation planning	Sinyi Real Estate Appraisers Firm Elite Appraisers Firm REPro Real Estate Joint Appraisers Firm Debenham Tie Leung Real Estate Appraiser Office Sinyi Real Estate Appraisers Firm CCIS Real Estate Joint Appraisers Firm	-

Note: A. The chairman of the Company is the chairman of FENC.

B. The payment was made by NT\$78,322 thousand cash and the rest NT\$1,800,000 thousand will be paid by installment annually.

C. Far Eastern Resources Development Co. (FERD) exchanged its land with fair value NT\$1,892,370 thousand and paid an extra NT\$776,580 thousand to Oriental Institute of Technology (OIT) for this exchange.

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE CAPITAL STOCK
FOR THE SIX MONTHS ENDED JUNE 30, 2015
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes Payable or Receivable		Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	Ending Balance	% to Total	
Far Eastern New Century Corporation	Oriental Resources Development Ltd.	(Note D)	Purchase	\$ 155,034	1	Based on contract	\$ -	-	\$ -	-	\$ (34,152)	(1)	
	Oriental Petrochemical (Taiwan) Co.	(Note D)	Purchase	3,567,758	15	Based on contract	-	-	-	-	(822,767)	(21)	
	Worldwide Polychem (HK) Ltd.	(Note D)	Sale	(777,520)	(3)	Based on contract	-	-	-	-	644,846	8	
	Far Eastern Apparel (Suzhou) Ltd.	(Note D)	Sale	(154,416)	(1)	Based on contract	-	-	-	-	93,160	1	
	Far Eastern Industries (Shanghai) Ltd.	(Note D)	Sale	(349,879)	(1)	Based on contract	-	-	-	-	158,919	2	
	Far Eastern Industries (WuXi) Ltd.	(Note D)	Sale	(118,405)	-	Based on contract	-	-	-	-	13,494	-	
	Oriental Union Chemical Corp.	(Note A)	Purchase	779,327	3	Based on contract	-	-	-	-	(169,024)	(4)	
	Freudenberg Far Eastern Spunweb Co., Ltd.	(Note A)	Sale	(166,143)	(1)	Based on contract	-	-	-	-	46,762	1	
	Everest Textile Co., Ltd.	(Note A)	Sale	(154,264)	(1)	Based on contract	-	-	-	-	16,179	-	
Far Eastern Apparel (Holding) Ltd.	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note D)	Purchase	1,161,096	56	Based on contract	-	-	-	-	(411,879)	(52)	
	Far Eastern Apparel (Suzhou) Ltd.	(Note E)	Purchase	420,427	20	Based on contract	-	-	-	-	(168,188)	(21)	
	Far Eastern Apparel (Vietnam) Ltd.	(Note E)	Sale	(100,073)	(5)	Based on contract	-	-	-	-	66,807	5	
	Far Eastern Apparel (Vietnam) Ltd.	(Note E)	Purchase	482,295	23	Based on contract	-	-	-	-	(207,352)	(26)	
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Far Eastern Industries (WuXi) Ltd.	(Note E)	Purchase	116,262	7	Based on contract	-	-	-	-	(54,267)	(5)	
	Far Eastern Apparel (Holding) Ltd.	(Note C)	Sale	(1,161,096)	(66)	Based on contract	-	-	-	-	411,879	58	
	Far Eastern Apparel (Suzhou) Ltd.	(Note E)	Sale	(112,172)	(6)	Based on contract	-	-	-	-	47,041	7	
Far Eastern Industries (Shanghai) Ltd.	Far Eastern New Century Corporation	(Note C)	Purchase	349,879	3	Based on contract	-	-	-	-	(158,919)	(5)	
	Oriental Petrochemical (Shanghai) Corp.	(Note E)	Purchase	2,429,230	24	Based on contract	-	-	(1,082,137)	(100)	(496,815)	(16)	
	Far Eastern Polychem Industries Ltd.	(Note C)	Sale	(3,404,009)	(31)	Based on contract	-	-	-	-	1,227,222	31	
	Wuhan Far Eastern New Material Ltd.	(Note E)	Sale	(464,832)	(4)	Based on contract	-	-	-	-	295,038	7	
	Worldwide Polychem (HK) Ltd.	(Note E)	Sale	(181,177)	(2)	Based on contract	-	-	-	-	82,769	2	
Far Eastern Industries (Suzhou) Ltd.	Oriental Petrochemical (Shanghai) Corp.	(Note E)	Purchase	799,587	54	Based on contract	-	-	(313,234)	(100)	(145,867)	(66)	
	Oriental Industries (Suzhou) Ltd.	(Note E)	Sale	(1,280,032)	(86)	Based on contract	-	-	450,131	100	257,168	68	
Far Eastern Polychem Industries Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note D)	Purchase	3,404,009	92	Based on contract	-	-	-	-	(1,227,222)	(37)	
	Wuhan Far Eastern New Material Ltd.	(Note E)	Purchase	196,306	5	Based on contract	-	-	-	-	(83,442)	(2)	
	Pet Far Eastern (M) Sdn. Bhd.	(Note E)	Sale	(398,397)	(10)	Based on contract	-	-	-	-	238,727	6	
	Wuhan Far Eastern New Material Ltd.	(Note E)	Sale	(115,656)	(3)	Based on contract	-	-	-	-	41,109	1	
Oriental Petrochemical (Shanghai) Corp.	Far Eastern Industries (Shanghai) Ltd.	(Note E)	Sale	(2,429,230)	(31)	Based on contract	-	-	1,082,137	38	496,815	77	
	Far Eastern Industries (Suzhou) Ltd.	(Note E)	Sale	(799,587)	(10)	Based on contract	-	-	313,234	11	145,867	23	
Oriental Petrochemical (Taiwan) Co.	Far Eastern New Century Corporation	(Note C)	Sale	(3,567,758)	(51)	Based on contract	-	-	-	-	822,767	53	
	Far Eastern Industries (Suzhou) Ltd.	(Note E)	Purchase	1,280,032	41	Based on contract	-	-	450,131	(100)	(257,168)	(46)	
Oriental Industries (Suzhou) Ltd.	Oriental Textile (Holding) Ltd.	(Note C)	Sale	(1,523,913)	(43)	Based on contract	-	-	-	-	499,520	38	
	Far Eastern Industries (Suzhou) Ltd.	(Note D)	Purchase	1,523,913	86	Based on contract	-	-	-	-	(499,520)	(79)	
Oriental Textile (Holding) Ltd.	Far Eastern Industries (WuXi) Ltd.	(Note D)	Purchase	221,963	13	Based on contract	-	-	-	-	(116,974)	(19)	
	Far Eastern Apparel (Vietnam) Ltd.	(Note E)	Purchase	100,073	13	Based on contract	-	-	-	-	(66,807)	(23)	
Far Eastern Apparel (Vietnam) Ltd.	Far Eastern Apparel (Holding) Ltd.	(Note E)	Sale	(482,295)	(53)	Based on contract	-	-	-	-	207,352	69	
	Far Eastern Apparel (Holding) Ltd.	(Note E)	Sale	(482,295)	(53)	Based on contract	-	-	-	-	207,352	69	
Pet Far Eastern (M) Sdn. Bhd.	Far Eastern Polychem Industries Ltd.	(Note E)	Purchase	398,397	55	Based on contract	-	-	-	-	(238,727)	(94)	

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes Payable or Receivable		Accounts Payable or Receivable		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	Ending Balance	% to Total	
Wuhan Far Eastern New Material Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note E)	Purchase	\$ 464,832	62	Based on contract	\$ -	-	\$ -	-	\$ (295,038)	(76)	
	Far Eastern Polychem Industries Ltd.	(Note E)	Purchase	115,656	15	Based on contract	-	-	-	-	(41,109)	(11)	
	Far Eastern Polychem Industries Ltd.	(Note E)	Sale	(196,306)	(23)	Based on contract	-	-	-	-	83,442	38	
Worldwide Polychem (HK) Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note E)	Purchase	181,177	18	Based on contract	-	-	-	-	(82,769)	(10)	
	Far Eastern New Century Corporation	(Note C)	Purchase	777,520	76	Based on contract	-	-	-	-	(644,846)	(80)	
Far Eastern General Contractor Co., Ltd.	Far Eastern Department Stores Co., Ltd. Ya Tung Ready-mixed Concrete Corp	(Note H)	Construction revenue	(116,922)	(5)	Based on contract	-	-	-	-	-	-	
		(Note I)	Purchase	255,314	12	Based on contract	-	-	(56,162)	(14)	(9,185)	(1)	
Oriental Resources Development Ltd.	Far Eastern New Century Corporation	(Note C)	Sale	(155,034)	(60)	Based on contract	-	-	-	-	34,152	68	
Far Eastern Industries (WuXi) Ltd.	Far Eastern New Century Corporation	(Note C)	Purchase	118,405	8	Based on contract	-	-	-	-	(13,494)	(3)	
	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note E)	Sale	(116,262)	(8)	Based on contract	-	-	-	-	54,267	15	
	Oriental Textile (Holding) Ltd.	(Note C)	Sale	(221,963)	(15)	Based on contract	-	-	-	-	116,974	33	
Far Eastern Apparel (Suzhou) Ltd.	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	(Note E)	Purchase	112,172	10	Based on contract	-	-	-	-	(47,041)	(7)	
	Far Eastern New Century Corporation	(Note C)	Purchase	154,416	14	Based on contract	-	-	-	-	(93,160)	(14)	
	An Ho Garment (Suzhou) Co., Ltd.	(Note D)	Purchase	147,993	13	Based on contract	-	-	-	-	(76,152)	(11)	
	Far Eastern Apparel (Holding) Ltd.	(Note E)	Sale	(420,427)	(34)	Based on contract	-	-	-	-	168,188	48	
An Ho Garment (Suzhou) Co., Ltd.	Far Eastern Apparel (Suzhou) Ltd.	(Note C)	Sale	(147,993)	(100)	Based on contract	-	-	-	-	76,152	100	
Far EasTone Telecommunications Co., Ltd.	ARCOA Communication Co., Ltd.	(Note D)	Cost of telecommunications services, marketing expense and purchase	7,904,371	25	Based on contract	-	-	-	-	(1,365,732)	(13)	
			Operating revenue	(152,572)	-	Based on contract	-	-	-	-	165,242	3	
	New Century InfoComm Tech Co., Ltd.	(Note D)	Operating revenue	(390,972)	(1)	Based on contract	-	-	-	-	1,975	-	
			Cost of telecommunications services	1,841,622	8	Based on contract	-	-	-	-	(735,308)	(7)	(Note B)
New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating revenue	(1,841,622)	(27)	Based on contract	-	-	-	-	735,308	46	(Note G)
			Cost of telecommunications services	390,972	9	Based on contract	-	-	-	-	(1,975)	-	
ARCOA Communication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note C)	Operating revenue	(7,904,371)	(75)	Based on contract	-	-	-	-	1,365,732	87	
			Purchase and cost of telecommunications services	152,572	2	Based on contract	-	-	-	-	(165,242)	(10)	

Note: A. The equity-method investee.

B. All interconnect revenues, costs and collection of international direct dial revenue between Far EasTone and NCIC were settled at net amounts and were included in accounts payable - related parties.

C. Parent company.

D. Subsidiary.

E. Same ultimate parent company.

F. The equity-method investee of FENC's subsidiary.

G. Including the receivables collected by Far EasTone Telecommunications Co., Ltd. for New Century InfoComm Tech Co., Ltd.

H. The Equity-method investee of FENC.

I. The chairman is the chairman of the ultimate parent company.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

**RECEIVABLES FROM AFFILIATES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE CAPITAL STOCK
FOR THE SIX MONTHS ENDED JUNE 30, 2015**

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amount	Actions Taken		
Far Eastern New Century Corporation	Worldwide Polychem (HK) Ltd.	(Note D)	\$ 644,846	3.19	\$ -	\$ -	\$ 81,070	\$ -
	Far Eastern Industries (Shanghai) Ltd.	(Note D)	158,919	5.56	-	-	14,141	-
Far Eastern Industries (Shanghai) Ltd.	Far Eastern Polychem Industries Ltd.	(Note E)	1,227,222	10.20	-	-	1,020,030	-
	Wuhan Far Eastern New Material Ltd.	(Note C)	295,038	3.36	-	-	128,997	-
Far Eastern Industries (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	(Note C)	707,299	3.14	-	-	707,299	-
Far Eastern Polychem Industries Ltd.	Pet Far Eastern (M) Sdn. Bhd.	(Note C)	238,727	2.76	-	-	83,246	-
Far Eastern Apparel (Vietnam) Ltd.	Far Eastern Apparel (Holding) Ltd.	(Note C)	207,352	6.04	-	-	207,352	-
Oriental Industries (Shanghai) Ltd.	Far Eastern Industries (Shanghai) Ltd.	(Note C)	1,578,952	2.99	-	-	496,815	-
	Far Eastern Industries (Suzhou) Ltd.	(Note C)	459,101	3.06	-	-	145,867	-
Oriental Petrochemical (Taiwan) Co.	Far Eastern New Century Corporation	(Note E)	822,767	10.10	-	-	817,799	-
Oriental Industries (Suzhou) Ltd.	Oriental Textile (Holding) Ltd.	(Note E)	499,520	5.78	-	-	7,988	-
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Far Eastern Apparel Holding Ltd.	(Note E)	411,879	7.07	-	-	214,208	-
Far Eastern Industries (WuXi) Ltd.	Oriental Textile (Holding) Ltd.	(Note E)	116,974	1.32	-	-	1,535	-
Far Eastern Apparel (Suzhou) Ltd.	Far Eastern Apparel (Holding) Ltd.	(Note C)	168,188	4.07	-	-	168,188	-
Far EasTone Telecommunications Co., Ltd.	ARCOA Communication Co., Ltd.	(Note D)	166,764	12.31	-	-	148,616	-
	New Century InfoComm Tech Co., Ltd.	(Note D)	179,930	(Note B)	-	-	4,439	-
	Q-ware Communications Co., Ltd.	(Note D)	282,413	(Note I)	-	-	13,137	-
New Century InfoComm Tech Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note E)	910,846	(Note G)	-	-	557,121	-
	Opas Fund Segregated Portfolio Company	(Note H)	259,163	(Note F)	-	-	-	-
ARCOA Communication Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	(Note E)	1,365,732	10.81	-	-	1,299,906	-

(Continued)

- Notes:
- A. For the receivables from the financier in the Group, please refer to Schedule D.
 - B. The turnover rate was unavailable as the receivables from related parties were mainly due to the advances made for NCIC's daily operating expenditures and the management service charges to NCIC.
 - C. Same ultimate parent company.
 - D. Subsidiary.
 - E. Parent company.
 - F. The turnover rate was unavailable as the receivables from related parties were due to the proceeds of disposal of available-for-sale financial assets.
 - G. The turnover rate was unavailable as the receivables from related parties were due to the collection of telecommunications bills by Far EasTone for NCIC.
 - H. Other related parties
 - I. The turnover rate was unavailable as the receivables from related parties were mainly due to financing provided for Q-ware by Far EasTone.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

**SIGNIFICANT TRANSACTIONS BETWEEN FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES
FOR THE SIX MONTHS ENDED JUNE 30, 2015
(In Thousands of New Taiwan Dollars)**

No. (Note A)	Investee Company	Counterparty	Relationship (Note B)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Total Sales or Assets (Note C)
0	Far Eastern New Century Corporation	Far Eastern Polychem Industries Ltd.	1	Other receivables	\$ 1,828,105	Based on agreement	-
		Far Eastern Polychem Industries Ltd.	1	Interest revenue	20,322	Based on agreement	-
		PET Far Eastern (Holding) Ltd.	1	Other receivables	1,958,803	Based on agreement	-
		PET Far Eastern (Holding) Ltd.	1	Interest revenue	28,934	Based on agreement	-
		Far Eastern Apparel (Suzhou) Ltd.	1	Sales	154,439	Based on agreement	-
		Worldwide Polychem (HK) Ltd.	1	Accounts receivable	644,846	Based on agreement	-
		Worldwide Polychem (HK) Ltd.	1	Sales	783,355	Based on agreement	1
		Far Eastern Industries (Shanghai) Ltd.	1	Sales	349,879	Based on agreement	-
		Far Eastern Industries (Shanghai) Ltd.	1	Accounts receivable	158,919	Based on agreement	-
		Far Eastern Industries (WuXi) Ltd.	1	Sales	118,405	Based on agreement	-
2	Yuan Ding Investment Co., Ltd.	Yuan Tong Investment Co., Ltd.	3	Other receivables	750,000	Based on agreement	-
		Yuan Tong Investment Co., Ltd.	3	Interest revenue	3,172	Based on agreement	-
		Ding Yuan International Investment Co., Ltd.	3	Other receivables	120,000	Based on agreement	-
		Ding Yuan International Investment Co., Ltd.	3	Interest revenue	11	Based on agreement	-
		Kai Yuan International Investment Co., Ltd.	3	Other receivables	800,000	Based on agreement	-
		Kai Yuan International Investment Co., Ltd.	3	Interest revenue	5,821	Based on agreement	-
		An Ho Garment Co., Ltd.	3	Other receivables	400,000	Based on agreement	-
		An Ho Garment Co., Ltd.	3	Interest revenue	3,314	Based on agreement	-
4	Yuan Tong Investment Co., Ltd.	Far Eastern Resources Development Co.	1	Interest revenue	132	Based on agreement	-
5	Far Eastern Polychem Industries Ltd.	Pet Far Eastern (M) Sdn. Bhd.	3	Accounts receivable	238,727	Based on agreement	-
		Pet Far Eastern (M) Sdn. Bhd.	3	Sales	398,397	Based on agreement	-
		Far Eastern Industries (Shanghai) Ltd.	1	Other receivables	1,834,817	Based on agreement	-
		Far Eastern Ishizuka Green Pet	1	Other receivables	285,279	Based on agreement	-
		Far Eastern Ishizuka Green Pet	1	Interest revenue	501	Based on agreement	-
		Far Eastern Industries (Suzhou) Ltd.	3	Other receivables	920,519	Based on agreement	-
		Wuhan Far Eastern New Material Ltd.	1	Sales	115,656	Based on agreement	-
6	Oriental Petrochemical (Taiwan) Co.	Far Eastern New Century Corporation	2	Accounts receivable	822,767	Based on agreement	-
		Far Eastern New Century Corporation	2	Sales	3,567,758	Based on agreement	3
7	Far Eastern Investment (Holding) Ltd.	Far Eastern Polychem Industries Ltd.	3	Interest revenue	792	Based on agreement	-
		Far Eastern Polytex (Holding) Ltd.	3	Other receivables	1,737,142	Based on agreement	-
		Far Eastern Polytex (Holding) Ltd.	3	Interest revenue	11,293	Based on agreement	-
		FEDP (Holding) Ltd.	3	Interest revenue	151	Based on agreement	-

(Continued)

No. (Note A)	Investee Company	Counterparty	Relationship (Note B)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Total Sales or Assets (Note C)
		Oriental Textile (Holding) Ltd.	3	Other receivables	\$ 2,086,425	Based on agreement	-
		Oriental Textile (Holding) Ltd.	3	Interest receivables	158	Based on agreement	-
		Oriental Textile (Holding) Ltd.	3	Interest revenue	12,915	Based on agreement	-
		Far Eastern Apparel (Holding) Ltd.	3	Interest revenue	1,916	Based on agreement	-
		Pet Far Eastern (M) Sdn. Bhd.	1	Other receivables	232,233	Based on agreement	-
		Pet Far Eastern (M) Sdn. Bhd.	1	Interest receivables	57,231	Based on agreement	-
		Pet Far Eastern (M) Sdn. Bhd.	1	Interest revenue	1,353	Based on agreement	-
		Far Eastern Apparel (Vietnam) Ltd.	1	Other receivables	510,015	Based on agreement	-
		Worldwide Polychem (HK) Limited	3	Other receivables	27,819	Based on agreement	-
		Sino Belgium (Holding) Ltd.	3	Other receivables	185,460	Based on agreement	-
		Sino Belgium (Holding) Ltd.	3	Interest receivables	337	Based on agreement	-
		Sino Belgium (Holding) Ltd.	3	Interest revenue	1,445	Based on agreement	-
		PET Far Eastern (Holding) Ltd.	1	Interest receivables	986	Based on agreement	-
8	PET Far Eastern (Holding) Ltd.	Oriental Petrochemical (Shanghai) Corp.	1	Other receivables	977,608	Based on agreement	-
		Far Eastern Investment (Holding) Ltd.	3	Interest revenue	898	Based on agreement	-
10	Far Eastern Polytex (Holding) Ltd.	Wuhan Far Eastern New Material Ltd.	1	Other receivables	155,900	Based on agreement	-
		Far Eastern New Century (China) Investment Ltd.	1	Other receivables	1,929,775	Based on agreement	-
11	Yuan Ding Company Ltd.	Yuan Ding Integrated Information Service (Shanghai) Inc.	1	Other receivables	278,190	Based on agreement	-
15	FEDP (Holding) Ltd.	Far Eastern Industries (Suzhou) Ltd.	1	Other receivables	278,190	Based on agreement	-
20	Oriental Textile (Holding) Ltd.	Far Eastern Industries (WuXi) Ltd.	1	Other receivables	216,370	Based on agreement	-
		Oriental Industries (Suzhou) Ltd.	1	Other receivables	2,874,630	Based on agreement	-
21	Far Eastern Apparel (Holding) Ltd.	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	1	Other receivables	735,658	Based on agreement	-
		Far Eastern Apparel (Vietnam) Ltd.	3	Sales	100,073	Based on agreement	-
24	Oriental Resources Development Ltd.	Far Eastern New Century Corporation	2	Sales	155,034	Based on agreement	-
28	Far Eastern Apparel (Vietnam) Ltd.	Far Eastern Apparel (Holding) Ltd.	3	Accounts receivable	207,352	Based on agreement	-
		Far Eastern Apparel (Holding) Ltd.	3	Sales	482,295	Based on agreement	-
		Far Eastern New Century Corporation	2	Sales	313,183	Based on agreement	-
30	Far Eastern Industries (Shanghai) Ltd.	Far Eastern Polychem Industries Ltd.	2	Sales	3,404,009	Based on agreement	3
		Far Eastern Polychem Industries Ltd.	2	Accounts receivable	1,227,222	Based on agreement	-
		Worldwide Polychem (HK) Ltd.	3	Sales	181,177	Based on agreement	-
		Wuhan Far Eastern New Material Ltd.	3	Accounts receivable	295,038	Based on agreement	-
		Wuhan Far Eastern New Material Ltd.	3	Sales	464,832	Based on agreement	-
34	Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Far Eastern Apparel (Holding) Ltd.	2	Sales	1,161,096	Based on agreement	1
		Far Eastern Apparel (Holding) Ltd.	2	Other receivables	411,879	Based on agreement	-
		Far Eastern Apparel (Suzhou) Ltd.	3	Sales	112,172	Based on agreement	-
		Oriental Industries (Suzhou) Ltd.	3	Other receivables	67,425	Based on agreement	-

(Continued)

No. (Note A)	Investee Company	Counterparty	Relationship (Note B)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% to Total Sales or Assets (Note C)
35	Waldorf Services B.V.	Far Eastern Investment (Holding) Ltd.	2	Interest revenue	\$ 679	Based on agreement	-
		Oriental Textile (Holding) Ltd.	3	Other receivables	463,650	Based on agreement	-
		Oriental Textile (Holding) Ltd.	3	Interest receivables	1,334	Based on agreement	-
38	An Ho Garment (Suzhou) Co., Ltd.	Far Eastern Apparel (Suzhou) Ltd.	2	Sales	147,993	Based on agreement	-
40	Oriental Petrochemical (Shanghai) Corp.	Far Eastern Industries (Shanghai) Ltd.	3	Accounts receivable	496,815	Based on agreement	-
		Far Eastern Industries (Shanghai) Ltd.	3	Notes receivable	1,082,137	Based on agreement	-
		Far Eastern Industries (Shanghai) Ltd.	3	Sales	2,429,230	Based on agreement	2
		Far Eastern Industries (Suzhou) Ltd.	3	Accounts receivable	145,867	Based on agreement	-
		Far Eastern Industries (Suzhou) Ltd.	3	Notes receivable	313,234	Based on agreement	-
		Far Eastern Industries (Suzhou) Ltd.	3	Sales	799,587	Based on agreement	1
		Shanghai Far Eastern Petrochemical Logistic Ltd.	1	Other receivables	49,775	Based on agreement	-
42	Far Eastern Industries (WuXi) Ltd.	Oriental Textile (Holding) Ltd.	2	Sales	221,963	Based on agreement	-
		Oriental Textile (Holding) Ltd.	2	Accounts receivable	116,974	Based on agreement	-
		Far Eastern Dyeing & Finishing (Suzhou) Ltd.	3	Sales	116,262	Based on agreement	-
43	Oriental Industries (Suzhou) Ltd.	Oriental Textile (Holding) Ltd.	2	Accounts receivable	499,520	Based on agreement	-
		Oriental Textile (Holding) Ltd.	2	Sales	1,523,913	Based on agreement	1
		Far Eastern Industries (Suzhou) Ltd.	3	Other receivables	403,813	Based on agreement	-
		Sino Belgium Beer (Suzhou) Ltd.	3	Other receivables	626,554	Based on agreement	-
		Far Eastern Industries (WuXi) Ltd.	3	Other receivables	39,576	Based on agreement	-
44	Far Eastern Industries (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	3	Accounts receivable	257,168	Based on agreement	-
		Oriental Industries (Suzhou) Ltd.	3	Notes receivable	450,131	Based on agreement	-
		Oriental Industries (Suzhou) Ltd.	3	Sales	1,280,032	Based on agreement	1
45	Wuhan Far Eastern New Material Ltd.	Far Eastern Polychem Industries Ltd.	3	Sales	196,306	Based on agreement	-
46	Far Eastern Apparel (Suzhou) Ltd.	Oriental Industries (Suzhou) Ltd.	3	Other receivables	157,588	Based on agreement	-
		Far Eastern Apparel (Holding) Ltd.	3	Sales	420,427	Based on agreement	-
		Far Eastern Apparel (Holding) Ltd.	3	Accounts receivable	168,188	Based on agreement	-
48	Far Eastern New Century (China) Investment Ltd.	Oriental Petrochemical (Shanghai) Corp.	1	Other receivables	348,425	Based on agreement	-
55	YDT Technology International Co., Ltd.	Yuan Ding Company Ltd.	2	Other receivables	150,000	Based on agreement	-
57	FET Consulting Engineers Co., Ltd.	Yuan Ding Company Ltd.	2	Other receivables	140,000	Based on agreement	-

Note A: Parties to the intercompany transactions are identified and numbered as follows:

1. The Company: 0.
2. Subsidiaries are started at 1 consecutively.

(Continued)

Note B: The flow of related-party transactions is as follows:

1. From FENC to subsidiary.
2. From the subsidiary to FENC.
3. Between subsidiaries.

Note C: The number presenting in this column is the ratio of ending balance to consolidated asset or the ratio of cumulative amount to consolidated revenue.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

NAMES, LOCATIONS, AND OTHER INFORMATION OF INVESTEEES ON WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE
FOR THE SIX MONTHS ENDED JUNE 30, 2015
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of June 30, 2015			Net Income (Loss) of the Investee	Share of Profits (Loss)	Notes
				June 30, 2015	December 31, 2014	Shares (Thousands)	Percentage of Ownership	Carrying Value			
Far Eastern New Century Corporation	Asia Cement Corporation	Taipei, Taiwan	Cement production	\$ 2,652,282	\$ 2,652,282	750,511	22.33	\$ 19,481,103	\$ 4,368,039	\$ 652,556	Gain or loss recognized under the treasury stock method (Note A)
	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	1,254,158	1,254,158	241,770	16.80	4,861,174	280,271	47,086	(Note A)
	Oriental Union Chemical Corp.	Taipei, Taiwan	Petrochemical materials production	1,176,211	1,176,211	81,216	9.17	1,436,860	457,416	41,945	(Note A)
	Everest Textile Co., Ltd.	Taipei, Taiwan	Chemical fiber production	1,689	1,689	129	0.03	1,460	176,859	53	(Note A)
	Oriental Securities Corp.	Taipei, Taiwan	Broker	159,823	159,823	140,278	19.65	1,993,495	(128,516)	(25,253)	(Note A)
	Pacific Liu Tung Investment Corp. (Note E)	Taipei, Taiwan	Investment	810,000	810,000	135,000	16.83	1,749,116	176,799	29,755	(Note A)
	Yuan Ding Investment Co., Ltd.	Taipei, Taiwan	Investment	100,041	100,041	1,822,822	99.40	38,541,715	2,723,216	2,707,163	Including write off and reversed by side-stream transactions \$286 thousand, (Notes B and H)
	Far Eastern Resources Development Co.	Taipei, Taiwan	Real estate construction and selling	14,931,733	14,931,733	557,354	100.00	98,752,378	2,187,368	2,187,368	(Note B)
	Far Eastern Polytex (Holding) Ltd.	Bermuda	Investment	7,678,309	7,678,309	124	100.00	8,550,260	(11,970)	(11,970)	(Note B)
	Far Eastern Polychem Industries Ltd.	Bermuda	Investment	7,318,312	7,318,312	830,815	73.04	8,160,971	286,857	209,521	(Note B)
	Yuan Tong Investment Co., Ltd.	Taipei, Taiwan	Investment	5,850,000	5,850,000	705,147	100.00	7,876,819	101,465	101,465	(Note B)
	Kai Yuan International Investment Co., Ltd.	Taipei, Taiwan	Investment	999,993	999,993	302,843	100.00	5,379,459	177,847	177,847	(Note B)
	Far Eastern Investment (Holding) Ltd.	Bermuda	Investment	5,833,333	5,833,333	1,700	100.00	8,305,854	198,970	198,970	(Note B)
	PET Far Eastern (Holding) Ltd.	Bermuda	Investment	5,811,250	5,811,250	333	90.54	6,263,749	(235,433)	(208,298)	Including premium and discount amortization \$4,863 thousand, (Note B)
	Oriental Petrochemical (Taipei, Taiwan) Co., Ltd.	Taipei, Taiwan	Petrochemical materials production	10,919,967	9,408,804	1,183,311	75.56	7,984,166	(250,736)	(192,720)	Including write off and reversed by upstream transactions \$(3,264) thousand, (Note B and H)
	Far Eastern Construction Co., Ltd.	Taipei, Taiwan	Real estate construction and selling	143,450	143,450	198,791	65.11	7,661,455	1,076,640	701,000	(Note B)
	Yuan Ding Company Ltd.	Taipei, Taiwan	Real estate construction and selling	857,511	857,511	186,929	37.13	3,276,816	100,718	40,771	Including write off and reversed by side-stream transactions \$3,743 thousand, (Note B and I)
	An Ho Garment Co., Ltd.	Taipei, Taiwan	Investment	1,023	1,023	66,346	100.00	1,917,174	107,249	107,253	Including write off and reversed by side-stream transactions \$4 thousand, (Note B)
	Ding Yuan International Investment Co., Ltd.	Taipei, Taiwan	Investment	2,000,062	2,000,062	205,000	100.00	2,828,667	71,465	71,465	(Note B)
	FEDP (Holding) Ltd.	Bermuda	Investment	676,315	676,315	244	50.43	308,450	(54,803)	(27,637)	(Note B)
Fu Kwok Garment Manufacturing Co., Ltd.	Kaohsiung, Taiwan	Garment production	9,076	9,129	3,998	99.96	224,958	55,122	55,111	(Note B)	
Ding Ding Hotel Co., Ltd.	Taipei, Taiwan	Hotel	393,651	393,651	19,772	19.00	78,059	(133,415)	(25,349)	(Note B)	
Far Eastern Textile Ltd.	Taipei, Taiwan	Chemical fiber production	1,000	1,000	100	100.00	1,329	22	22	(Note B)	
Yuan Ding Investment Co., Ltd.	Asia Cement Corporation	Taipei, Taiwan	Cement production	316,556	316,556	11,045	0.33	443,962	4,368,039	-	(Note A)
	Oriental Union Chemical Corp.	Taipei, Taiwan	Petrochemical materials production	1,321,883	1,321,883	82,169	9.28	1,659,203	457,416	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	380,214	169,831	17,993	1.25	401,802	280,271	-	(Note A)
	Everest Textile Co., Ltd.	Taipei, Taiwan	Chemical fiber production	470,103	470,103	118,869	25.23	1,079,775	176,859	-	(Note A)
	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	2,723,598	2,723,598	1,066,658	32.73	21,767,804	6,142,417	-	(Note B)
	Far Eastern Polychem Industries Ltd.	Bermuda	Investment	1,392,692	1,392,692	306,644	26.96	3,012,319	286,857	-	(Note B)
	Far Eastern Apparel (Holding) Ltd.	Bermuda	Investment	2,179,442	2,179,442	111	100.00	2,587,521	81,302	-	(Note B)
	Da Ju Fiber Co., Ltd.	Taipei, Taiwan	Investment	263,790	263,790	23,081	41.86	1,323,494	99,846	-	(Note A)
	Far Eastern Apparel Co., Ltd.	Taipei, Taiwan	Sale of textile, garments, and clothing	287,984	287,984	24,736	100.00	358,995	(7,616)	-	(Note B)
	Yuan Faun Ltd.	Taipei, Taiwan	PET bottle production and selling	51,671	51,671	5,000	100.00	119,411	163	-	(Note B)
	Yue Ming Co., Ltd.	Taipei, Taiwan	Trading	97,852	97,852	3,671	45.50	72,178	2,343	-	(Note A)
	Yuan Ding Leasing Corp.	Taipei, Taiwan	Real estate construction and selling	319,380	319,380	36,706	46.20	427,959	14,228	-	(Note A)
	Far Eastern Fibertech Co., Ltd.	Taipei, Taiwan	Nylon production	585,000	585,000	88,317	100.00	1,060,840	55,202	-	(Note B)
	Oriental Resources Development Ltd.	Taipei, Taiwan	Waste recycling and processing	338,188	338,188	34,242	70.00	329,790	(12,384)	-	(Note B)
	Air Liquide Far Eastern Ltd.	Taipei, Taiwan	Industrial gas production and selling	504,806	504,806	86,615	35.00	1,495,524	573,548	-	(Note A)
	Freudenberg Far Eastern Spunweb Co., Ltd.	Taipei, Taiwan	Production of nonwoven industrial fabrics	144,786	144,786	13,052	29.80	267,555	207,706	-	(Note A)
	Oriental Securities Corp.	Taipei, Taiwan	Broker	255,424	255,424	185,247	25.96	2,739,150	(128,516)	-	(Note A)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of June 30, 2015			Net Income (Loss) of the Investee	Share of Profits (Loss)	Notes
				June 30, 2015	December 31, 2014	Shares (Thousands)	Percentage of Ownership	Carrying Value			
Far Eastern Investment (Holding) Ltd.	Yuan Ding Company Ltd.	Taipei, Taiwan	Real estate construction and selling	\$ 188,846	\$ 188,846	64,759	12.86	\$ 1,165,294	\$ 100,718	-	(Note B)
	Far Eastern International Leasing Corp.	Taipei, Taiwan	Leasing	1,012,057	1,012,057	75,268	16.87	1,179,645	109,562	-	(Note A)
	Oriental Textile (Holding) Ltd.	Bermuda	Investment	6,470,056	5,842,331	99	100.00	7,594,345	126,558	-	(Note B)
	Pacific Liu Tung Investment Corp. (Note E)	Taipei, Taiwan	Investment	796,491	796,491	119,653	14.92	1,463,974	176,799	-	(Note A)
	Yue Yuan Investment Co., Ltd.	Taipei, Taiwan	Investment	673,704	673,704	98,198	18.96	826,207	489,911	-	(Note A)
	Far Eastern General Contractor Co., Ltd.	Taipei, Taiwan	Real estate construction	14,682	14,682	1,490	1.00	22,191	88,531	-	(Note B)
	Oriental Petrochemical (Taipei, Taiwan) Co., Ltd.	Taipei, Taiwan	Petrochemical materials production	415,679	311,759	81,374	5.20	551,252	(250,736)	-	(Note B)
	FETG Investment Antilles N.V.	Antillem	Investment	US\$ 6	US\$ 6	6	100.00	1,184,997	(13,092)	-	(Note B)
	Filsyn Corporation	Philippines	Polychemical products	PESO 225,324	PESO 225,324	45,066	21.85	-	-	-	(Note A)
	PET Far Eastern (M) Sdn. Bhd. Com2B	Malaysia	Bottle production	MYR 8,000	MYR 8,000	-	50.00	191,951	16,712	-	(Notes B and C)
Far Eastern Apparel (Vietnam) Ltd.	Cayman Islands	E-business	US\$ 3,375	US\$ 3,375	9,000	20.00	14,086	-	-	(Note A)	
Worldwide Polychem (HK) Ltd.	Vietnam	Clothing production	US\$ 9,000	US\$ 9,000	-	100.00	304,185	58,240	-	(Notes B and D)	
Opas Fund Segregated Portfolio Company	Hong Kong	Polyester production trading	US\$ 3,500	US\$ 3,500	2,700	100.00	102,281	17,712	-	(Note B)	
	Cayman Islands	Investment	US\$ 51	US\$ 51	-	34.00	1,607	7	-	(Note A)	
Ding Yuan International Investment Co., Ltd.	Asia Cement Corporation	Taipei, Taiwan	Cement production	375,512	375,512	13,222	0.39	499,349	4,368,039	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	54,812	54,812	2,663	0.19	70,486	280,271	-	(Note A)
	Everest Textile Co., Ltd.	Taipei, Taiwan	Chemical fiber production	70,428	70,428	4,226	0.90	35,331	176,859	-	(Note A)
	Oriental Union Chemical Corp.	Taipei, Taiwan	Petrochemical materials production	684,551	596,353	27,710	3.13	729,487	457,416	-	(Note A)
	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	38,457	38,457	920	0.03	40,022	6,142,417	-	(Note B)
	Pacific Liu Tung Investment Corp. (Note E)	Taipei, Taiwan	Investment	90,000	90,000	18,000	2.24	214,906	176,799	-	(Note A)
	Yue Ding Industry Co., Ltd.	Taipei, Taiwan	Department store operations	95,624	95,624	10,180	13.20	314,313	51,746	-	(Note A)
	Fu Kwok Garment Manufacturing Co., Ltd.	Taipei, Taiwan	Clothing manufacturing	50	-	1	0.03	52	55,122	-	(Note B)
Kai Yuan International Investment Co., Ltd.	Asia Cement Corporation	Taipei, Taiwan	Cement production	483,448	483,448	20,207	0.60	752,957	4,368,039	-	(Note A)
	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	793,702	793,702	34,149	1.05	1,090,845	6,142,417	-	(Note B)
	Oriental Union Chemical Corp.	Taipei, Taiwan	Petrochemical materials production	816,803	816,803	35,524	4.01	803,081	457,416	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	519,473	519,473	20,672	1.44	579,104	280,271	-	(Note A)
	Kowloon Cement Co., Ltd.	Hong Kong	Cement production	226,896	226,896	1,127	49.00	468,713	41,695	-	(Note A)
	Far Eastern International Leasing Corp.	Taipei, Taiwan	Leasing	1,026,489	1,026,489	74,970	16.80	1,179,687	109,562	-	(Note A)
	Pacific Liu Tung Investment Corp. (Note E)	Taipei, Taiwan	Investment	90,000	90,000	18,000	2.24	215,107	176,799	-	(Note A)
	Far Eastern Polychem Industries Ltd.	Bermuda	Investment	US\$ 17,622	US\$ 17,622	35	9.46	660,474	(235,433)	-	(Note B)
	Bermuda	Investment	US\$ 29,240	US\$ 29,240	240	49.57	303,191	(54,803)	-	(Note B)	
	Japan	PET production and sale	JPY 1,200,000	JPY 1,200,000	172	85.15	122,497	(76,111)	-	(Note B)	
Far Eastern Construction Co., Ltd.	Far Eastern General Contractor Co., Ltd.	Taipei, Taiwan	Real estate construction	271,587	271,587	147,413	98.95	2,008,664	88,531	-	(Note B)
	Asia Cement Corporation	Taipei, Taiwan	Cement production	216,959	216,959	17,727	0.53	611,281	4,368,039	-	(Note A)
Far Eastern Apparel Co., Ltd.	Yue Ding Industry Co., Ltd.	Taipei, Taiwan	Department store operations	29	29	5	0.01	96	51,746	-	(Note A)
	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	6,352	-	90	-	6,352	6,142,417	-	(Note B)
	Asia Cement Corporation	Taipei, Taiwan	Cement production	7,348	-	200	0.01	7,348	4,368,039	-	(Note A)
Far Eastern General Contractor Co., Ltd.	Far Eastern Technical Consultants Co., Ltd.	Taipei, Taiwan	Real estate development business consulting and management	3,864	3,864	450	9.00	5,046	10,583	-	(Note B)
FETG Investment Antilles N.V.	Waldorf Services B.V.	The Netherlands	Investment	US\$ 19	US\$ 19	2	100.00	1,183,053	(12,896)	-	(Note B)
Waldorf Services B.V.	Cemtex Apparel Inc.	Philippines	Clothing O.E.M.	PESO 9,000	PESO 9,000	90	50.00	(11,219)	106	-	(Note A)
	Malaysia Garment Manufactures Pte. Ltd.	Singapore	Garment production	SGD 3,000	SGD 3,000	30	38.00	78,030	11,339	-	(Note A)
An Ho Garment Co., Ltd.	Far Eastern International Garments	Philippines	Garment production	US\$ 290	US\$ 290	59	41.00	(12,155)	(21)	-	(Note A)
	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	748,158	748,158	40,818	1.25	1,012,122	6,142,417	-	(Note B)
	Asia Cement Corporation	Taipei, Taiwan	Cement production	206,551	206,551	6,094	0.18	256,692	4,368,039	-	(Note A)
	Oriental Union Chemical Corp.	Taipei, Taiwan	Petrochemical materials production	286,049	286,049	11,160	1.26	281,912	457,416	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	10,483	10,483	370	0.03	11,385	280,271	-	(Note A)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of June 30, 2015			Net Income (Loss) of the Investee	Share of Profits (Loss)	Notes
				June 30, 2015	December 31, 2014	Shares (Thousands)	Percentage of Ownership	Carrying Value			
	Oriental Securities Corp.	Taipei, Taiwan	Broker	\$ 95,103	\$ 95,103	5,890	0.83	\$ 88,420	\$ (128,516)	\$ -	(Note A)
	Yue Ding Industry Co., Ltd.	Taipei, Taiwan	Department store operations	111,997	111,997	12,084	15.66	274,779	51,746	-	(Note A)
	Pacific Liu Tung Investment Corp. (Note E)	Taipei, Taiwan	Investment	67,285	67,285	9,681	1.21	120,871	176,799	-	(Note A)
	Yuan Ding Investment Co., Ltd.	Taipei, Taiwan	Investment	148,994	148,994	5,502	0.30	160,117	2,723,216	-	(Note B)
Yuan Faun Ltd.	Far Eastern Resources Development Co	Taipei, Taiwan	Investment	7,214	7,214	745	55.19	11,449	2,440	-	(Note B)
Fu Kwok Garment Manufacturing Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	19,663	19,663	520	0.02	19,853	6,142,417	-	(Note B)
Yuan Tong Investment Co., Ltd.	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	2,246,035	2,246,035	100,237	3.08	2,652,411	6,142,417	-	(Note B)
	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	1,159,521	1,159,521	39,619	2.75	1,251,121	280,271	-	(Note A)
	Oriental Union Chemical Corp.	Taipei, Taiwan	Petrochemical materials production	1,755,017	1,511,986	49,705	5.61	1,779,172	457,416	-	(Note A)
	Asia Cement Corporation	Taipei, Taiwan	Cement production	888,648	888,648	28,579	0.85	1,167,029	4,368,039	-	(Note A)
	Pacific Liu Tung Investment Corp. (Note E)	Taipei, Taiwan	Investment	90,000	90,000	18,000	2.24	213,909	176,799	-	(Note A)
	Far Eastern Electronic Toll Collection Co., Ltd.	Taipei, Taiwan	Electronic toll collection service	787,104	787,104	77,257	11.98	320,818	(181,016)	-	(Note B)
	Air Liquide Far Eastern Ltd.	Taipei, Taiwan	Industrial gas production and selling	20	20	1	-	21	573,548	-	(Note A)
	Sino Belgium (Holding) Ltd.	Bermuda	Investment	2,255,510	2,191,960	36	93.72	36,423	(132,450)	-	(Note B)
	Freudenberg Far Eastern Spunweb Co., Ltd.	Taipei, Taiwan	Production of nonwoven industrial fabrics	34	34	1	-	30	207,706	-	(Note A)
Yuan Ding Company Ltd.	YDT Technology International Co., Ltd.	Taipei, Taiwan	Electronic material and relevant by-product sale	100,000	100,000	13,992	100.00	284,151	23,082	-	(Note B)
	Ding Ding Integrated Marketing Services Co., Ltd.	Taipei, Taiwan	Marketing	558,000	240,000	41,633	60.00	427,465	6,270	-	(Note B)
	Far Eastern Technical Consultants Co., Ltd.	Taipei, Taiwan	Real estate development business consulting and management	45,182	45,182	4,550	91.00	55,998	10,583	-	(Note B)
	YDC (Virgin Islands) Ltd.	British Virgin Islands	Investment	US\$ 200	US\$ 200	-	17.70	8,145	1,457	-	(Note B)
	Ding Ding Hotel Co., Ltd.	Taipei, Taiwan	Hotel	645,021	645,021	64,502	61.99	254,515	(133,415)	-	(Note B)
	Far Eastern Electronic Commerce Co., Ltd.	Taipei, Taiwan	Electronic information providing services	239,130	239,130	23,913	53.08	(49,786)	(118,032)	-	(Note B)
	FET Consulting Engineers Co., Ltd.	Taipei, Taiwan	Business consulting	822,701	822,701	85,000	100.00	297,552	(84,734)	-	(Note B)
	Asia Cement Corporation	Taipei, Taiwan	Cement production	136,037	136,037	5,329	0.16	213,392	4,368,039	-	(Note A)
	Far EasTone Telecommunications Co., Ltd.	Taipei, Taiwan	Telecommunications	100,412	100,412	4,164	0.13	105,544	6,142,417	-	(Note B)
	Yue Yuan Investment Co., Ltd.	Taipei, Taiwan	Investment	411,187	411,187	129,637	25.02	1,877,979	489,911	-	(Note A)
	Yue Ming Co., Ltd.	Taipei, Taiwan	Trading	787	787	81	1.00	603	2,343	-	(Note A)
	Yue Ding Industry Co., Ltd.	Taipei, Taiwan	Department store operations	22,676	22,676	2,000	2.59	45,232	51,746	-	(Note A)
	FEDS Asia Pacific Development Ltd.	Taipei, Taiwan	Department store operations	100,000	100,000	10,500	5.00	125,445	65,402	-	(Note A)
	Far Eastern Electronic Toll Collection Co., Ltd.	Taipei, Taiwan	Electronic toll collection service	977,650	977,650	96,312	14.93	394,522	(181,016)	-	(Note B)
	Yuan Hsin Digital Payment Co., Ltd.	Taipei, Taiwan	Other financing and supporting services	300,000	300,000	30,000	20.00	246,346	(122,317)	-	(Note B)
Ding Ding Integrated Marketing Services Co., Ltd.	Far Eastern Electronic Commerce Co., Ltd.	Taipei, Taiwan	Electronic information providing services	745	745	79	0.18	(164)	(118,032)	-	(Note B)
	Yuan Hsin Digital Payment Co., Ltd.	Taipei, Taiwan	Other financing and supporting services	225,150	225,150	22,515	15.01	182,854	(122,317)	-	(Note B)
FET Consulting Engineers Co., Ltd.	DDIM (Virgin Islands) Ltd.	British Virgin Islands	Investment	384,970	384,970	-	100.00	(196,665)	(86,670)	-	(Notes B)
YDT Technology International Co., Ltd.	Everest Textile Co., Ltd.	Taipei, Taiwan	Chemical fiber production	2,451	16,173	120	0.03	1,031	176,859	-	(Note A)
	Far Eastern Department Stores Co., Ltd.	Taipei, Taiwan	Department store operations	51,673	51,673	2,764	0.19	96,178	280,271	-	(Note A)
	Asia Cement Corporation	Taipei, Taiwan	Cement production	862	862	61	-	2,416	4,368,039	-	(Note A)
	YDC (Virgin Islands) Ltd.	British Virgin Islands	Investment	US\$ 930	US\$ 930	1	82.30	37,871	1,457	-	(Note B)
Far EasTone Telecommunications Co., Ltd.	New Century InfoComm Tech Co., Ltd.	Taipei, Taiwan	Type I, II telecommunications services	22,249,283	22,249,283	2,100,000,000	100.00	25,721,130	1,557,351	1,673,037	(Note B)
	ARCOA Communication Co., Ltd.	Taipei, Taiwan	Type II telecommunications services, sales of communications products and office equipment	1,305,802	1,305,802	82,762,221	61.63	1,255,335	111,747	66,489	(Note B)
	KGEx. com. Co., Ltd.	Taipei, Taiwan	Type II telecommunications services	2,540,442	2,540,442	112,391,422	99.99	919,131	27,504	27,500	(Note B)
	Hiiir Inc.	Taipei, Taiwan	Electronic information providing services	537,260	537,260	53,726,000	89.54	276,445	(152,648)	(136,299)	(Note B)
	Yuan Cing Co., Ltd.	Taipei, Taiwan	Call center services	101,371	101,371	19,349,995	99.99	132,556	5,939	5,939	(Note B)
	E. World (Holdings) Ltd.	Cayman Islands	Investment	82,883	82,883	6,014,622	85.92	96,956	(2,922)	(2,511)	(Note B)
	Far EasTron Holding Ltd.	Cayman Islands	Investment	150,000	150,000	4,486,988	100.00	25,978	(1,070)	(1,070)	(Note B)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of June 30, 2015			Net Income (Loss) of the Investee	Share of Profits (Loss)	Notes	
				June 30, 2015	December 31, 2014	Shares (Thousands)	Percentage of Ownership	Carrying Value				
	Far Eastern Info Service (Holding) Ltd. Omusic Co., Ltd.	Bermuda Taipei, Taiwan	Investment Electronic information providing services	\$ 92,616 25,000	\$ 92,616 25,000	1,200 2,500,000	100.00 50.00	\$ (4,144) 936	\$ (9,813) 1,933	\$ (9,813) 967	(Note B) (Note B)	
	Q-ware Communication Co., Ltd. Far Eastern Electronic Toll Collection Co., Ltd.	Taipei, Taiwan Taipei, Taiwan	Type II telecommunications services Electronic information providing services and electronic toll collection service	832,038 2,542,396	832,038 2,542,396	33,982,812 254,239,581	81.46 39.42	(65,933) 633,631	(3,450) (181,016)	(2,810) (110,380)	(Note B) (Note B)	
	Yuan Hsin Digital Payment Co., Ltd. Ding Ding Integrated Marketing Service Co., Ltd.	Taipei, Taiwan Taipei, Taiwan	Other financing and supporting services Marketing	450,000 139,500	450,000 60,000	45,000,000 10,408,200	30.00 15.00	369,512 106,050	(122,317) 6,270	(32,648) (188)	(Note B) (Note B)	
	Alliance Digital Technology Co., Ltd. iScreen Corporation	Taipei, Taiwan Taipei, Taiwan	Electronic information providing services Information service	30,000 100,000	30,000 100,000	3,000,000 4,000,000	13.33 40.00	18,675 16,916	(33,485) 1,025	(3,243) 410	(Note A) (Note A)	
	Far Eastern Electronic Commerce Co., Ltd.	Taipei, Taiwan	Electronic information providing services	80,893	80,893	6,691,000	14.85	(12,491)	(118,032)	(16,796)	(Note B)	
	ARCOA Communication Co., Ltd.	DataExpress Infotech Co., Ltd.	Taipei, Taiwan	Sale of communications products	141,750	141,750	12,866,353	70.00	198,844	35,623	-	(Note B)
	New Century InfoComm Tech Co., Ltd.	New Diligent Co., Ltd.	Taipei, Taiwan	Investments	800,000	800,000	80,000,000	100.00	622,220	(9,475)	-	(Note B)
		Information Security Service Digital United Inc.	Taipei, Taiwan	Security and monitoring service via internet	148,777	148,777	14,877,747	100.00	95,753	(6,737)	-	(Note B)
		Digital United (Cayman) Ltd.	Cayman Islands	Investments	132,406	132,406	4,320,000	100.00	33,865	(5,327)	-	(Note B)
		Simple InfoComm Co., Ltd.	Taipei, Taiwan	Electronic information providing services	34,000	34,000	3,400,000	100.00	20,936	31	-	(Note B)
Far Eastern Electronic Commerce Co., Ltd. Ding Ding Integrated Marketing Service Co., Ltd.		Taipei, Taiwan Taipei, Taiwan	Electronic information providing services Marketing	28,922 46,500	28,922 20,000	2,392,000 3,469,400	5.31 5.00	(4,466) 35,350	(118,032) 6,270	-	(Note B) (Note B)	
New Diligent Co., Ltd.	Sino Lead Enterprise Limited	Hong Kong	Telecommunications services	125	125	-	100.00	161	(65)	-	(Note B)	
	Far Eastern New Diligent Company Ltd.	British Virgin Islands	Investments	133,048	133,048	-	100.00	111,937	(12,627)	-	(Note B)	
	New Diligent Hong Kong Co., Ltd.	Hong Kong	Investments	-	-	-	-	-	-	-	(Note J)	
DataExpress Infotech Co., Ltd.	Linkwell Tech. Ltd.	Taipei, Taiwan	Sale of communications products	10,000	10,000	-	100.00	52,216	2,434	-	(Note B)	
	Home Master Technology Ltd.	Taipei, Taiwan	Sale of communications products	10,000	9,999	-	100.00	(4,282)	(1,346)	-	(Note B)	

Notes: A. Equity-method investee.

B. Subsidiary.

C. Included 5,000 thousand common shares and 3,000 thousand preferred shares.

D. A private company.

E. The investor opened a trust account in Shanghai Bank in Taipei on September 26, 2002 to acquire the ownership of Pacific Liu Tung Investment Co., Ltd.

F. Shares in thousand.

G. Investment in mainland china, please refer to Schedule N.

H. Under the "IFRSs Questions and Answers" issued by Taiwan Stock Exchange Corp. (TWSE), the Company recognized these items as investment properties in its stand-alone financial statements and reclassified them to property, plant and equipment in the consolidated financial statements. The Company used the equity method and share of the profit or loss of associates to adjust the differences between the investment property amounts presented in the stand-alone and consolidated financial statements.

I. The share value of FENC shares held by Yuan Ding Company Ltd. and the shares of Yuan Ding Company Ltd. were adjusted resulting from investment properties are subsequently measured by the fair value.

J. New Diligent Hong Kong Co., Ltd. was established on December 4, 2014. The investment amount had not been remitted to the investee as of June 30, 2015.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

INVESTMENTS IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2015
(In Thousands of New Taiwan Dollars, Renminbi and U.S. Dollars)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note A)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2015	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of June 30, 2015	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note B)	Carrying Amount as of June 30, 2015 (Note C)	Accumulated Repatriation of Investment Income as of June 30, 2015	Note
					Outflow	Inflow							
Far Eastern Industries (Shanghai) Ltd.	Manufacture and distribution of PET staple, PET filament, polyester top, PET performs, draw textured yarn, spinning yarn, knit fabrics, woven fabrics, knit garments and woven garments.	\$ 9,359,688	2	\$ 3,700,967	\$ -	\$ -	\$ 3,700,967	\$ 319,215	100.00	\$ 319,215	\$ 9,214,347	\$ 853,493	Notes D and E
Far Eastern Apparel (Suzhou) Ltd.	Manufacture and distribution of knit garments, woven garments, non-knit garments, and nonwoven garments and accessories.	1,018,283	2	1,010,901	-	-	1,010,901	17,467	100.00	17,467	1,328,884	233,172	Notes F and G
Far Eastern Industries (WuXi) Ltd.	Manufacture and distribution of combed cotton yarn, 60/40 poly/cotton blended yarn, 65/35 poly/cotton blended yarn, spun yarn, woven fabrics, grieve woven fabrics, print woven fabrics, piece dyed woven fabrics and bleached woven fabrics.	2,396,520	2	2,018,430	-	-	2,018,430	(20,263)	100.00	(20,263)	3,240,481	246,378	Notes H and I
Oriental Petrochemical (Shanghai) Corp.	Manufacture and distribution of PTA and its by-products.	7,475,556	2	2,976,148	-	-	2,976,148	(409,754)	61.35	(251,384)	4,561,321	1,064,005	Note J
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Manufacture and distribution of weaving, dyeing and finishing of novelty fabrics, high-value engineered textiles industrial woven fabrics and scraps.	1,838,057	2	1,342,854	-	-	1,342,854	65,232	100.00	65,232	2,297,293	92,719	Notes H and S
Far Eastern Industries (Suzhou) Ltd.	Manufacture and distribution of polyester chips, partially oriented yarn, fully oriented yarn, and polyester yarn.	1,962,975	2	1,765,319	-	-	1,765,319	(47,458)	100.00	(47,458)	378,766	-	Note K
Wuhan Far Eastern New Material Ltd.	Manufacture and distribution of PET chips, PET performs and garments and its by-products.	851,389	2	724,110	-	-	724,110	29,512	100.00	29,512	1,030,614	-	
Oriental Industries (Suzhou) Ltd.	Manufacture and distribution of Industrial fabrics and related products.	4,782,614	2	3,656,977	627,725	-	4,284,702	177,515	100.00	177,515	4,901,862	-	Note H
Far Eastern New Century (China) Investment Ltd.	Investment	2,342,818	2	2,089,425	-	-	2,089,425	5,986	100.00	5,986	2,237,713	-	
Sino Belgium Beer (Suzhou) Ltd.	Brewery	1,897,214	2	1,763,952	-	-	1,763,952	(77,110)	100.00	(77,110)	67,238	-	Note L
Martens Beers Trading (Shanghai) Ltd.	Brewery	359,904	2	200,473	-	-	200,473	(5,081)	100.00	(5,081)	2,807	-	Note L

(Continued)

Investee Company	Main Businesses and Products	Paid-in Capital	Method of Investment (Note A)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2015	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of June 30, 2015	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note B)	Carrying Amount as of June 30, 2015 (Note C)	Accumulated Repatriation of Investment Income as of June 30, 2015	Note
					Outflow	Inflow							
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	PA and its by-product production and sale	\$ 7,234,056	2	\$ 4,181,323	\$ -	\$ -	\$ 4,181,323	\$ 12,849	60.00	\$ 7,709	\$ 4,375,551	\$ -	
Far Eastern Industries (Yangzhou) Ltd.	PA and its by-product production	1,537,561	2	1,436,190	-	-	1,436,190	8,203	100.00	8,203	1,543,459	-	
Far Eastern Union Petrochemical (Yangzhou) Corporation	PA and its by-product production	4,062,190	2	1,962,908	-	-	1,962,908	(38,510)	50.00	(19,255)	1,910,892	-	
Shanghai Yuan Zi Information Co., Ltd.	Software development, equipment maintenance and consulting	63,264	3	-	-	-	-	1,866	100.00	1,866	66,246	-	
Shanghai Far Eastern Petrochemical Logistic Ltd.	Transportation	94,573	3	-	-	-	-	4,346	100.00	4,346	109,306	-	
An Ho Garment (Suzhou) Co., Ltd.	Garment production	4,978	3	-	-	-	-	(15,820)	100.00	(15,820)	33,394	-	
Yuan Ding Enterprise (Shanghai) Ltd.	Software development	527,615	3	-	-	-	-	(52,556)	100.00	(52,556)	527,615	-	
Tong Da Air Industry (Yangzhou) Co., Ltd.	Liquid oxygen, oxygen, nitrogen and hydrogen warehousing	2,048,112	2	1,020,489	-	-	1,020,489	(8,304)	50.00	(4,152)	1,020,522	-	
Yuan Ding Integrated Information Service (Shanghai) Inc.	Computer software and internet software design and development	401,451	2	240,330	-	-	240,330	(87,346)	100.00	(87,346)	(195,877)	-	Note M
Speedy (Shanghai) Digital Tech. Co., Ltd.	Intelligent control equipment and security monitoring products and services	32,549	2	24,220	-	-	24,220	2,227	100.00	2,227	46,087	-	Note N
Digital United Information Technologies (Shanghai) Co., Ltd.	Research and design of computer system	95,666	2	95,666	-	-	95,666	(5,051)	100.00	(5,051)	13,208	-	Note O
Far Eastern New Century Information Technology (Beijing) Limited	Electronic information providing services	160,472	2	123,440	-	-	123,440	(16,092)	79.04	(12,719)	163,507	-	Note P
Far Eastern Tech-Info Ltd. (Shanghai)	Computer software, data processing and provision of network information	185,160	2	200,626	-	-	200,626	(405)	100.00	(405)	156,212	-	Note R
New Diligence Corporation (Shanghai)	Consulting services, supporting services, and wholesale of machinery and equipment	-	1	34,779	-	-	34,779	-	-	-	-	-	Notes Q and R

(Continued)

Investee Company	Accumulated Outward Remittance for Investment in Mainland China as of June 30, 2015	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
Far Eastern New Century Corporation (Notes T and U)	\$19,134,418	\$24,104,641	\$ -

Notes: A. Investment type as follows:

1. The Group made the investment directly.
 2. The Group made the investment through a company registered in a third region. The companies registered in a third region are Far Eastern Polychem Industries Ltd., PET Far Eastern (Holding) Ltd., Far Eastern Apparel (Holding) Ltd., Oriental Textile (Holding) Ltd., FEDP (Holding) Ltd., Far Eastern Polytex (Holding) Ltd., Sino Belgium (Holding) Ltd., YDC (Virgin Islands) Ltd., DDIM (Virgin Islands) Ltd., Far Eastern Info Service (Holding) Ltd., Digital United (Cayman) Ltd. and Far Eastern New Diligent Company Ltd.
 3. Other.
- B. The share of profit or loss of the mainland china investees were recognized based on investees' unreviewed financial statements by its percentage ownership, except Oriental Industries (Suzhou) Ltd.
- C. The ending balance of investment recognized by parent company.
- D. As of June 30, 2015, the accumulated outflow of investment from Taiwan was NT\$3,700,967 thousand which NT\$3,134,807 thousand where from the Company and the other was from Yuan Ding Investment Co., Ltd.
- E. As of June 30, 2015, the remitted amount of profit of investment was the total cash dividend of Far Eastern Polychem Industries Ltd. received by FENC and Yuan Ding Investment Co., Ltd.
- F. As of June 30, 2015, the accumulated outflow of investment from Taiwan was NT\$1,010,901 thousand which NT\$509,725 thousand was remitted by FENC the other was by Yuan Ding Investment Co., Ltd.
- G. As of June 30, 2015, the profit of investment was cash dividend paid by Far Eastern Apparel (Suzhou) Ltd. remitted through an FENC subsidiaries, Far Eastern Polytex (Holding) Ltd. and Far Eastern Apparel (Holding) Ltd.
- H. As of June 30, 2015, the accumulated outflow of investment from Taiwan was remitted by Yuan Ding Investment Co., Ltd.
- I. As of June 30, 2015, the profit of investment was cash dividend paid by Far Eastern Industries (WuXi) Ltd. remitted through an FENC subsidiaries, Oriental Textile (Holding) Ltd.
- J. As of June 30, 2015, the profit of investment was cash dividend paid by Oriental Petrochemical (Shanghai) Corp. remitted through an FENC subsidiaries, PET Far Eastern (Holding) Ltd. and Far Eastern Polytex (Holding) Ltd.
- K. As of June 30, 2015, the accumulated outflow of investment from Taiwan was NT\$1,765,319 thousand which NT\$1,099,293 thousand was remitted by FENC, and the other was by subsidiaries, Yuan Ding Investment Co., Ltd. and Yuan Tong Investment Corporation.
- L. As of June 30, 2015, the accumulated outflow of investment from Taiwan was remitted by an FENC subsidiary, Yuan Tong Investment Corporation.
- M. As of June 30, 2015, the accumulated outflow of investment from Taiwan was remitted by an FENC subsidiary, YDT Technology International Co., Ltd. and FET Consulting Engineers Co., Ltd.
- N. As of June 30, 2015, the accumulated outflow of investment from Taiwan was remitted by an FENC subsidiary, YDT Technology International Co., Ltd.
- O. As of June 30, 2015, the accumulated outflow of investment from Taiwan was remitted by an FENC subsidiary, Far EasTone Telecommunications Co., Ltd.
- P. As of June 30, 2015, the accumulated outflow of investment from Taiwan was remitted by an FENC subsidiary, New Century InfoComm Tech Co., Ltd.
- Q. On June 27, 2012, New Diligence Corporation (Shanghai) remitted back to Taiwan US\$73 thousand, the investment registered with the Investment Commission of the MOEA, and wrote off this same amount.
- R. As of June 30, 2015, the accumulated outflow of investment from Taiwan was remitted by an FENC subsidiary, New Diligent Co., Ltd.
- S. As of June 30, 2015, the profit of investment was cash dividend paid by Far Eastern Dyeing & Finishing (Suzhou) Ltd. remitted through an FENC subsidiaries, Far Eastern Apparel (Holding) Ltd.
- T. Investment amounts authorized by Investment Commission, MOEA were included by US\$778,755 thousand and RMB6,695 thousand which was the original investment from Far Eastern Polytex (Holding) Ltd. and approved by Investment Commission under the Ministry of Economic Affairs.
- U. Based on MOEA Approval Letter No. 10320431180, there is no cap on the amount of the Company's investment.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

INVESTMENT IN MAINLAND CHINA - INVESTMENT TYPE
 FOR THE SIX MONTHS ENDED JUNE 30, 2015
 (In Thousands of U.S. Dollars)

Investee Company	Authorized by Investment Commission, MOEA					Investment Type			
	Investor Company	Date	MOEA Approval Letter No.	Through Investor Company in Third Area	Investment Amount (US\$)	Investor Company's Own Capital	Investor Company in Third Area Using Dividends Received from Investee (US\$)	Financed from Financial Institutions in Third Area (US\$)	Investor Company in Third Area Using Its Own Capital to Invest (US\$)
Far Eastern Industries (Shanghai) Ltd.	Far Eastern New Century Corporation	1996.07.09	No. 84015136	Far Eastern Polychem Industries Ltd.	\$ 6,000	\$ 6,000			
	Yuan Ding Investment Co., Ltd.			Far Eastern Polychem Industries Ltd.	24,000	24,000			
	Far Eastern New Century Corporation	2004.12.29	No. 093032400	Far Eastern Polychem Industries Ltd.	1,712		\$ 1,712		
	Far Eastern New Century Corporation	2004.12.30	No. 093032090	Far Eastern Polychem Industries Ltd.	1,540			\$ 1,540	
	Far Eastern New Century Corporation	2004.11.03	No. 093032240	Far Eastern Polychem Industries Ltd.	3,879		3,879		
	Yuan Ding Investment Co., Ltd.	2004.12.29	No. 093032402	Far Eastern Polychem Industries Ltd.	7,014		7,014		
	Yuan Ding Investment Co., Ltd.	2004.11.02	No. 093032239	Far Eastern Polychem Industries Ltd.	15,898		15,898		
	Yuan Ding Investment Co., Ltd.	2004.12.29	No. 093032089	Far Eastern Polychem Industries Ltd.	6,313			6,313	
	Far Eastern New Century Corporation	2006.11.01	No. 09500287850	Far Eastern Polychem Industries Ltd.	31,779	31,779			
	Far Eastern New Century Corporation	2008.06.27	No. 09700163440	Far Eastern Polychem Industries Ltd.	56,000	56,000			
	Far Eastern New Century Corporation	2008.04.18	No. 09700045490	Far Eastern Polychem Industries Ltd.	4,800	4,800			
					8,198 (Note E)				
		Far Eastern New Century Corporation	2010.04.19	No. 09900142680 (Note D)	Far Eastern Polychem Industries Ltd.	11,500	11,500		
Far Eastern Apparel (Suzhou) Ltd.	Yuan Ding Investment Co., Ltd.	1996.10.16	No. 85016219	Far Eastern Apparel (Holding) Ltd.	10,000	10,000			
	Yuan Ding Investment Co., Ltd.	2003.10.30	No. 092033299	Far Eastern Apparel (Holding) Ltd.	5,000	5,000			
	Far Eastern New Century Corporation	2006.05.23	No. 09500112650	Far Eastern Polytex (Holding) Ltd.	11,000	11,000			
	Far Eastern New Century Corporation	2008.03.31	No. 09700038490	Far Eastern Polytex (Holding) Ltd.	5,000	5,000			
Far Eastern Industries (WuXi) Ltd.	Yuan Ding Investment Co., Ltd.	2002.06.21	No. 091011903	Oriental Textile (Holding) Ltd.	19,960	19,960			
	Yuan Ding Investment Co., Ltd.	2005.11.03	No. 094024169	Oriental Textile (Holding) Ltd.	40,000	40,000			
Far Eastern Industries (Shanghai) Ltd.	Far Eastern New Century Corporation	2009.11.17	No. 09800408170 (Note B)	Far Eastern Polychem Industries Ltd.	1,228				\$ 1,228
	Yuan Ding Investment Co., Ltd.	2009.11.17	No. 09800408160 (Note C)	PET Far Eastern (Holding) Ltd.	6,592				6,592
	Far Eastern New Century Corporation	2008.06.27	No. 09700163430	PET Far Eastern (Holding) Ltd.	49,500	49,500			
	Far Eastern New Century Corporation	2008.04.18	No. 09700045500	Far Eastern Polychem Industries Ltd.	4,800	4,800			
				PET Far Eastern (Holding) Ltd.	2,936 (Note F)				
	Far Eastern New Century Corporation	2009.12.25	No. 09800456740	PET Far Eastern (Holding) Ltd.	41,171	41,171			
Far Eastern Dyeing & Finishing (Suzhou) Ltd.	Yuan Ding Investment Co., Ltd.	2003.10.31	No. 092033525	Far Eastern Apparel (Holding) Ltd.	20,000	20,000			
	Yuan Ding Investment Co., Ltd.	2008.10.13	No. 09700348610	Far Eastern Apparel (Holding) Ltd.	30,000	30,000			
Far Eastern Industries (Shanghai) Ltd.	Yuan Ding Investment Co., Ltd.	2002.11.26	No. 091035216	Far Eastern Polychem Industries Ltd.	9,352				9,352
	Far Eastern New Century Corporation	2004.10.11	No. 093025506	FEDP (Holding) Ltd.	1,569			1,569	
	Far Eastern New Century Corporation	2004.10.14	No. 093030298	Far Eastern Polychem Industries Ltd.	713				713
	Far Eastern New Century Corporation	2010.10.12	No. 09900403430 (Note H)	FEDP (Holding) Ltd.	5,288	5,288			
	Far Eastern New Century Corporation	2006.11.01	No. 09500287850	Far Eastern Polychem Industries Ltd.	4,524	4,524			
	Far Eastern New Century Corporation	2008.04.18	No. 09700045510	FEDP (Holding) Ltd.	4,800 754 (Note G)	4,800			

(Continued)

Investee Company	Authorized by Investment Commission, MOEA					Investment Type			
	Investor Company	Date	MOEA Approval Letter No.	Through Investor Company in Third Area	Investment Amount (US\$)	Investor Company's Own Capital	Investor Company in Third Area Using Dividends Received from Investee (US\$)	Financed from Financial Institutions in Third Area (US\$)	Investor Company in Third Area Using Its Own Capital to Invest (US\$)
Far Eastern Industries (Suzhou) Ltd.	Far Eastern New Century Corporation	2010.12.29	No. 09900470520 (Note I)	FEDP (Holding) Ltd.	\$ 18,224	\$ 18,224			
	Yuan Ding Investment Co., Ltd.	2005.08.01	No. 094015006	Oriental Textile (Holding) Ltd.	19,800	19,800			
	Yuan Ding Investment Co., Ltd.	2006.02.09	No. 094037416	Oriental Textile (Holding) Ltd.	30,200	30,200			
	Yuan Ding Investment Co., Ltd.	2007.10.02	No. 09600280400	Oriental Textile (Holding) Ltd.	23,000	23,000			
	Yuan Ding Investment Co., Ltd.	2008.09.01	No. 09700172130	Oriental Textile (Holding) Ltd.	32,500	32,500			
	Yuan Ding Investment Co., Ltd.	2013.04.29	No. 10200127470	Oriental Textile (Holding) Ltd.	8,000	8,000			
	Yuan Ding Investment Co., Ltd.	2014.09.11	No. 10300223190 (Note K)	Oriental Textile (Holding) Ltd.	43,000	43,000			
Wuhan Far Eastern New Material Ltd.	Far Eastern New Century Corporation	2006.05.19	No. 09500090070	Far Eastern Polytex (Holding) Ltd.	12,000	12,000			
	Far Eastern New Century Corporation	2009.06.29	No. 09800135640	Far Eastern Polytex (Holding) Ltd.	10,000	10,000			
	Far Eastern New Century Corporation	2010.12.21	No. 09900470530	Far Eastern Polytex (Holding) Ltd.	RMB 6,695				RMB 6,695
Far Eastern New Century (China) Investment Ltd. (Note A)	Far Eastern New Century Corporation	2006.08.01	No. 09500124430	Far Eastern Polytex (Holding) Ltd.	48,000	48,000			
Sino Belgium Beer (Suzhou) Ltd.	Yuan Tong Investment Co., Ltd.	2007.08.02	No. 09600248620	Sino Belgium (Holding) Ltd.	18,000	18,000			
	Yuan Tong Investment Co., Ltd.	2008.02.21	No. 09600451060	Sino Belgium (Holding) Ltd.	12,000	12,000			
	Yuan Tong Investment Co., Ltd.	2014.04.24	No. 10300091010 (Note L)	Sino Belgium (Holding) Ltd.	16,000	16,000			
	Yuan Tong Investment Co., Ltd.	2014.12.19	No. 10300249370 (Note O)	Sino Belgium (Holding) Ltd.	10,000	10,000			
Martens Beers Trading (Shanghai) Ltd.	Yuan Tong Investment Co., Ltd.	2008.12.10	No. 09700456110	Sino Belgium (Holding) Ltd.	3,800	3,800			
	Yuan Tong Investment Co., Ltd.	2010.07.29	No. 09900284200	Bockhold N.V	4,304				\$ 4,304
				Martens HK Ltd.					
				Sino Belgium (Holding) Ltd.					
	Yuan Tong Investment Co., Ltd.	2014.04.24	No. 10300091010 (Note L)	Sino Belgium (Holding) Ltd.	1,500	1,500			
	Yuan Tong Investment Co., Ltd.	2013.11.28	No. 10200451570 (Note N)	Sino Belgium (Holding) Ltd.	1,100	1,100			
	Yuan Tong Investment Co., Ltd.	2014.12.19	No. 10300249370 (Note O)	Sino Belgium (Holding) Ltd.	1,000	1,000			
Far Eastern Tech-Info Ltd. (Shanghai)	Far Eastone Telecommunications Co., Ltd.	2004.08.26	No. 093018811	Far Eastern Info Service (Holding) Limited	2,500	2,500			
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	Far Eastern New Century Corporation	2011.06.23	No. 10000021360 (Note J)	Far Eastern Polytex (Holding) Ltd.	166,000	166,000			
Far Eastern Industries (Yangzhou) Ltd.	Far Eastern New Century Corporation	2012.03.30	No. 10100043080	Far Eastern Polychem Industries Ltd.	49,000	49,000			
Far Eastern Union Petrochemical (Yangzhou) Corporation	Far Eastern New Century Corporation	2012.08.31	No. 10100115020 (Note M)	PET Far Eastern (Holding) Ltd.	100,000	100,000			
Yuan Ding Enterprise (Shanghai) Ltd.	Far Eastern New Century Corporation	2013.11.08	No. 10200399280	Far Eastern Polytex (Holding) Ltd.	1,000	1,000			
	Far Eastern New Century Corporation	2014.01.28	No. 10200399290 (Note R)	Far Eastern Polytex (Holding) Ltd.	82,340	82,340			
Tong Da Air Industry (Yangzhou) Co., Ltd.	Far Eastern New Century Corporation	2014.01.28	No. 10300203670 (Note Q)	PET Far Eastern (Holding) Ltd.	33,500	33,500			
Yuan Ding Integrated Information Service (Shanghai) Inc.	YDT Technology International Co., Ltd.	2011.10.19	No. 10000429550	YDC (Virgin Islands) Ltd.	110	110			
	FET Consulting Engineers Co., Ltd.	2011.11.03	No. 10000439470	DDIM (Virgin Islands) Ltd.	8,100	8,100			
Speedy (Shanghai) Digital Tech. Co., Ltd.	YDT Technology International Co., Ltd.	2004.02.11	No. 093003471	YDC (Virgin Islands) Ltd.	300	300			
		2005.02.05	No. 094003122	YDC (Virgin Islands) Ltd.	500	500			

(Continued)

Investee Company	Authorized by Investment Commission, MOEA					Investment Type			
	Investor Company	Date	MOEA Approval Letter No.	Through Investor Company in Third Area	Investment Amount (US\$)	Investor Company's Own Capital	Investor Company in Third Area Using Dividends Received from Investee (US\$)	Financed from Financial Institutions in Third Area (US\$)	Investor Company in Third Area Using Its Own Capital to Invest (US\$)
Far Eastern Tech-Info Ltd. (Shanghai)	Far EastTone Telecommunications Co., Ltd.	2004.08.26	No. 093018811	Far Eastern Info Service (Holding) Ltd.	\$ 2,500	\$ 2,500			
	New Diligent Co., Ltd.	2014.01.29	No. 10300022990	Far Eastern New Diligent Company Ltd.	3,500	3,500			
Digital United Information Technologies (Shanghai) Co., Ltd.	New Century InfoComm Tech Co., Ltd.	2002.10.07	No. 091041498	Digital United (Cayman) Ltd.	3,100				\$ 3,100
	New Century InfoComm Tech Co., Ltd.	2013.08.09	No. 10200302730	Digital United (Cayman) Ltd.	1,000	1,000			
New Diligence Corporation (Shanghai)	New Diligent Co., Ltd.	2007.08.08	No. 09600261870	New Diligent Co., Ltd. (Note P)	1,127	1,127			
	New Diligent Co., Ltd.	2012.11.19	No. 10100496420	Far Eastern New Diligent Company Ltd.	4,000	4,000			

- Notes: A. Far Eastern New Century (China) Investment Ltd. invested US\$30,000 thousand in Far Eastern Industries (Shanghai) Ltd. and US\$16,000 thousand in Oriental Petrochemical (Shanghai) Ltd.
- B. Document No. 092035971 has been canceled and replaced with document No. 09800408170.
- C. Document No. 092035970 has been canceled and replaced with document No. 09800408160.
- D. The approved amount of US\$12,000 thousand as stated in document No. 09800283970 dated September 18, 2009 had been changed to US\$11,500 thousand while awaiting the completion of the-review process on April 19, 2010.
- E. The shares offered for the privatization of FEPI had antidilutive effects; thus, FEPI's ownership of and amount invested in Far Eastern Industry (Shanghai) Ltd. increased.
- F. The shares offered for the privatization of FEPI had antidilutive effects; thus, FEPI's ownership of and amount invested in Oriental Petrochemical (Shanghai) Ltd. increased.
- G. The shares offered for the privatization of FEPI had antidilutive effects; thus, FEPI's ownership of and amount invested in Far Eastern Industries (Suzhou) Ltd. increased.
- H. Under the original investment scheme, the investment in Far Eastern Industry (Suzhou) Ltd. was made indirectly through Far Eastern Polytex (Holding) Ltd. and FEDP (Holding) Ltd. under the approval stated in Letter No. 09600059830 of the Ministry of Economic Affairs (MOEA). After a scheme modification, this investment was made indirectly only through FEDP (Holding) Ltd. under the MOEA's approval (Letter No. 09900403430).
- I. After obtaining MOEA approval (No. 09900470520), FENC received from FEDP (Holding) Ltd. the equity of Yuan Tong Investment Co., Ltd. amounting US\$18,224 thousand (MOEA approval No. 09600243260).
- J. After obtaining MOEA approval (No. 10000021360), FENC made its subsidiary, Far Eastern Polytex (Holding) Ltd., indirectly invest US\$166,000 thousand in Far Eastern Yihua Petrochemical (Yangzhou) Corporation. As of June 30, 2015, FENC paid US\$139,400 thousand in this indirect investment.
- K. After modifying MOEA approval from No. 10300140570 to No. 10300223190, FENC's subsidiary, Yuan Ding Investment Co., Ltd. amended to make its Oriental Textile (Holding) Ltd. indirectly invest US\$43,000 thousand or equivalent RMB in Far Eastern Industries (Suzhou) Ltd. As of June 30, 2015, Yuan Ding Investment Co., Ltd. remitted US\$124,000 thousand to this indirect investment.
- L. After modifying MOEA approval from No. 10000446910 to No. 10300091010, FENC made its subsidiary, Yuan Tong Investment Co., Ltd.. amended to make its Sino Belgium (Holding) Ltd. indirectly invest US\$17,500 thousand in Sino Belgium Beer (Suzhou) Ltd. and Martens Beers Trading (Shanghai) Ltd.
- M. After obtaining MOEA approval (No. 10100115020), FENC made its subsidiary, PET Far Eastern (Holding) Ltd., indirectly invest US\$100,000 thousand in Far Eastern Union Petrochemical (Yangzhou) Ltd. As of June 30, 2015, FENC remitted US\$66,000 thousand to this indirect investment.
- N. After obtaining MOEA approval (No. 10200451570), FENC's subsidiary, Yuan Tong Investment Co., Ltd. made its subsidiary, Sino Belgium (Holding) Ltd., indirectly invest US\$1,100 thousand in Martens Beers Trading (Shanghai) Ltd. As of June 30, 2015, Yuan Tong Investment Co., Ltd. remitted US\$1,065 thousand to this indirect investment.
- O. After obtaining MOEA approval (No. 10300249370), FENC's subsidiary Yuan Tong Investment Co., Ltd. made its subsidiary, Sino Belgium (Holding) Ltd. indirectly invest US\$11,000 thousand in Sino Belgium Beer (Suzhou) Ltd. and Martens Beers Trading (Shanghai) Ltd. As of June 30, 2015, FENC remitted US\$10,000 thousand to this indirect investment.
- P. On June 27, 2012, New Diligence Corporation (Shanghai) remitted back to Taiwan US\$73 thousand, the investment registered with the MOEA's Investment Commission, which then canceled this amount.
- Q. After modifying MOEA approval from No. 10200478110 to No. 10300203670, FENC amended its indirectly investment to US\$33,500 thousand and made its subsidiary, PET Far Eastern (Holding) Ltd. indirectly invest Tong Da Air Industry (Yangzhou) Co., Ltd.
- R. After obtaining MOEA approval (No. 10200399290), FENC made it subsidiary, Far Eastern Polytex (Holding) Ltd. and Far Eastern New Century (China) Investment Ltd., indirectly invest US\$82,340 thousand in Yuan Ding Enterprise (Shanghai) Ltd. As of June 30, 2015, FENC remitted US\$16,625 thousand as its indirect investment.

(Concluded)