

**Far Eastern New Century Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Three Months Ended March 31, 2016 and 2015 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 and its subsidiaries as of March 31, 2016 and 2015 and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months then ended. 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 the Statement of Auditing Standards No. 36, "Engagements to Review Financial Statements," of the Republic of China. A review consists principally of applying analytical procedures to financial data and 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 as of March 31, 2016 and 2015 of some immaterial subsidiaries, with combined total assets that were 60.31% (NT\$313,913,854 thousand) and 59.64% (NT\$304,238,363 thousand), respectively of the consolidated total assets and with combined total liabilities that were 38.99% (NT\$101,437,140 thousand) and 39.93% (NT\$96,349,939 thousand), respectively of the consolidated total liabilities, had not been reviewed. For the three months ended in 2016 and 2015, these subsidiaries' combined total net comprehensive (loss) income were 4,784.71% (NT\$(1,326,370) thousand) and 41.03% (NT\$2,193,239 thousand), respectively, of the consolidated net comprehensive income (loss). In addition, as stated in Note 16 to the consolidated financial statements, the financial statements supporting the Company's and subsidiaries' investments in certain equity-method investees, with carrying values of NT\$26,917,104 thousand and NT\$29,314,927 thousand, respectively, as of March 31, 2016 and 2015 had not been reviewed. The Company's equity of NT\$(990,049) thousand and of NT\$1,230,509 thousand in the comprehensive (loss) income of these investees were included in the consolidated net comprehensive incomes (loss) for the three months ended March 31, 2016 and 2015, respectively, and other relevant information as disclosed in Note 38 were also based on these subsidiaries and associates' unreviewed financial statements.

Based on our reviews, except for the effects of such adjustments, if any, as might have been determined to be necessary had the financial statements of the subsidiaries and other associates as 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 its subsidiaries referred to in the first paragraph for them to be in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards 34 “Interim Financial Reporting” endorsed by the Financial Supervisory Commission.

May 10, 2016

Notice to Readers

The accompanying consolidated financial statements are intended only to present the 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	March 31, 2016 (Reviewed)		December 31, 2015 (Audited)		March 31, 2015 (Reviewed)	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 41,623,746	8	\$ 40,878,814	8	\$ 36,595,762	7
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	2,660,225	-	3,997,895	1	301,868	-
Available-for-sale financial assets - current (Notes 4, 8 and 35)	641,586	-	727,557	-	876,100	-
Derivative financial assets for hedging - current (Notes 4 and 9)	34,976	-	6,015	-	5,625	-
Financial assets measured at cost - current (Notes 4 and 10)	-	-	-	-	1,184	-
Debt investments with no active market - current (Notes 4, 6 and 11)	2,832,772	1	3,350,990	1	3,842,017	1
Notes and accounts receivable, net (Notes 4, 12 and 34)	22,021,048	4	23,370,506	4	25,872,454	5
Amounts due from customers for construction contracts (Notes 4 and 13)	955,271	-	973,888	-	970,826	-
Other receivables (Note 34)	4,746,899	1	5,789,282	1	2,027,759	-
Current tax assets (Note 4)	59,286	-	23,615	-	78,557	-
Inventories (Notes 4, 14 and 35)	23,602,007	5	24,558,575	5	24,140,537	5
Prepayments	3,777,424	1	3,257,852	1	4,514,465	1
Other financial assets - current (Note 35)	4,060,736	1	4,573,109	1	3,742,857	1
Refundable deposits - current	42,410	-	50,742	-	35,767	-
Other current assets	2,032,594	-	2,094,404	-	2,343,729	1
Total current assets	<u>109,090,980</u>	<u>21</u>	<u>113,653,244</u>	<u>22</u>	<u>105,349,507</u>	<u>21</u>
NON-CURRENT ASSETS						
Available-for-sale financial assets - non-current (Notes 4, 8 and 35)	4,346,188	1	4,486,739	1	4,872,780	1
Financial assets measured at cost - non-current (Notes 4 and 10)	1,136,520	-	1,138,626	-	1,067,490	-
Debt investment with no active market - non-current (Notes 4 and 11)	-	-	-	-	245,498	-
Investments accounted for using the equity method (Notes 4, 16 and 35)	56,610,319	11	58,658,951	11	63,627,283	12
Property, plant and equipment (Notes 4, 17 and 36)	148,734,511	29	148,141,804	29	140,828,088	28
Investment properties, net (Notes 4, 18 and 36)	125,193,886	24	124,190,706	24	121,658,256	24
Concession (Notes 20 and 36)	43,668,048	8	35,151,640	7	36,909,967	7
Goodwill (Notes 4 and 19)	11,865,515	2	11,865,515	2	11,882,789	2
Other intangible assets (Notes 4 and 20)	3,423,375	1	3,465,545	1	3,643,248	1
Deferred tax assets (Note 4)	2,340,842	1	2,317,146	1	2,648,574	1
Prepayments for equipment (Note 17)	1,806,894	-	2,280,180	-	4,681,266	1
Refundable deposits	842,902	-	822,052	-	779,563	-
Long-term other receivables from related parties (Note 34)	1,620,000	-	1,620,000	-	1,620,000	-
Other financial assets - non-current (Note 35)	2,673,601	1	2,714,837	1	3,028,045	1
Long-term prepayments for lease	6,909,339	1	7,000,124	1	7,044,636	1
Other non-current assets	262,358	-	1,258,013	-	267,066	-
Total non-current assets	<u>411,434,298</u>	<u>79</u>	<u>405,111,878</u>	<u>78</u>	<u>404,804,549</u>	<u>79</u>
TOTAL	<u>\$ 520,525,278</u>	<u>100</u>	<u>\$ 518,765,122</u>	<u>100</u>	<u>\$ 510,154,056</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 21 and 34)	\$ 26,919,692	5	\$ 24,687,627	5	\$ 26,393,586	5
Short-term bills payable (Note 21)	7,463,973	2	6,597,763	1	6,506,779	1
Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	318,066	-	-	-	8,413	-
Derivative financial liabilities for hedging - current (Notes 4 and 9)	-	-	11,016	-	-	-
Notes and accounts payable (Note 4)	17,324,508	3	15,622,902	3	15,336,296	3
Notes and accounts payable to related parties (Note 34)	473,137	-	381,383	-	328,795	-
Amounts due to customers for construction contracts (Notes 4 and 13)	278,749	-	120,696	-	133,249	-
Payables to suppliers of machinery and equipment	2,109,164	-	2,986,273	1	3,262,960	1
Other payable	12,319,484	2	14,430,397	3	13,724,342	3
Current tax liabilities (Note 4)	2,439,143	1	1,830,859	-	2,881,915	1
Provisions - current (Notes 4 and 23)	262,883	-	258,638	-	257,140	-
Guarantee deposits received - current	361,763	-	287,280	-	363,817	-
Receipts in advance	1,058,137	-	1,047,226	-	1,308,950	-
Unearned revenue	2,549,126	1	2,581,177	1	2,666,320	1
Current portion of long-term liabilities (Notes 21 and 22)	24,546,735	5	22,012,363	4	17,447,836	3
Other current liabilities	2,103,244	-	1,992,912	-	1,883,188	-
Total current liabilities	<u>100,527,804</u>	<u>19</u>	<u>94,848,512</u>	<u>18</u>	<u>92,503,586</u>	<u>18</u>
NON-CURRENT LIABILITIES						
Derivative financial liabilities for hedging - non-current (Notes 4 and 9)	373,961	-	338,020	-	479,978	-
Bonds payable (Note 22)	57,373,613	11	63,363,036	12	60,265,948	12
Long-term borrowings (Note 21)	78,807,568	15	77,004,892	15	67,089,738	13
Provisions - non-current (Notes 4 and 23)	816,854	-	811,094	-	769,105	-
Deferred tax liabilities (Note 4)	17,176,164	4	16,822,397	4	16,450,076	3
Net defined benefit liabilities - non-current (Note 24)	3,926,029	1	3,941,868	1	2,560,591	1
Guarantee deposits received	614,399	-	695,895	-	643,238	-
Deferred credit-gains on related-party transactions (Note 34)	149,074	-	149,074	-	149,629	-
Other non-current liabilities	392,296	-	393,331	-	402,607	-
Total non-current liabilities	<u>159,629,958</u>	<u>31</u>	<u>163,519,607</u>	<u>32</u>	<u>148,810,910</u>	<u>29</u>
Total liabilities	<u>260,157,762</u>	<u>50</u>	<u>258,368,119</u>	<u>50</u>	<u>241,314,496</u>	<u>47</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 26)						
Capital stock						
Common stock	53,528,751	10	53,528,751	10	52,479,168	10
Capital surplus	2,807,683	1	2,807,683	1	3,666,948	1
Retained earnings						
Legal reserve	14,511,559	3	14,511,559	3	13,408,217	3
Special reserve	108,689,962	21	108,721,550	21	104,396,753	20
Unappropriated earnings	14,565,537	3	13,706,389	2	21,530,945	4
Total retained earnings	<u>137,767,058</u>	<u>27</u>	<u>136,939,498</u>	<u>26</u>	<u>139,335,915</u>	<u>27</u>
Other stockholders' equity	1,487,713	-	4,000,696	1	7,589,657	2
Treasury shares	(25,063)	-	(25,063)	-	(25,063)	-
Total equity attributable to owners of the Company	<u>195,566,142</u>	<u>38</u>	<u>197,251,565</u>	<u>38</u>	<u>203,046,625</u>	<u>40</u>
NON-CONTROLLING INTERESTS (Note 26)	<u>64,801,374</u>	<u>12</u>	<u>63,145,438</u>	<u>12</u>	<u>65,792,935</u>	<u>13</u>
Total equity	<u>260,367,516</u>	<u>50</u>	<u>260,397,003</u>	<u>50</u>	<u>268,839,560</u>	<u>53</u>
TOTAL	<u>\$ 520,525,278</u>	<u>100</u>	<u>\$ 518,765,122</u>	<u>100</u>	<u>\$ 510,154,056</u>	<u>100</u>

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

(With Deloitte & Touche review report dated May 10, 2016)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2016		2015	
	Amount	%	Amount	%
OPERATING REVENUES (Notes 4, 9 and 34)				
Net sales	\$ 31,606,070	61	\$ 33,263,906	62
Telecommunications service revenue	16,856,269	33	17,272,427	32
Gain on disposal of investments, net	14,799	-	2,608	-
Construction revenue	623,651	1	793,213	2
Other operating revenue	<u>2,495,117</u>	<u>5</u>	<u>2,197,398</u>	<u>4</u>
Total operating revenues	<u>51,595,906</u>	<u>100</u>	<u>53,529,552</u>	<u>100</u>
OPERATING COSTS (Notes 4, 14, 27 and 34)				
Cost of sales	30,775,027	60	32,775,918	61
Cost of telecommunications services	6,351,690	13	6,158,641	12
Construction cost	588,949	1	717,641	1
Other operating cost	<u>1,151,018</u>	<u>2</u>	<u>1,030,859</u>	<u>2</u>
Total operating costs	<u>38,866,684</u>	<u>76</u>	<u>40,683,059</u>	<u>76</u>
GROSS PROFIT	<u>12,729,222</u>	<u>24</u>	<u>12,846,493</u>	<u>24</u>
OPERATING EXPENSES (Notes 4, 27 and 34)				
Selling and marketing	5,906,640	12	5,801,357	11
General and administrative	2,790,204	5	2,984,464	6
Research and development	<u>209,146</u>	<u>-</u>	<u>188,554</u>	<u>-</u>
Total operating expenses	<u>8,905,990</u>	<u>17</u>	<u>8,974,375</u>	<u>17</u>
OPERATING INCOME	<u>3,823,232</u>	<u>7</u>	<u>3,872,118</u>	<u>7</u>
NONOPERATING INCOME AND EXPENSES				
Share of the profit or loss of associates (Note 16)	113,458	-	382,636	1
Interest income	89,942	-	153,014	-
Other income (Note 34)	214,244	1	178,804	-
Gain on financial assets (liabilities) at fair value through profit or loss, net (Note 7)	(355,263)	(1)	134,643	-
Interest expense (Notes 9 and 27)	(623,388)	(1)	(646,867)	(1)
Other expense (Note 34)	(117,464)	-	(160,793)	-
Loss on disposal of property, plant and equipment (Note 17)	(138,670)	-	(109,406)	-
Loss on disposal of intangible properties (Note 20)	-	-	(511)	-
Exchange loss, net (Note 4)	(440,028)	(1)	(168,501)	-

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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)

(Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2016		2015	
	Amount	%	Amount	%
(Loss) gain on disposal of investment properties (Note 34)	\$ (25,201)	-	\$ 983,629	2
Gain on change in fair value of investment properties (Note 18)	1,028,482	2	2,478,500	4
Impairment loss (Notes 17 and 19)	<u>(4,787)</u>	<u>-</u>	<u>(119,160)</u>	<u>-</u>
Total nonoperating incomes and expenses	<u>(258,675)</u>	<u>-</u>	<u>3,105,988</u>	<u>6</u>
INCOME BEFORE INCOME TAX	3,564,557	7	6,978,106	13
INCOME TAX EXPENSE (Notes 4 and 28)	<u>(997,695)</u>	<u>(2)</u>	<u>(2,351,602)</u>	<u>(4)</u>
NET INCOME	<u>2,566,862</u>	<u>5</u>	<u>4,626,504</u>	<u>9</u>
OTHER COMPREHENSIVE INCOME (LOSS), NET				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	793	-	-	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	(265,236)	(1)	(516,242)	(1)
Unrealized (loss) gain on available-for-sale financial assets	(188,801)	-	139,186	-
Cash flow hedges	(11,092)	-	43,753	-
Share of the other comprehensive (loss) income of associates	<u>(2,130,247)</u>	<u>(4)</u>	<u>1,052,229</u>	<u>2</u>
	<u>(2,595,376)</u>	<u>(5)</u>	<u>718,926</u>	<u>1</u>
Total other comprehensive income (loss), net	<u>(2,594,583)</u>	<u>(5)</u>	<u>718,926</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME (LOSS)	<u>\$ (27,721)</u>	<u>-</u>	<u>\$ 5,345,430</u>	<u>10</u>
NET INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 834,946	2	\$ 2,635,289	5
Non-controlling interests	<u>1,731,916</u>	<u>3</u>	<u>1,991,215</u>	<u>4</u>
	<u>\$ 2,566,862</u>	<u>5</u>	<u>\$ 4,626,504</u>	<u>9</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)

(Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2016		2015	
	Amount	%	Amount	%
TOTAL COMPREHENSIVE INCOME (LOSS)				
ATTRIBUTABLE TO:				
Owners of the Company	\$ (1,677,244)	(3)	\$ 3,378,591	6
Non-controlling interests	<u>1,649,523</u>	<u>3</u>	<u>1,966,839</u>	<u>4</u>
	<u>\$ (27,721)</u>	<u>-</u>	<u>\$ 5,345,430</u>	<u>10</u>
EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Note 29)				
Basic	<u>\$ 0.17</u>		<u>\$ 0.53</u>	
Diluted	<u>\$ 0.17</u>		<u>\$ 0.53</u>	

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

(With Deloitte & Touche review report dated May 10, 2016)

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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												Total Equity
	Common Stock (Note 26)	Capital Surplus (Notes 4 and 26)	Retained Earnings			Exchange Differences on Translating Foreign Operations (Notes 4 and 26)	Other Equity				Non-controlling Interests (Note 26)		
			Legal Reserve (Note 26)	Special Reserve (Note 26)	Unappropriated Earnings (Note 26)		Unrealized Gain (Loss) on Available- for-sale Financial Assets (Notes 4 and 26)	Cash Flow Hedge (Notes 4 and 26)	Unrealized Revaluation Increments (Notes 4 and 26)	Treasury Shares (Note 26)		Total	
BALANCE AT JANUARY 1, 2015	\$ 52,479,168	\$ 3,666,948	\$ 13,408,217	\$ 105,911,942	\$ 17,383,706	\$ 2,871,860	\$ 3,629,652	\$ (173,051)	\$ 512,607	\$ (25,063)	\$ 199,665,986	\$ 63,818,325	\$ 263,484,311
Net income for the three months ended March 31, 2015	-	-	-	-	2,635,289	-	-	-	-	-	2,635,289	1,991,215	4,626,504
Other comprehensive income (loss) for the three months ended March 31, 2015	-	-	-	-	(5,287)	(705,355)	1,434,031	19,913	-	-	743,302	(24,376)	718,926
Total comprehensive income (loss) for the three months ended March 31, 2015	-	-	-	-	2,630,002	(705,355)	1,434,031	19,913	-	-	3,378,591	1,966,839	5,345,430
Change in equity in associates	-	-	-	-	9,810	-	-	-	-	-	9,810	9	9,819
Partial acquisition of interests in subsidiaries	-	-	-	-	(7,762)	-	-	-	-	-	(7,762)	7,762	-
Reversal of special reserve	-	-	-	(1,515,189)	1,515,189	-	-	-	-	-	-	-	-
BALANCE, MARCH 31, 2015	<u>\$ 52,479,168</u>	<u>\$ 3,666,948</u>	<u>\$ 13,408,217</u>	<u>\$ 104,396,753</u>	<u>\$ 21,530,945</u>	<u>\$ 2,166,505</u>	<u>\$ 5,063,683</u>	<u>\$ (153,138)</u>	<u>\$ 512,607</u>	<u>\$ (25,063)</u>	<u>\$ 203,046,625</u>	<u>\$ 65,792,935</u>	<u>\$ 268,839,560</u>
BALANCE AT JANUARY 1, 2016	\$ 53,528,751	\$ 2,807,683	\$ 14,511,559	\$ 108,721,550	\$ 13,706,389	\$ 2,274,683	\$ 1,119,927	\$ (95,944)	\$ 702,030	\$ (25,063)	\$ 197,251,565	\$ 63,145,438	\$ 260,397,003
Net income for the three months ended March 31, 2016	-	-	-	-	834,946	-	-	-	-	-	834,946	1,731,916	2,566,862
Other comprehensive income (loss) for the three months ended March 31, 2016	-	-	-	-	793	(504,091)	(2,005,977)	(2,915)	-	-	(2,512,190)	(82,393)	(2,594,583)
Total comprehensive income (loss) for the three months ended March 31, 2016	-	-	-	-	835,739	(504,091)	(2,005,977)	(2,915)	-	-	(1,677,244)	1,649,523	(27,721)
Disposal of investment in associates	-	-	-	(2,291)	528	-	-	-	-	-	(1,763)	(3)	(1,766)
Effect on changes in percentage of ownership in subsidiaries	-	-	-	-	(6,416)	-	-	-	-	-	(6,416)	6,416	-
Reversal of special reserve	-	-	-	(29,297)	29,297	-	-	-	-	-	-	-	-
BALANCE, MARCH 31, 2016	<u>\$ 53,528,751</u>	<u>\$ 2,807,683</u>	<u>\$ 14,511,559</u>	<u>\$ 108,689,962</u>	<u>\$ 14,565,537</u>	<u>\$ 1,770,592</u>	<u>\$ (886,050)</u>	<u>\$ (98,859)</u>	<u>\$ 702,030</u>	<u>\$ (25,063)</u>	<u>\$ 195,566,142</u>	<u>\$ 64,801,374</u>	<u>\$ 260,367,516</u>

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

(With Deloitte & Touche review report dated May 10, 2016)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 3,564,557	\$ 6,978,106
Adjustments for:		
Depreciation	3,718,976	3,343,717
Amortization	978,011	868,222
Allowance for doubtful accounts	106,455	79,104
Interest expenses	623,388	646,867
Interest income	(89,942)	(153,014)
Dividend income	(2,792)	-
Loss on disposal of property, plant and equipment	138,670	109,406
Loss (gain) on disposal of investment properties	25,201	(983,629)
Loss on disposal of intangible assets	-	511
Share of the profit of associates	(113,458)	(382,636)
Gain on disposal of investments	(16,425)	(6,700)
Impairment loss	4,787	119,160
Reversal of allowance for inventory valuation and obsolescence loss	(149,347)	(378,698)
Gain on change in fair value of investment properties	(1,028,482)	(2,478,500)
Deferred gain on derivative assets for hedging	(15,128)	(32,681)
Net changes in operating assets and liabilities		
Financial assets at fair value through profit or loss	1,337,670	822,248
Notes and accounts receivable	1,243,580	1,769,072
Amounts due from customers for construction contracts	18,617	1,316,085
Other receivables	680,049	1,645,328
Inventories	1,123,641	(1,313,006)
Prepayments	(510,756)	(99,013)
Other current assets	61,810	(116,657)
Financial liabilities at fair value through profit or loss	318,066	7,606
Notes and accounts payable	1,701,606	1,833,928
Notes and accounts payable to related parties	91,754	(184,830)
Amounts due to customers for construction contracts	158,053	22,655
Other payables	(2,189,249)	(644,894)
Provisions	10,005	22,825
Receipts in advance	10,911	94,311
Other current liabilities	110,332	(410,101)
Net defined benefit liabilities - non-current	(15,839)	(88,291)
Unearned revenue	(32,051)	48,420
Cash generated from operations	11,862,670	12,454,921
Interest received	87,886	163,357
Dividend received	2,792	-
Interest paid	(531,015)	(525,127)
Income tax paid	(95,011)	(1,419,425)
Net cash generated from operating activities	11,327,322	10,673,726

(Continued)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2016	2015
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of available-for-sale financial assets	\$ (3,739)	\$ (4,228)
Proceeds of the disposal of available-for-sale financial assets	202,059	56,700
Decrease in debt investments with no active market	518,218	187,804
Acquisition of investments accounted for using the equity-method	(58,390)	(342,738)
Proceeds of on sale of investments accounted for using the equity-method	112,096	-
Payments for property, plant, equipment and prepayments for equipment	(4,963,345)	(6,040,926)
Proceeds from disposal of property, plant and equipment	31,676	15,201
Increase in refundable deposits	(12,518)	(72,402)
Decrease in other receivables	364,390	-
Payments for intangible assets	(222,699)	(227,059)
Payments for investment properties	(5,147)	(239,938)
Proceeds from disposal of investment properties	-	66,347
Increase in long-term prepayments for lease	(186)	(176)
Increase in concession	(8,180,054)	(60,528)
Decrease (increase) in other financial assets	553,609	(65,396)
(Increase) decrease in other non-current assets	(8,618)	138,304
Net cash used in investing activities	(11,672,648)	(6,589,035)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term borrowings	2,232,065	(1,245,074)
Increase in short-term bills payables	864,000	1,844,000
Proceeds from issue of bonds	-	2,600,000
Repayments of bond payables	(3,000,000)	-
Proceeds from long-term borrowings	34,451,834	64,518,769
Repayment of long-term borrowings	(33,204,623)	(61,100,051)
Decrease in guarantee deposits received	(7,013)	(22,806)
Decrease in other non-current liabilities	(1,035)	(5,713)
Dividends paid	(73)	-
Net cash generated from financing activities	1,335,155	6,589,125
EFFECTS OF EXCHANGE RATE CHANGES	(244,897)	(63,473)
NET INCREASE IN CASH AND CASH EQUIVALENTS	744,932	10,610,343
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	40,878,814	25,985,419
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 41,623,746	\$ 36,595,762

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

(With Deloitte & Touche review report dated May 10, 2016)

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2016 AND 2015 (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.

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

The consolidated financial statements are presented in the Company’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were reported to the board of directors on May 10, 2016.

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

- The International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) in issue but not yet endorsed by the FSC

The Group have not applied the following IFRS, IAS, IFRIC and SIC (collectively, the “IFRSs”) issued by the International Accounting Standards Board (IASB) but not yet endorsed by the FSC.

On March 10, 2016, the FSC announced the scope of IFRSs to be endorsed and will take effect from January 1, 2017. The scope includes all IFRSs that were issued by the IASB before January 1, 2016 and have effective dates on or before January 1, 2017, which means the scope excludes those that are not yet effective as of January 1, 2017 such as IFRS 9 “Financial Instruments” and IFRS 15 “Revenue from Contracts with Customers” and those with undetermined effective date. In addition, the FSC announced that the Group should apply IFRS 15 starting January 1, 2018. As of the date the consolidated financial statements were authorized for issue, the FSC has not announced the effective dates of other new, amended and revised standards and interpretations.

<u>New, Amended or Revised Standards and Interpretations</u>	<u>Effective Date Announced by IASB (Note 1)</u>
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 3)
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”	To be determined by IASB
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, 2018
Amendment to IFRS 15 “Clarifications to IFRS 15”	January 1, 2018
IFRS 16 “Leases”	January 1, 2019
Amendment to IAS 1 “Disclosure Initiative”	January 1, 2016
Amendment to IAS 7 “Disclosure Initiative”	January 1, 2017
Amendments to IAS 12 “Recognition of Deferred Tax Assets for Unrealized Losses”	January 1, 2017
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 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: 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.

The initial application of the above New IFRSs, whenever applied, would not have any material impact on the Group's accounting policies, except for the following:

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 and is not low. 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 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.

3) 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.

4) Annual Improvements to IFRSs: 2010-2012 Cycle

Several standards including, IFRS 3 “Business Combinations”, IFRS 8 “Operating Segments” and IAS 24 “Related Party Disclosures” were amended in this annual improvement.

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.

5) 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.

6) IFRS 15 “Revenue from Contracts with Customers” and related amendment

IFRS 15 establishes principles for recognizing revenue that apply to all contracts with customers, and will supersede IAS 18 “Revenue”, IAS 11 “Construction Contracts” and a number of revenue-related interpretations from January 1, 2017.

When applying IFRS 15, an entity shall recognize revenue by applying the following steps:

- Identify the contract with the customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenue when the entity satisfies a performance obligation.

If the customer has retained a portion of payment to the Group in accordance with the term of the contract in order to protect the customer from the contractor’s possible failure to adequately complete its obligations under the contract, such payment arrangement does not include a significant financing component under IFRS 15. Under current standard, retention receivables under construction contract should be discounted to reflect time value of money.

Under IFRS 15, the Group will allocate the transaction price to each performance obligation identified in bundle sale contract on a relative stand-alone selling price basis. Under the former standard, the Group enters into transactions that involve the bundling of the service of air time with goods such as data card and handset, resulting in the recognition of the revenue for service and goods based on the allocation of the total consideration received from customers using the relative fair values, and the sales of goods are limited to the amount that customers pay for.

Incremental costs of obtaining a contract will be recognized as an asset to the extent the Group expects to recover those costs. Such asset will be amortized on a basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. This will lead to the later recognition of charges for certain customer-obtaining costs.

The Group provides service-type warranty in addition to the assurance that the product complies with agreed-upon specifications. IFRS 15 requires such service to be considered as a performance obligation. Transaction price allocated to service-type warranty will be recognized as revenue and related costs will be recognized when warranty service is performed. Under current standard, transaction price of the aforementioned transaction is fully recognized as revenue when products are sold, and a corresponding provision is recognized for the expected warranty cost.

IFRS 15 and related amendment require that when another party is involved in providing goods or services to a customer, the Group is a principal if it controls the specified good or service before that good or service is transferred to a customer. Since a specified good or service is a distinct good or service, the Group determines whether it is a principal or an agent for each specified good or service.

The Group is a principal if it obtains control of any one of the following:

- a) The good or another asset that it then transfers to the customer.
- b) The right to a service to be performed by other party, which gives the Group the ability to direct that party to provide the service to the customer on its behalf.
- c) The good or service from the other party that it then combines with the other goods or services in providing the specified good or service to the customer.

Indicators to support the Group's assessment of whether it controls a specified good or service include, but are not limited to, the following:

- a) The Group is primarily responsible for fulfilling the promise to provide the specified good or service.
- b) The Group has inventory risk before or after the specified good or service is transferred to the customer.
- c) The Group has discretion in establishing the price of the specified good or service.

Under current standard, the Group determines whether it is a principal or an agent based on its exposure to the significant risks and rewards of the transaction.

When IFRS 15 and related amendment are effective, an entity may elect to apply this Standard either retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initially applying this Standard recognized at the date of initial application.

7) Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"

The amendments stipulated that, when an entity sells or contributes assets that constitute a business (as defined in IFRS 3) to an associate or joint venture, the gain or loss resulting from the transaction is recognized in full. Also, when an entity loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

Conversely, when an entity sells or contributes assets that do not constitute a business to an associate or joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the unrelated investors' interest in the associate or joint venture, i.e. the entity's share of the gain or loss is eliminated. Also, when an entity loses control of a subsidiary that does not contain a business but retains significant influence or joint control in an associate or a joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the unrelated investors' interest in the associate or joint venture, i.e. the entity's share of the gain or loss is eliminated.

8) Annual Improvements to IFRSs: 2012-2014 Cycle

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

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).

9) Amendments to IFRS 10, IFRS 12 and IAS 28 “Investment Entities: Applying the Consolidation Exception”

The amendments clarified that when the Group (non-investment entity) applies the equity method to an associate or a joint venture that is an investment entity, the Group may retain the fair value measurements that the associate or joint venture used for its subsidiaries.

10) IFRS 16 “Leases”

IFRS 16 sets out the accounting standards for leases that will supersede IAS 17 and a number of related interpretations.

Under IFRS 16, if the Group is a lessee, it shall recognize right-of-use assets and lease liabilities for all leases on the consolidated balance sheets except for low-value and short-term leases. The Group may elect to apply the accounting method similar to the accounting for operating lease under IAS 17 to the low-value and short-term leases. On the consolidated statements of comprehensive income, the Group should present the depreciation expense charged on the right-of-use asset separately from interest expense accrued on the lease liability; interest is computed by using effective interest method. On the consolidated statements of cash flows, cash payments for the principal portion of the lease liability are classified within financing activities; cash payments for interest portion are classified within operating activities.

The application of IFRS 16 is not expected to have a material impact on the accounting of the Group as lessor.

When IFRS 16 becomes effective, the Group may elect to apply this Standard either retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of the initial application of this Standard recognized at the date of initial application.

11) Amendments to IAS 12 “Recognition of Deferred Tax Assets for Unrealized Losses”

The amendment clarifies that the difference between the carrying amount of the debt instrument measured at fair value and its tax base gives rise to a temporary difference, even though there are unrealized losses on that asset, irrespective of whether the Group expects to recover the carrying amount of the debt instrument by sale or by holding it and collecting contractual cash flows.

In addition, in determining whether to recognize a deferred tax asset, the Group should assess a deductible temporary difference in combination with all of its other deductible temporary differences, unless the tax law restricts the utilization of losses to deduction against income of a specific type, in which case, a deductible temporary difference is assessed in combination only with other deductible temporary differences of the appropriate type. The amendment also stipulates that, when determining whether to recognize a deferred tax asset, the estimate of probable future taxable profit may include some of the Group’s assets for more than their carrying amount if there is sufficient evidence that it is probable that the Group will achieve this, and that the estimate for future taxable profit should exclude tax deductions resulting from the reversal of deductible temporary differences.

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

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual financial statements.

b. Basis of consolidation

See 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 accounting policies applied in these consolidated financial statements are consistent with those applied in the consolidated financial statements for the year ended December 31, 2015. For the summary of other significant accounting policies, please refer to the consolidated financial statements for the year ended December 31, 2015.

1) Retirement benefits

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 and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

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, 2015.

6. CASH AND CASH EQUIVALENTS

	March 31, 2016	December 31, 2015	March 31, 2015
Cash			
Cash on hand and petty cash	\$ 35,273	\$ 41,248	\$ 35,762
Demand and checking accounts	<u>21,798,544</u>	<u>19,736,587</u>	<u>24,664,143</u>
	<u>21,833,817</u>	<u>19,777,835</u>	<u>24,699,905</u>
Cash equivalents (investments with original maturities less than three months)			
Time deposits	6,864,466	8,708,385	4,780,546
Commercial paper and corporate bonds purchased under resell agreements	<u>12,775,970</u>	<u>12,332,654</u>	<u>6,823,177</u>
	<u>19,640,436</u>	<u>21,041,039</u>	<u>11,603,723</u>
Management discretionary accounts			
Demand accounts	<u>149,493</u>	<u>59,940</u>	<u>292,134</u>
	<u>\$ 41,623,746</u>	<u>\$ 40,878,814</u>	<u>\$ 36,595,762</u>

The Group's members individually contracted and fully authorized Oriental Securities Investment Advisory Corporation (OSIAC, trustee) to manage discretionary funds. Deposits that were entrusted to OSIAC's full management amounted to NT\$149,493 thousand, NT\$59,940 thousand and NT\$292,134 thousand as of March 31, 2016, December 31, 2015 and March 31, 2015, respectively.

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

	March 31, 2016	December 31, 2015	March 31, 2015
Time deposits	0.001%-3.30%	0.04%-4.45%	0.01%-4.20%
Commercial paper and corporate bonds purchased under resell agreements	0.27%-0.42%	0.37%-0.54%	0.05%-12.50%

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Financial assets held for trading</u>			
Beneficial certificates	\$ 2,302,550	\$ 3,333,494	\$ 70,840
Marketable equity securities	302,194	543,829	134,754
Guarantee deposits - cotton futures contracts	42,139	43,073	40,980
Guarantee deposits - PTA futures contracts	13,342	6,012	16,371
Cross-currency swap contracts	-	2,195	-
Combined foreign exchange options	-	1,009	38,623
Forward exchange contracts	<u>-</u>	<u>68,283</u>	<u>300</u>
	<u>\$ 2,660,225</u>	<u>\$ 3,997,895</u>	<u>\$ 301,868</u>
Current	<u>\$ 2,660,225</u>	<u>\$ 3,997,895</u>	<u>\$ 301,868</u>

(Continued)

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Financial liabilities held for trading</u>			
Forward exchange contracts	\$ 183,329	\$ -	\$ 8,413
Cross-currency swap contracts	89,039	-	-
Option contracts	966	-	-
Combined foreign exchange options	<u>44,732</u>	<u>-</u>	<u>-</u>
	<u>\$ 318,066</u>	<u>\$ -</u>	<u>\$ 8,413</u>
Current	<u>\$ 318,066</u>	<u>\$ -</u>	<u>\$ 8,413</u> (Concluded)

a. Cotton futures contracts

The Group entered into cotton futures contracts mainly to hedge against the adverse fluctuation of cotton prices for the three months ended March 31, 2016 and 2015. 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 March 31, 2016, December 31, 2015 and March 31, 2015.

b. PTA futures contracts

The Group entered into PTA futures contracts mainly to hedge against the adverse fluctuation to PTA prices for the three months ended March 31, 2016 and 2015. Since these transactions did not meet the criteria for hedge accounting, they were classified as held for trading.

The Group had no outstanding PTA futures contracts as of March 31, 2016 and December 31, 2015.

The outstanding PTA futures contracts as of March 31, 2015 were as follows:

Currency	Maturity Date	Units	Contract Amount (Thousands)
<u>March 31, 2015</u>			
PTA futures contracts	April 2015	396	RMB9,509/NTD48,069

c. Forward exchange contracts

The Group entered into forward exchange contracts for the three months ended March 31, 2016 and 2015 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 March 31, 2016, December 31, 2015 and March 31, 2015, the Group had outstanding forward exchange contracts, as follows:

	Currency	Maturity	Contract Amount (Thousands)
<u>March 31, 2016</u>			
Buy	USD/NTD	2016.4.7-2016.7.5	USD299,580/NTD9,823,129
Buy	USD/RMB	2016.4.25	USD1,000/RMB6,887
Buy	USD/JPY	2016.5.31	USD1,000/JPY120,920
Sell	EUR/USD	2016.5.31	EUR1,000/USD1,105
<u>December 31, 2015</u>			
Buy	USD/NTD	2016.1.4-2016.7.5	USD300,435/NTD9,849,453
Sell	EUR/USD	2016.2.25	EUR8,000/USD8,535
Buy	USD/JPY	2016.2.25	USD1,000/JPY122,970
Buy	USD/RMB	2016.2.25	USD6,000/RMB39,765
<u>March 31, 2015</u>			
Buy	EUR/USD	2015.7.14-2015.8.14	EUR4,000/USD4,390
Sell	EUR/USD	2015.5.28-2015.7.29	EUR4,000/USD4,245
Buy	USD/MYR	2015.4.10-2015.4.13	USD1,500/MYR5,518
Buy	USD/JPY	2015.7.29	USD3,000/JPY361,579
Buy	USD/NTD	2015.4.1-2015.7.8	USD28,300/NTD890,334

d. Option contracts

The Group sold option contracts to profit on royalties and the difference between exchange rate fluctuations for the three months ended March 31, 2016 and 2015.

The Group had no outstanding option contracts as of December 31, 2015 and March 31, 2015.

The outstanding option contracts as of March 31, 2016 were as follows:

	Currency	Maturity	Contract Amount (Thousands)
<u>March 31, 2016</u>			
Sell USD call options	USD/NTD	2016.4.7-2016.4.27	USD75,000/NTD2,489,266

e. Combined foreign exchange options

The Group entered into combined foreign exchange options for the three months ended March 31, 2016 and 2015 to hedge against the exchange risks on foreign currency assets and liabilities.

As of March 31, 2016, December 31, 2015 and March 31, 2015, the Group had outstanding combined foreign exchange options, as follows:

	Currency	Maturity	Contract Amount (Thousands)
<u>March 31, 2016</u>			
Buy USD put options	USD/NTD	2016.4.27-2016.5.27	USD134,100/NTD4,492,648
Sell USD call options	USD/NTD	2016.4.27-2016.5.27	USD402,300/NTD13,477,944
Buy USD call options	USD/JPY	2016.4.14-2016.6.2	USD9,800/JPY1,154,202
Sell USD put options	USD/JPY	2016.4.14-2016.6.2	USD29,400/JPY 3,462,606
Buy EUR put options	EUR/USD	2016.4.14-2016.5.30	EUR12,000/USD13,498
Sell EUR call options	EUR/USD	2016.4.14-2016.5.30	EUR36,000/USD40,493
<u>December 31, 2015</u>			
Sell EUR call options	EUR/USD	2016.1.5-2016.4.21	EUR83,400/USD92,995
Buy EUR put options	EUR/USD	2016.1.5-2016.4.21	EUR27,800/USD30,998
Sell USD put options	USD/JPY	2016.1.27-2016.4.28	USD104,100/JPY12,406,731
Buy USD call options	USD/JPY	2016.1.27-2016.4.28	USD34,700/JPY4,135,577
<u>March 31, 2015</u>			
Sell EUR call options	EUR/USD	2015.4.24-2015.8.12	EUR110,130/USD126,468
Buy EUR put options	EUR/USD	2015.4.24-2015.8.12	EUR36,710/USD42,156
Sell USD put options	USD/JPY	2015.4.1-2015.8.6	USD62,550/JPY7,280,042
Buy USD call options	USD/JPY	2015.4.1-2015.8.6	USD20,850/JPY2,426,681

f. Cross-currency swap contracts

The Group entered into cross-currency swap contracts for the three months ended March 31, 2016 to hedge against the exchange risks on foreign currency assets or liabilities.

The Group had no outstanding cross-currency swap contracts as of March 31, 2015.

As of March 31, 2016 and December 31, 2015, the Group had outstanding cross-currency swap contracts, as follows:

Currency	Range of Interest Rates	Maturity Date	Contract Amount (Thousands)
<u>March 31, 2016</u>			
USD/RMB	3.48%-4.00%	2016.11.24-2016.12.30	USD75,843/RMB500,000
<u>December 31, 2015</u>			
USD/RMB	3.55%-3.70%	2016.11.24-2016.11.29	USD26,004/RMB170,000

8. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Equity investments</u>			
Marketable equity securities	\$ 4,304,439	\$ 4,433,684	\$ 4,754,034
Open-end mutual funds - beneficial certificates	-	-	59,750
Oversea mutual funds - beneficial certificates	582,010	665,295	708,180
Oversea securities	<u>101,325</u>	<u>115,317</u>	<u>226,916</u>
Available-for-sale financial assets	<u>\$ 4,987,774</u>	<u>\$ 5,214,296</u>	<u>\$ 5,748,880</u>
Current	\$ 641,586	\$ 727,557	\$ 876,100
Noncurrent	<u>4,346,188</u>	<u>4,486,739</u>	<u>4,872,780</u>
	<u>\$ 4,987,774</u>	<u>\$ 5,214,296</u>	<u>\$ 5,748,880</u>

9. DERIVATIVE FINANCIAL INSTRUMENTS FOR HEDGING

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Derivative financial assets under hedge accounting</u>			
Cash flow hedges - forward exchange contracts	\$ 11,286	\$ 3,790	\$ -
Cash flow hedges - foreign exchange swap contracts	23,690	2,225	5,100
Cash flow hedges - cross-currency interest rate swaps	<u>-</u>	<u>-</u>	<u>525</u>
	<u>\$ 34,976</u>	<u>\$ 6,015</u>	<u>\$ 5,625</u>
Current	<u>\$ 34,976</u>	<u>\$ 6,015</u>	<u>\$ 5,625</u>
<u>Derivative financial liabilities under hedge accounting</u>			
Cash flow hedges - forward exchange contracts	\$ -	\$ 3,916	\$ -
Cash flow hedges - cross-currency interest rate swaps	-	1,775	-
Cash flow hedges - foreign exchange swap contracts	-	5,325	-
Cash flow hedges - interest rate swaps	<u>373,961</u>	<u>338,020</u>	<u>479,978</u>
	<u>\$ 373,961</u>	<u>\$ 349,036</u>	<u>\$ 479,978</u>
Current	\$ -	\$ 11,016	\$ -
Noncurrent	<u>373,961</u>	<u>338,020</u>	<u>479,978</u>
	<u>\$ 373,961</u>	<u>\$ 349,036</u>	<u>\$ 479,978</u>

Cash Flow Hedges

The Group used cross-currency swap contracts, foreign exchange swap contracts and forward exchange contracts to hedge against adverse cash flow fluctuations on its foreign currency-denominated assets and expected future transactions.

The contracts on cross-currency swap, foreign exchange swap and forward exchange contracts were in accordance with the contracts on the hedged items. The outstanding cross-currency swap, forward exchange swap contracts and forward exchange contracts of the Group at the end of the reporting period were as follows:

March 31, 2016

	Currency	Maturity Date	Contract Amount (Thousands)
Forward exchange contracts	NTD/EUR	2016.4.25-2016.9.26	EUR19,000
Foreign exchange swap contracts	USD/NTD	2016.4.15-2016.5.31	USD20,000

December 31, 2015

	Currency	Maturity Date	Contract Amount (Thousands)
Forward exchange contracts	NTD/EUR	2016.1.25-2016.6.27	EUR18,500
Cross-currency swap contracts	USD/NTD	2016.1.15	USD5,000
Foreign exchange swap contracts	USD/NTD	2016.1.15-2016.2.26	USD20,000

March 31, 2015

	Currency	Maturity Date	Contract Amount (Thousands)
Cross-currency swap contracts	USD/NTD	2015.5.29	USD5,000
Forward exchange contracts	USD/NTD	2015.4.17-2015.5.12	USD15,000

The Group invested in overseas mutual funds and used cross-currency swap contracts and foreign exchange swap contracts to hedge against adverse cash flow fluctuations, and the foreign exchange agreements were designated as cash flow hedge. Far EasTone also used forward exchange contracts to hedge against fluctuations of exchange rates for expected future purchases, and the forward exchange contracts were designated as cash flow hedge. The expected cash flows will occur when the hedge target is sold or expected future purchase transactions take place, and will be reclassified from equity to profit or loss.

The gain (loss) on the hedged items that was reclassified from equity to profit in the consolidated comprehensive statements of income for the three months ended March 31, 2016 and 2015 were as follows:

	For the Three Months Ended March 31	
	2016	2015
Net gain (loss) on sales of securities	<u>\$ (10,018)</u>	<u>\$ -</u>

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
NTD1,897,970	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 March 31	
	2016	2015
Interest expense debits	<u>\$ 9,425</u>	<u>\$ 46,753</u>

10. FINANCIAL ASSETS MEASURED AT COST

	March 31, 2016	December 31, 2015	March 31, 2015
Domestic unlisted common shares	\$ 883,965	\$ 884,478	\$ 886,020
Overseas unlisted common shares	252,555	254,148	176,890
Convertible bonds-conversion rights (Note 12)	<u>-</u>	<u>-</u>	<u>5,764</u>
	<u>\$ 1,136,520</u>	<u>\$ 1,138,626</u>	<u>\$ 1,068,674</u>
Current	\$ -	\$ -	\$ 1,184
Noncurrent	<u>1,136,520</u>	<u>1,138,626</u>	<u>1,067,490</u>
	<u>\$ 1,136,520</u>	<u>\$ 1,138,626</u>	<u>\$ 1,068,674</u>

The Group's management believed that the above unlisted common shares 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.

11. DEBT INVESTMENTS WITH NO ACTIVE MARKET

	March 31, 2016	December 31, 2015	March 31, 2015
Bond investments - Bockhold N.V.	\$ -	\$ -	\$ 160,668
Time deposits with original maturities of more than 3 months	<u>2,832,772</u>	<u>3,350,990</u>	<u>3,926,847</u>
	<u>\$ 2,832,772</u>	<u>\$ 3,350,990</u>	<u>\$ 4,087,515</u>
Current	\$ 2,832,772	\$ 3,350,990	\$ 3,842,017
Noncurrent	<u>-</u>	<u>-</u>	<u>245,498</u>
	<u>\$ 2,832,772</u>	<u>\$ 3,350,990</u>	<u>\$ 4,087,515</u>

On February 26, 2009, an FENC subsidiary, Yuan Tong Investment Corporation, bought convertible bonds amounting to EUR6,670 thousand issued by Bockhold N.V., with maturity on February 26, 2014. These three-year convertible bonds are 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 the conversion rights of the convertible bonds was recognized under financial assets carried at cost (Note 10). As of September 30, 2015, all of investment amount had been redeemed.

The market interest rates of the time deposits with original maturity more than 3 months were 0.13%-1.40%, 0.34%-1.425% and 0.17%-3.50% per annum respectively as of March 31, 2016, December 31, 2015 and March 31, 2015

12. NOTES AND ACCOUNTS RECEIVABLE

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Notes and accounts receivable</u>			
Notes and accounts receivable	\$ 23,235,379	\$ 24,623,020	\$ 27,124,407
Less: Allowance for doubtful accounts	<u>(1,214,331)</u>	<u>(1,252,514)</u>	<u>(1,251,953)</u>
	<u>\$ 22,021,048</u>	<u>\$ 23,370,506</u>	<u>\$ 25,872,454</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.

The aging of receivables was as follows:

	March 31, 2016	December 31, 2015	March 31, 2015
1-90 days	\$ 18,706,517	\$ 20,836,205	\$ 22,807,316
91-180 days	2,683,691	2,175,993	2,177,630
181-365 days	254,872	233,885	712,782
More than 365 days	<u>375,968</u>	<u>124,423</u>	<u>174,726</u>
	<u>\$ 22,021,048</u>	<u>\$ 23,370,506</u>	<u>\$ 25,872,454</u>

The above aging schedule was based on the invoice date.

Movements of allowance for doubtful accounts were as follows:

	Individually Assessed for Impairment	Collectively Assessed for Impairment	Total
Balance at January 1, 2016	\$ 11,546	\$ 1,240,968	\$ 1,252,514
Add: Accounts recovered during the period	-	55,686	55,686
Add: Impairment losses recognized on receivables	1,912	104,543	106,455
Deduct: Amounts written off during the period as uncollectible	(5,845)	(193,902)	(199,747)
Effect of exchange rate differences	<u>-</u>	<u>(577)</u>	<u>(577)</u>
Balance at March 31, 2016	<u>\$ 7,613</u>	<u>\$ 1,206,718</u>	<u>\$ 1,214,331</u>
Balance at January 1, 2015	\$ 17,341	\$ 1,229,007	\$ 1,246,348
Add: Accounts recovered during the period	-	69,849	69,849
Add: Impairment losses (reversed) recognized on receivables	(8,749)	87,853	79,104
Deduct: Amounts written off during the period as uncollectible	(3,313)	(139,427)	(142,740)
Effect of exchange rate differences	<u>-</u>	<u>(608)</u>	<u>(608)</u>
Balance at March 31, 2015	<u>\$ 5,279</u>	<u>\$ 1,246,674</u>	<u>\$ 1,251,953</u>

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

	March 31, 2016	December 31, 2015	March 31, 2015
Amount due from customers for construction contracts			
Construction costs incurred plus recognized profits less recognized losses to date	\$ 9,810,676	\$ 9,249,482	\$ 9,051,991
Less: Progress billings	<u>8,855,405</u>	<u>8,275,594</u>	<u>8,081,165</u>
Amount due from customers for construction contracts	<u>\$ 955,271</u>	<u>\$ 973,888</u>	<u>\$ 970,826</u>

(Continued)

	March 31, 2016	December 31, 2015	March 31, 2015
Amount due to customers for construction contracts			
Progress billings	\$ 4,936,716	\$ 4,713,550	\$ 2,616,651
Less: Construction costs incurred plus recognized profits less recognized losses to date	<u>4,657,967</u>	<u>4,592,854</u>	<u>2,483,402</u>
Amount due to customers for construction contracts	<u>\$ 278,749</u>	<u>\$ 120,696</u>	<u>\$ 133,249</u>
Retentions receivable	<u>\$ 268,960</u>	<u>\$ 135,724</u>	<u>\$ 116,109</u>
Retentions payable	<u>\$ 436,735</u>	<u>\$ 417,017</u>	<u>\$ 254,513</u>
			(Concluded)

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.

14. INVENTORIES

	March 31, 2016	December 31, 2015	March 31, 2015
Merchandise inventories	\$ 4,083,576	\$ 5,546,239	\$ 4,117,205
Finished goods	5,337,701	5,072,879	5,518,254
Work in progress	3,145,193	2,864,209	3,042,158
Raw materials	5,654,447	5,504,795	5,682,691
Supplies	661,030	850,393	518,162
Available-for-sale - buildings and land	4,019,173	4,019,173	4,561,180
Available-for-construction - land	<u>700,887</u>	<u>700,887</u>	<u>700,887</u>
	<u>\$ 23,602,007</u>	<u>\$ 24,558,575</u>	<u>\$ 24,140,537</u>

For the three months ended March 31, 2016 and 2015, the costs of sales were NT\$30,775,027 thousand and NT\$32,775,918 thousand, respectively. The costs of inventories recognized as cost of goods sold, which included inventory reversal of write-downs for the three months ended March 31, 2016 and 2015, were NT\$149,347 thousand and NT\$378,698 thousand, respectively. The reversal gain on inventory replacement value was due from the rising selling price in specific market.

15. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

Investor	No	Investee	Nature of Activities	Proportion of Ownership		
				March 31, 2016	December 31, 2015	March 31, 2015
Far Eastern New Century Corporation	1	Far EasTone Telecommunications Corporation (Note 1)	Telecommunications	38.29	38.29	38.29
	2	Yuan Ding Investment Corporation	Investment	99.70	99.70	99.70
	3	Far Eastern Resources Development Corporation	Real estate leasing and development service	100.00	100.00	100.00
	4	Yuan Tong Investment Corporation	Investment	100.00	100.00	100.00
	5	Far Eastern Polychem Industries Corporation (FEPI)	Investment	100.00	100.00	100.00
	6	Oriental Petrochemical (Taiwan) Corporation	Petrochemical materials production	80.76	80.76	80.76
	7	Far Eastern Investment (Holding) Corporation	Investment	100.00	100.00	100.00
	8	PET Far Eastern (Holding) Corporation (PETH)	Investment	100.00	100.00	100.00
	9	Kai Yuan International Investment Corporation	Investment	100.00	100.00	100.00
	10	Far Eastern Polytex (Holding) Corporation	Investment	100.00	100.00	100.00
	11	Yuan Ding Company Corporation	Real estate construction and selling	49.99	49.99	49.99
	12	Far Eastern Construction Corporation	Real estate construction and selling	65.11	65.11	65.11
	13	Ding Yuan International Investment Corporation	Investment	100.00	100.00	100.00
	14	An Ho Garment Corporation	Investment	100.00	100.00	100.00
	15	FEDP (Holding) Corporation (FEDP)	Investment	100.00	100.00	100.00
	16	Fu Kwok Garment Manufacturing Corporation	Garment production	99.99	99.99	99.99
	17	Far Eastern Textile Corporation	Chemical fiber production	100.00	100.00	100.00
	18	Far Eastern Electronic Toll Collection Corporation	Electronic toll collection service	66.33	66.33	66.33
	19	Yuan Hsin Digital Payment Corporation	Other financing and supporting services	65.01	65.01	65.01
	Yuan Ding Investment Corporation	20	Malaysia Garment Manufactures Pte. Corporation (Note 5)	Clothing production and investment	50.92	50.92
21		Oriental Textile (Holding) Corporation (OTTI)	Investment	100.00	100.00	100.00
22		Far Eastern Apparel (Holding) Corporation (FEAH)	Sale of textile, garments, and clothing	100.00	100.00	100.00
23		Far Eastern Fibertech Corporation	Nylon production	100.00	100.00	100.00
24		Far Eastern Apparel Corporation	Sale of textile, garments, and clothing	100.00	100.00	100.00
25		Oriental Resources Development Corporation	Waste recycling and processing	70.00	70.00	70.00
26		Yuan Faun Corporation	PET bottle production and selling	100.00	100.00	100.00
Far Eastern Investment (Holding) Corporation (FEIH)	27	FETG Investment Antilles N.V.	Investment	100.00	100.00	100.00
	28	PET Far Eastern (M) Sdn. Bhd. (Note 9)	Bottle production	100.00	100.00	50.00
	29	Far Eastern Apparel (Vietnam) Corporation	Clothing production	100.00	100.00	100.00
	30	Worldwide Polychem (HK) Corporation (WWPI)	Petrochemical, PET and apparel productions foreign trade	100.00	100.00	100.00
	31	Far Eastern Polytex (Vietnam) Corporation (Note 3)	Chemical fiber and textile production	100.00	100.00	-
Far Eastern Polychem Industries Corporation (FEPI)	32	Far Eastern New Apparel (Vietnam) Corporation (Note 4)	Clothing production	100.00	100.00	-
	33	Magna View Sdn. Bhd. (Note 9)	Investment	100.00	100.00	-
	34	Far Eastern Industries (Shanghai) Corporation.	Chemical fiber production	100.00	100.00	100.00
	35	Far Eastern Industries (Yangzhou) Corporation	PA and its by-product production	100.00	100.00	100.00
Far Eastern Construction Corporation	36	Far Eastern Ishizuka Green Pet Corporation (FIGP)	PET production and sale	97.95	85.15	85.15
	37	Far Eastern General Contractor Corporation	Construction	99.95	99.95	99.95
Far Eastern Apparel (Holding) Corporation (FEAH)	38	Far Eastern Dyeing & Finishing (Suzhou) Corporation	Dyeing and finishing	100.00	100.00	100.00
FETG Investment Antilles N.V.	39	Waldorf Services B.V.	Investment	100.00	100.00	100.00
Yuan Faun Corporation.	40	Yuan Cheng Human Resources Consultant Corporation	Personnel recruitment	55.19	55.19	55.19

(Continued)

Investor	No	Investee	Nature of Activities	Proportion of Ownership		
				March 31, 2016	December 31, 2015	March 31, 2015
Yuan Tong Investment Corporation	41	Sino Belgium (Holding) Corporation	Investment	90.88	90.88	93.72
Far Eastern Apparel (Suzhou) Corporation	42	An Ho Garment (Suzhou) Corporation	Garment production	100.00	100.00	100.00
PET Far Eastern (Holding) Corporation (PETH)	43	Oriental Petrochemical (Shanghai) Corporation	PTA production and sale	61.35	61.35	61.35
Oriental Textile (Holding) Corporation (OTTI)	44	Far Eastern Industries (Wuxi) Corporation	Fiber and textile production	100.00	100.00	100.00
	45	Oriental Industries (Suzhou) Corporation	Textile production	100.00	100.00	100.00
FEDP (Holding) Corporation (FEDP)	46	Far Eastern Industries (Suzhou) Corporation	Garment production	100.00	100.00	100.00
Far Eastern Polytex (Holding) Corporation	47	Wuhan Far Eastern New Material Corporation	Garment production and sale	100.00	100.00	100.00
	48	Far Eastern Apparel (Suzhou) Corporation	Garment production	100.00	100.00	100.00
	49	Far Eastern Yihua Petrochemical (Yangzhou) Corporation	PTA and by-product production and sale	60.00	60.00	60.00
	50	Far Eastern New Century (China) Investment Corporation	Investment	100.00	100.00	100.00
Far Eastern New Century (China) Investment Corporation	51	Shanghai Yuan Zi Information Technology Corporation	Software development, equipment maintenance and consulting	100.00	100.00	100.00
	52	Yuan Ding Enterprise (Shanghai) Corporation	Software development	100.00	100.00	100.00
Sino Belgium (Holding) Corporation	53	Sino Belgium Beer (Suzhou) Corporation	Brewer	100.00	100.00	100.00
	54	Martens Beers Trading (Shanghai) Corporation	Beer sale	100.00	100.00	100.00
Oriental Petrochemical (Shanghai) Corporation	55	Shanghai Far Eastern Petrochemical Logistic Corporation	Transportation	100.00	100.00	100.00
Yuan Ding Company Corporation	56	Ding Ding Hotel Corporation	Hotel	80.99	80.99	80.99
	57	YDT Technology International Corporation	Electronic materials and by-product sale	100.00	100.00	100.00
	58	Far Eastern Technical Consultants Corporation	Real estate development business consulting and management	100.00	100.00	100.00
	59	FET Consulting Engineers Corporation	Investment	100.00	100.00	100.00
	60	Ding Ding Integrated Marketing Services Corporation	Market research and general advertisement	80.00	80.00	80.00
	61	Far Eastern Electronic Commerce Corporation	Electronic information providing services	73.42	73.42	73.42
FET Consulting Engineers Corporation	62	DDIM (Virgin Islands) Corporation	Investment	100.00	100.00	100.00
YDT Technology International Corporation	63	YDC (Virgin Islands) Corporation	Investment	100.00	100.00	100.00
YDC (Virgin Islands) Corporation	64	Speedy (Shanghai) Digital Tech. Corporation	Intelligent control equipment and security monitoring products	100.00	100.00	100.00
DDIM (Virgin Islands) Corporation	65	Yuan Ding Integrated Information Service (Shanghai) Inc.	Internet software development services	100.00	100.00	100.00
Malaysia Garment Manufactures Pte. Corporation	66	PT Malaysia Garment Bintan (Note 5)	Clothing production	99.00	99.00	-
Far EasTone Telecommunications Corporation	67	New Century InfoComm Tech Corporation	Types I and II telecommunications services	100.00	100.00	100.00
	68	ARCOA Communication Corporation	Sale of communications products and office equipment	61.63	61.63	61.63
	69	KGEx.com Corporation	Type II telecommunications services	99.99	99.99	99.99
	70	Yuan Cing Corporation	Call center services	99.99	99.99	99.99
	71	E. World (Holdings) Corporation (Note 6)	Investment	-	-	85.92
	72	Far EasTron Holding Corporation (Note 7)	Investment	-	-	100.00
	73	Far Eastern Info Service Holding Corporation (FEIS)	Investment	100.00	100.00	100.00
	74	O-music Corporation	Electronic information providing services	50.00	50.00	50.00
	75	Q-Ware Communication Corporation	Type II telecommunications services	81.46	81.46	81.46
	76	Hiiir Corporation	Electronic information providing services	89.54	89.54	89.54
ARCOA Communication Corporation	77	DataExpress Infotech Corporation	Sale of communications products	70.00	70.00	70.00

(Continued)

Investor	No	Investee	Nature of Activities	Proportion of Ownership		
				March 31, 2016	December 31, 2015	March 31, 2015
New Century InfoComm Tech Corporation	78	New Diligent Corporation	Investment	100.00	100.00	100.00
	79	Information Security Service Digital United Corporation	Security and monitoring service via Internet	100.00	100.00	100.00
	80	Digital United (Cayman) Corporation	Investment	100.00	100.00	100.00
	81	Simple InfoComm Corporation (Note 8)	Electronic information providing services	100.00	100.00	100.00
Digital United (Cayman) Corporation	82	Digital United Information Technology (Shanghai) Corporation	Design and research of computer system	100.00	100.00	100.00
New Diligent Corporation	83	Sino Lead Enterprise Limited	Telecommunications services	100.00	100.00	100.00
	84	Far Eastern New Diligent Corporation	Investment	100.00	100.00	100.00
	85	New Diligent (Hong Kong) Corporation (Note 2)	Investment	-	-	-
Far Eastern New Diligent Corporation	86	Far Eastern Tech-info Corporation (Shanghai)	Computer software, data processing and network information providing services	100.00	100.00	100.00
	87	Far Eastern New Century Information Technology (Beijing) Corporation	Electronic information providing services	79.04	79.04	79.04
DataExpress Infotech Corporation	88	Linkwell Tech. Corporation	Sale of communications products	100.00	100.00	100.00
	89	Home Master Technology Corporation	Sale of communications products	100.00	100.00	100.00

(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: Establishment completed on December 4, 2014, but the investment amount had not been remitted to the investee as of March 31, 2016

Note 3: The investment amount US\$5,300 thousand was fully paid as of July 2, 2015.

Note 4: The investment amount US\$900 thousand was fully paid as of August 19, 2015.

Note 5: The Group acquired control of it on September 30, 2015 (Note 16).

Note 6: A subsidiary was liquidated and dissolved on November 4, 2015.

Note 7: A subsidiary was liquidated and dissolved on November 6, 2015.

Note 8: A subsidiary was dissolved on December 19, 2015 and liquidated on April 6, 2016.

Note 9: On December 30, 2015, the Group acquired 100% equity interest in Magna View Sdn. Bhd., and indirectly acquired 50% equity interest in PET Far Eastern (M) Sdn. Bhd.

Except for (a) the financial statements as of and for the three months ended March 31, 2016 and 2015 of the Company, Far EasTone Telecommunications Corporation (Far EasTone), New Century InfoComm Tech Corporation (NCIC) and ARCOA Communication Corporation (ARCOA), all the financial statements of significant 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 March 31		December 31,		
	2016	2015	March 31, 2016	2015	March 31, 2015
Far EasTone	\$ 1,861,496	\$ 1,864,063	\$ 46,948,372	\$ 45,125,949	\$ 46,752,210

Summarized financial information in respect of each of the Group's subsidiaries that has material noncontrolling interests is set out below. The summarized financial information below represents amounts before intragroup eliminations.

Far EasTone and Far EasTone's subsidiaries:

	March 31, 2016	December 31, 2015	March 31, 2015
Current assets	\$ 32,445,611	\$ 34,299,373	\$ 22,984,378
Noncurrent assets	109,508,226	102,581,798	103,365,437
Current liabilities	(25,170,079)	(21,683,305)	(20,961,463)
Noncurrent liabilities	<u>(41,177,982)</u>	<u>(42,538,970)</u>	<u>(28,799,692)</u>
Equity	<u>\$ 75,605,776</u>	<u>\$ 72,658,896</u>	<u>\$ 76,588,660</u>
Equity attributable to:			
Owners of the Group	\$ 28,657,404	\$ 27,532,947	\$ 29,008,973
Noncontrolling interests of Far EasTone	46,185,646	44,373,418	46,752,253
Noncontrolling interests of Far EasTone's subsidiaries	<u>762,726</u>	<u>752,531</u>	<u>827,434</u>
	<u>\$ 75,605,776</u>	<u>\$ 72,658,896</u>	<u>\$ 76,588,660</u>
		For the Three Months Ended March 31	
		2016	2015
Revenue		<u>\$ 23,819,456</u>	<u>\$ 24,784,498</u>
Net income for the period		\$ 3,010,256	\$ 3,006,937
Other comprehensive income for the period		<u>(63,376)</u>	<u>28,722</u>
Total comprehensive income for the period		<u>\$ 2,946,880</u>	<u>\$ 3,035,659</u>
Net income attributable to:			
Owners of the Group		\$ 1,148,760	\$ 1,142,874
Noncontrolling interests of Far EasTone		1,851,398	1,841,911
Noncontrolling interests of Far EasTone's subsidiaries		<u>10,098</u>	<u>22,152</u>
		<u>\$ 3,010,256</u>	<u>\$ 3,006,937</u>
Total comprehensive income attributable to:			
Owners of the Group		\$ 1,124,457	\$ 1,153,898
Noncontrolling interests of Far EasTone		1,812,228	1,859,678
Noncontrolling interests of Far EasTone's subsidiaries		<u>10,195</u>	<u>22,083</u>
		<u>\$ 2,946,880</u>	<u>\$ 3,035,659</u>
Net cash inflow from:			
Operating activities		\$ 8,789,613	\$ 4,251,015
Investing activities		(9,888,149)	(3,634,824)
Financing activities		1,408,695	1,323,536
		<u>441</u>	<u>(879)</u>
Net cash inflow		<u>\$ 310,600</u>	<u>\$ 1,938,848</u>

16. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in Associates

	March 31, 2016		December 31, 2015		March 31, 2015	
	Carrying Value	% of Ownership	Carrying Value	% of Ownership	Carrying Value	% of Ownership
Material associate						
Listed companies						
Asia Cement Corporation	\$ 20,442,313	26	\$ 22,549,382	26	\$ 25,500,425	25
Associate that are not individually material						
Listed companies						
Far Eastern Department Stores Corporation	7,295,767	23	7,162,285	23	7,437,543	22
Oriental Union Chemical Corporation	6,325,964	32	6,449,105	33	6,901,915	32
Everest Textile Corporation	1,180,813	26	1,173,346	26	1,198,497	26
	<u>14,802,544</u>		<u>14,784,736</u>		<u>15,537,955</u>	
Unlisted companies						
Oriental Securities Corporation	4,663,096	46	4,715,965	46	4,956,817	46
Pacific Liu Tong Investment Corporation	4,085,687	40	4,044,553	40	4,224,487	40
Far Eastern International Leasing Corporation	2,303,051	34	2,293,687	34	2,995,553	44
Yu Yuan Investment Corporation	2,043,020	44	2,049,057	44	2,367,285	34
Liquid Air Far East Corporation	1,944,992	35	1,874,991	35	1,947,034	50
Far Easter Union Petrochemical (Yangzhou) Corporation	1,690,748	50	1,728,099	50	1,701,874	35
Da Ju Fiber Corporation	1,492,473	42	1,490,394	42	1,199,973	42
Tong Da Air Industry (Yangzhou) Corporation	1,028,752	50	1,043,410	50	1,036,811	50
Yu Ding Industry Corporation	605,047	31	604,941	31	620,754	31
Kowloon Cement Corporation	488,102	49	482,746	49	429,265	46
Yuan Ding Leasing Corporation	417,750	46	416,261	46	455,508	49
Freudenberg Far Eastern Spunweb Corporation	369,816	30	355,253	30	324,257	30
FEDS Asia Pacific Development Corporation	131,895	5	130,303	5	129,790	5
Yue Ming Corporation	71,980	47	63,480	47	71,717	47
Com 2B Corporation	13,686	20	13,975	20	14,256	20
Alliance Digital Technology Corporation	13,682	13	16,008	13	20,755	13
Opas Fund Segregated Portfolio Company	1,685	34	1,710	34	1,627	34
iScreen Corporation	-	-	-	-	16,767	40
Malaysia Garment Manufactures Pte Corporation	-	-	-	-	74,373	38
	<u>21,365,462</u>		<u>21,324,833</u>		<u>22,588,903</u>	
	<u>\$ 56,610,319</u>		<u>\$ 58,658,951</u>		<u>\$ 63,627,283</u>	

Material associates:

Name of Associate	Nature of Activities	Principal Place of Business	Proportion of Ownership and Voting Rights		
			March 31, 2016	December 31, 2015	March 31, 2015
Asia Cement Corporation	Cement production	Taiwan	25.56%	25.52%	25.37%

Fair values (Level 1) of investments in associates with available published price quotation are summarized as follows:

Name of Associate	March 31, 2016	December 31, 2015	March 31, 2015
Asia Cement Corporation	\$ 25,265,578	\$ 23,510,215	\$ 33,556,696

On September 30, 2015, the Group acquired a 13% equity interest in Malaysia Garment Manufactures Pte. Corporation (MG) for NT\$171,115 thousand for organizational realignment, after that the Group totally held 50.92%. And the Group thus included MG in its consolidated financial statements since the day.

As of March 31, 2016 and 2015, investments in FEDS Asia Pacific Development Corporation, Com2B Corporation and Alliance Digital Technology Corporation 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 ended March 31, 2016 and 2015 are unreviewed, except those of Asia Cement Corporation (ACC), Far Eastern Department Stores Corporation, Oriental Union Chemical Corporation, Everest Textile Corporation, Corporation and Pacific Liu Tong Investment Corporation. The independent auditors expressed a qualified reviewed report on the financial statements of these five associates because the financial statements of some of the investees of these associates are unreviewed. In addition, the Group's combined carrying value of unreviewed equity-method investees of aforementioned five associates and certain equity-method investees who are unreviewed were NT\$26,917,104 thousand and NT\$29,314,927 thousand as of March 31, 2016 and 2015, respectively. In the three months ended of March 31, 2016 and 2015, the Group's combined comprehensive incomes of unreviewed equity-method investees of aforementioned five associates and certain equity-method investees who are unreviewed were NT\$(990,049) thousand and NT\$1,230,509 thousand, respectively.

17. PROPERTY, PLANT, EQUIPMENT AND PREPAYMENTS FOR EQUIPMENT

	March 31, 2016	December 31, 2015	March 31, 2015
Total property, plant and equipment	\$ 148,734,511	\$ 148,141,804	\$ 140,828,088
Prepayments for equipment	<u>1,806,894</u>	<u>2,280,180</u>	<u>4,681,266</u>
	<u>\$ 150,541,405</u>	<u>\$ 150,421,984</u>	<u>\$ 145,509,354</u>

	Land	Buildings	Machinery and Equipment	Telecommuni- cations Equipment	Computer Equipment	Leasehold Improvements	Operating and Miscellaneous Equipment	Construction-in- progress and Prepayment for Equipment	Total
Cost									
Balance at January 1, 2016	\$ 18,464,710	\$ 31,111,961	\$ 120,064,405	\$ 130,687,381	\$ 14,974,029	\$ 4,760,258	\$ 19,901,501	\$ 29,934,984	\$ 369,899,229
Additions	2,465	2,200	51,575	9,720	8,182	9,808	55,860	3,946,426	4,086,236
Disposals	-	(7,900)	(563,612)	(671,663)	(4,218)	(7,641)	(38,343)	(4,391)	(1,297,768)
Reclassification	-	138,233	984,442	2,132,799	164,243	78,637	38,343	(3,745,786)	(78,250)
Effect of exchange rate differences	<u>28,577</u>	<u>2,791</u>	<u>(122,119)</u>	<u>-</u>	<u>(237)</u>	<u>(4)</u>	<u>(11,016)</u>	<u>(38,296)</u>	<u>(140,304)</u>
Balance at March 31, 2016	<u>\$ 18,495,752</u>	<u>\$ 31,247,285</u>	<u>\$ 120,414,691</u>	<u>\$ 132,158,237</u>	<u>\$ 15,141,999</u>	<u>\$ 4,841,058</u>	<u>\$ 20,077,184</u>	<u>\$ 30,092,937</u>	<u>\$ 372,469,143</u>
Accumulated depreciation and impairment									
Balance at January 1, 2016	\$ (96,557)	\$ (13,669,523)	\$ (81,147,180)	\$ (94,832,452)	\$ (12,028,807)	\$ (3,469,410)	\$ (14,233,316)	\$ -	\$ (219,477,245)
Disposals	-	7,438	520,474	551,852	4,095	5,315	38,248	-	1,127,422
Depreciation expense	-	(203,074)	(982,496)	(1,760,960)	(317,572)	(99,878)	(354,996)	-	(3,718,976)
Reclassification	-	36,238	13,860	-	-	-	9,992	-	60,090
Effect of exchange rate differences	<u>-</u>	<u>6,614</u>	<u>64,465</u>	<u>-</u>	<u>64</u>	<u>3</u>	<u>9,825</u>	<u>-</u>	<u>80,971</u>
Balance at March 31, 2016	<u>\$ (96,557)</u>	<u>\$ (13,822,307)</u>	<u>\$ (81,530,877)</u>	<u>\$ (96,041,560)</u>	<u>\$ (12,342,220)</u>	<u>\$ (3,563,970)</u>	<u>\$ (14,530,247)</u>	<u>\$ -</u>	<u>\$ (221,927,738)</u>
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	172	2,378	50,776	29,912	3,145	12,447	71,979	5,931,073	6,101,882
Disposals	-	(7,667)	(694,220)	(11,216,767)	(266,454)	(41,394)	(126,454)	(6,107)	(12,359,063)
Adjustments and reclassification	-	121,713	978,004	2,703,780	238,102	88,549	356,474	(5,326,332)	(839,710)
Effect of exchange rate differences	<u>-</u>	<u>(93,837)</u>	<u>(526,484)</u>	<u>-</u>	<u>(127)</u>	<u>(8)</u>	<u>(33,471)</u>	<u>(73,183)</u>	<u>(727,110)</u>
Balance at March 31, 2015	<u>\$ 17,327,711</u>	<u>\$ 29,349,699</u>	<u>\$ 116,806,265</u>	<u>\$ 133,305,115</u>	<u>\$ 13,983,207</u>	<u>\$ 5,017,513</u>	<u>\$ 19,167,185</u>	<u>\$ 31,470,673</u>	<u>\$ 366,427,368</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	-	7,546	692,686	11,113,727	266,107	29,132	125,258	-	12,234,456
Impairment loss	-	-	(70,000)	-	-	-	-	-	(70,000)
Depreciation expense	-	(180,626)	(955,562)	(1,529,460)	(274,663)	(103,715)	(299,691)	-	(3,343,717)
Adjustments and reclassification	-	36,212	146,761	-	-	-	47,915	-	230,888
Effect of exchange rate differences	<u>-</u>	<u>31,168</u>	<u>259,827</u>	<u>-</u>	<u>62</u>	<u>3</u>	<u>19,840</u>	<u>-</u>	<u>310,900</u>
Balance at March 31, 2015	<u>\$ (96,557)</u>	<u>\$ (13,194,531)</u>	<u>\$ (79,626,764)</u>	<u>\$ (99,694,186)</u>	<u>\$ (11,295,142)</u>	<u>\$ (3,520,836)</u>	<u>\$ (13,489,998)</u>	<u>\$ -</u>	<u>\$ (220,918,014)</u>

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
Telecommunication equipment	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 March 31, 2016, December 31, 2015 and March 31, 2015, farmland was reclassified to property, plant and equipment amounting to NT\$238,430 thousand and to investment properties amounting to NT\$34,212 thousand, NT\$34,212 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 Group or have pledged the land to the Group.

18. INVESTMENT PROPERTIES

The fair value of investment properties was estimated using unobservable inputs (Level 3). The movements in the fair value were as follows:

	Completed Investment Properties
Balance at January 1, 2016	\$ 124,190,706
Additions	5,147
Disposals	(25,201)
Recognized in profit (gain arising from the change in fair value of investment property)	1,028,482
Recognized in other comprehensive income (exchange differences on translating foreign operations)	<u>(5,248)</u>
Balance at March 31, 2016	<u>\$ 125,193,886</u>
Balance at January 1, 2015	\$ 119,663,209
Additions	436,925
Disposals	(1,998,238)
Reclassification	1,608,891
Recognized in profit (gain arising from the change in fair value of investment property)	1,953,467
Recognized in other comprehensive income (exchange differences on translating foreign operations)	<u>(5,998)</u>
Balance at March 31, 2015	<u>\$ 121,658,256</u>

The Group and Asia Cement Corporation (ACC) co-own a land located on Dunhua South Road in Taipei. Under an agreement, subsidiary Yuan Ding paid for the construction of a multifunctional building on this land and acquired 30-year right of superficies which is not required to pay any rent. However, the ownership of the building was registered in the name of the Group, ACC and subsidiary Yuan Ding at 12%, 12% and 76% respectively. Upon expiration of the agreement, the Group and ACC will acquire subsidiary Yuan Ding's 76% ownership of the building based on the carrying value of the building.

The construction of a building (Mega City) located in the Banqiao Xin Ban section was completed in 2011, and the building was leased to Far Eastern Department Stores Corporation (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 Banqiao Zhong Ben commercial building (Mega Tower) was completed in the three months ended March 31, 2015 and recognized as inventories (available-for-sale - land and building). Some floors that were later rented out to others were reclassified from inventories to investment properties at their fair value of NT\$1,000,287 thousand, recognized valuation gain on investment properties amounting to NT\$525,033 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:

	March 31, 2016	December 31, 2015	March 31, 2015
Independent valuation	<u>\$ 125,193,886</u>	<u>\$ 124,190,706</u>	<u>\$ 121,658,256</u>

The fair value of the investment properties as of December 31, 2015 and 2014, was based on the valuations carried out at February 5, 2016 and January 30, 2015 by independent qualified professional valuers, Mr. Tsai, Chia-ho, Ms. Hu, Chun-Chun and Mr. Li, Ken-Yuan, from Debenham Tie Leung Real Estate Appraiser Office, a member of certified ROC real estate appraisers. 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 March 31, 2016 and 2015.

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

	March 31, 2016	December 31, 2015	March 31, 2015
Expected future cash inflows	\$ 59,936,086	\$ 59,373,009	\$ 60,040,003
Expected future cash outflows	<u>(2,288,593)</u>	<u>(2,035,051)</u>	<u>(2,032,978)</u>
Expected future cash inflows, net	<u>\$ 57,647,493</u>	<u>\$ 57,337,958</u>	<u>\$ 58,007,025</u>
Discount rate	1.915%-2.39%	1.985%-2.31%	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 fair value of different type of investment property and then calculate the total fair value of Group's investment properties in Banqiao under foregoing basis.

Part of the investment properties had been leased out under operating leases. The rental incomes generated for the three months ended March 31, 2016 and 2015 were NT\$256,507 thousand and NT\$276,236 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 1.21%, 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 Corporation 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:

	March 31, 2016	December 31, 2015	March 31, 2015
Estimated total sale price	<u>\$ 27,309,915</u>	<u>\$ 27,309,915</u>	<u>\$ 27,051,660</u>
Rate of return	15%	15%	15%-18%
Overall capital interest rate	1.21%-1.52%	1.21%-1.52%	1.36%-1.56%

The estimated total sale price is specifically saying the sale price of some constructing buildings located in Zhongli, Taoyuan and the estimated total sale price 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 sale price of each constructing building and estimated the total fair value.

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.

19. GOODWILL

	For the Three Months Ended March 31	
	2016	2015
<u>Cost</u>		
Balance at January 1	\$ 11,865,515	\$ 11,930,443
Impairment loss	-	(43,535)
Effect of foreign currency exchange differences	-	(4,119)
Balance at March 31	<u>\$ 11,865,515</u>	<u>\$ 11,882,789</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.

Refer to Note 20 of the consolidated financial statements for the year ended December 31, 2014 for related information on goodwill.

20. CONCESSION AND OTHER INTANGIBLE ASSETS

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Carrying amounts</u>			
Concession	\$ 43,668,048	\$ 35,151,640	\$ 36,909,967
Other intangible assets			
Computer software	2,841,864	2,811,278	2,603,974
Others	<u>581,511</u>	<u>654,267</u>	<u>1,039,274</u>
	<u>3,423,375</u>	<u>3,465,545</u>	<u>3,643,248</u>
	<u>\$ 47,091,423</u>	<u>\$ 38,617,185</u>	<u>\$ 40,553,215</u>

	Concession	Computer Software	Others	Total
Balance at January 1, 2016	\$ 35,151,640	\$ 2,811,278	\$ 654,267	\$ 38,617,185
Additions	9,180,054	211,781	10,918	9,402,753
Amortization	(645,920)	(198,368)	(83,343)	(927,631)
Reclassifications	(17,726)	17,678	(35)	(83)
Effect of exchange rate differences	<u>-</u>	<u>(505)</u>	<u>(296)</u>	<u>(801)</u>
Balance at March 31, 2016	<u>\$ 43,668,048</u>	<u>\$ 2,841,864</u>	<u>\$ 581,511</u>	<u>\$ 47,091,423</u>
Balance at January 1, 2015	\$ 37,314,277	\$ 2,602,855	\$ 1,169,584	\$ 41,086,716
Additions	60,535	204,765	22,294	287,594
Amortization	(464,327)	(202,925)	(151,956)	(819,208)
Disposals	(518)	-	-	(518)
Reclassifications	-	-	216	216
Effect of exchange rate differences	<u>-</u>	<u>(721)</u>	<u>(864)</u>	<u>(1,585)</u>
Balance at March 31, 2015	<u>\$ 36,909,967</u>	<u>\$ 2,603,974</u>	<u>\$ 1,039,274</u>	<u>\$ 40,553,215</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	18 years
Computer software	10 years
Others	16 years

21. BORROWINGS

a. Short-term borrowings

	March 31, 2016	December 31, 2015	March 31, 2015
Bank credit loans	\$ 22,556,391	\$ 20,648,775	\$ 22,705,216
Bank secured and pledged borrowings	821,264	446,000	200,000
Loans from related parties	<u>3,542,037</u>	<u>3,592,852</u>	<u>3,488,370</u>
	<u>\$ 26,919,692</u>	<u>\$ 24,687,627</u>	<u>\$ 26,393,586</u>

- 1) The interest rates for bank loans were 0.63% to 5.32%, 0.67% to 5.75% and 0.56% to 5.35% as of March 31, 2016, December 31, 2015 and March 31, 2015, respectively.
- 2) Loans from related parties were the Group's repayments to related parties. Interest rates were all 0% as of March 31, 2016, December 31, 2015 and March 31, 2015.

b. Short-term bills payable

	March 31, 2016	December 31, 2015	March 31, 2015
Commercial paper	\$ 7,468,000	\$ 6,604,000	\$ 6,510,000
Less: Unamortized discount on bills payable	<u>4,027</u>	<u>6,237</u>	<u>3,221</u>
	<u>\$ 7,463,973</u>	<u>\$ 6,597,763</u>	<u>\$ 6,506,779</u>

The short-term bills payable outstanding were issued at interest rates of 0.53% to 2.04%, 0.59% to 1.44% and 0.70% to 2.15% as of March 31, 2016, December 31, 2015 and March 31, 2015, respectively.

c. Long-term borrowings

	March 31, 2016	December 31, 2015	March 31, 2015
Bank loans	<u>\$ 60,844,940</u>	<u>\$ 58,652,344</u>	<u>\$ 68,194,310</u>
Long-term commercial paper	18,583,000	19,500,000	9,673,000
Less: Unamortized discount on commercial paper	<u>51,360</u>	<u>56,573</u>	<u>70,988</u>
	<u>18,531,640</u>	<u>19,443,427</u>	<u>9,602,012</u>
	79,376,580	78,095,771	68,194,310
Less: Current portion	<u>569,012</u>	<u>1,090,879</u>	<u>1,104,572</u>
	<u>\$ 78,807,568</u>	<u>\$ 77,004,892</u>	<u>\$ 60,265,948</u>

The foregoing loans are repayable through a lump sum payment on maturity and pay interest monthly; a lump sum of capital and interest on maturity; a lump sum of capital on maturity and prepaid interest which are in New Taiwan dollars, Japanese yen, EUR dollars 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:

	March 31, 2016	December 31, 2015	March 31, 2015
Maturity	April 2017-April 2031	April 2017-April 2031	May 2016-March 2031
Bank interest rates	0.49%-1.94%	0.58%-2.09%	0.65%-2.09%

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 February 2, 2016. FECC pledged its land and construction pertaining to the Zhong Ben and Zhong Ben (2) (Mega Tower) 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 0.69544% (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 draw down 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 draw down 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.

 NT\$ 7,400,000

 thousand

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

In 2012, an FENC subsidiary, Oriental Petrochemicals (Taiwan) (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. 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 Corporation (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"). Its amount, date, and are expected to move aside as the repayment period:

Project	Credit	Fixed dial Date	Expected Repayment Period
Syndicated loan borrowings			
A	NT\$2,906,000 thousand	2012.05.10	2014.11-2021.02
B	3,294,000 thousand	2012.05.10	2019.08-2025.11
C	220,000 thousand	2012.05.10	The first use to build the operating contract by the borrower to complete the transfer of assets after 6 months

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 35). 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.

22. BONDS PAYABLE

	March 31, 2016	December 31, 2015	March 31, 2015
Nonconvertible bonds	\$ 81,438,000	\$ 84,381,500	\$ 76,694,500
Discount of nonconvertible bonds	<u>(86,664)</u>	<u>(96,980)</u>	<u>(85,288)</u>
	81,351,336	84,284,520	76,609,212
Less: Current portion	<u>23,977,723</u>	<u>20,921,484</u>	<u>16,343,264</u>
	<u>\$ 57,373,613</u>	<u>\$ 63,363,036</u>	<u>\$ 60,265,948</u>

Bonds

Period	Maturity	Annual Rate (%)	Issued Amount	Outstanding Balance			Repayment
				March 31, 2016	December 31, 2015	March 31, 2015	
<u>Company</u>							
Unsecured bonds							
99-1	2010.05.27-2015.05.27	1.68	\$ 5,500,000	\$ -	\$ -	\$ 2,750,000	(Note 1)
99-2	2010.09.16-2015.09.16	1.59	6,000,000	-	-	3,000,000	(Note 1)
100-1	2011.05.27-2016.05.27	1.50	3,800,000	1,900,000	1,900,000	3,800,000	(Note 1)
100-2	2011.09.29-2016.09.29	1.55	2,200,000	1,100,000	1,100,000	2,200,000	(Note 1)
100-3	2012.02.15-2017.02.15	1.36	6,000,000	3,000,000	6,000,000	6,000,000	(Note 1)
101-1	2012.06.07-2017.06.07	1.35	3,200,000	3,200,000	3,200,000	3,200,000	(Note 1)
101-2	2012.11.26-2017.11.26	1.30	4,200,000	4,200,000	4,200,000	4,200,000	(Note 1)
102-1-A	2013.05.16-2016.05.16	2.95	RMB 500,000	2,496,500	2,507,000	2,532,000	(Note 2)
102-1-B	2013.05.16-2016.05.16	Benchmark rate (Libor)+1.10%	JPY 5,000,000	1,441,500	1,374,500	1,312,500	(Note 2)
102-2	2013.08.28-2017.02.28	1.39	3,000,000	3,000,000	3,000,000	3,000,000	(Note 2)
102-3	2013.12.23-2018.12.23	1.45	2,800,000	2,800,000	2,800,000	2,800,000	(Note 2)
103-1	2014.08.21-2019.08.21	1.47	3,200,000	3,200,000	3,200,000	3,200,000	(Note 1)
103-2	2014.12.04-2019.12.04	1.47	2,200,000	2,200,000	2,200,000	2,200,000	(Note 1)
103-3	2015.02.06-2020.02.06	1.38	2,600,000	2,600,000	2,600,000	2,600,000	(Note 1)
104-1	2015.05.25-2020.05.25	1.39	8,000,000	8,000,000	8,000,000	-	(Note 1)
104-2	2015.10.02-2020.10.02	1.28	5,200,000	5,200,000	5,200,000	-	(Note 1)
104-3	2015.11.16-2020.11.16	1.25	2,800,000	2,800,000	2,800,000	-	(Note 2)
<u>Subsidiary Yuan Ding Corporation</u>							
Unsecured bonds							
99-1	2010.07.19-2015.07.19	1.62	2,000,000	-	-	800,000	(Note 3)
100-1	2011.07.20-2016.07.20	1.50	3,000,000	1,200,000	1,200,000	2,100,000	(Note 3)
100-2	2011.12.15-2016.12.15	1.45	2,000,000	1,000,000	1,000,000	2,000,000	(Note 1)
101-1-A	2012.08.06-2015.08.06	1.25	1,900,000	-	-	1,900,000	(Note 2)
101-1-B	2012.08.06-2017.08.06	1.40	1,100,000	1,100,000	1,100,000	1,100,000	(Note 1)
102-1	2013.11.25-2016.11.25	1.35	3,000,000	3,000,000	3,000,000	3,000,000	(Note 2)
103-1	2014.05.26-2019.05.26	1.35	3,000,000	3,000,000	3,000,000	3,000,000	(Note 1)
104-1	2015.07.10-2020.07.10	1.43	3,000,000	3,000,000	3,000,000	-	(Note 1)
104-2	2015.11.09-2020.11.09	1.28	2,000,000	2,000,000	2,000,000	-	(Note 1)
<u>Subsidiary Far EasTone</u>							
Unsecured bonds							
102-4	2013.06.27-2020.06.27	1.33	5,000,000	5,000,000	5,000,000	5,000,000	(Note 4)
102-5-A	2013.10.15-2017.10.15	1.46	1,000,000	1,000,000	1,000,000	1,000,000	(Note 2)
102-5-B	2013.10.15-2018.10.15	1.58	4,000,000	4,000,000	4,000,000	4,000,000	(Note 2)
102-6-A	2013.12.24-2016.12.24	1.17	1,600,000	1,600,000	1,600,000	1,600,000	(Note 2)
102-6-B	2013.12.24-2017.12.24	1.27	5,200,000	5,200,000	5,200,000	5,200,000	(Note 2)
102-6-C	2013.12.24-2019.12.24	1.58	3,200,000	3,200,000	3,200,000	3,200,000	(Note 2)
Total outstanding balance				<u>\$ 81,438,000</u>	<u>\$ 84,381,500</u>	<u>\$ 76,694,500</u>	

Note 1: These 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. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

Note 2: These bonds are repayable in lump sum on maturity. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

Note 3: These bonds are repayable at 30%, 30% and 40% of the total amount at the end of the third, fourth and fifth years, respectively, of bond issuance. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

Note 4: These bonds are repayable at 50% and 50% of the total amount at the end of fifth and seventh years, respectively. The interest is calculated by the simple interest method (based on the outstanding balance) starting from the issuance date and is payable annually.

23. PROVISIONS

	March 31, 2016	December 31, 2015	March 31, 2015
Dismantling obligations	\$ 931,634	\$ 926,125	\$ 880,062
Warranties	148,103	142,146	135,166
Onerous contracts	<u>-</u>	<u>1,461</u>	<u>11,017</u>
	<u>\$ 1,079,737</u>	<u>\$ 1,069,732</u>	<u>\$ 1,026,245</u>
Current	\$ 262,883	\$ 258,638	\$ 257,140
Noncurrent	<u>816,854</u>	<u>811,094</u>	<u>769,105</u>
	<u>\$ 1,079,737</u>	<u>\$ 1,069,732</u>	<u>\$ 1,026,245</u>

	Dismantling Obligations	Warranties	Onerous Contracts	Total
Balance at January 1, 2016	\$ 926,125	\$ 142,146	\$ 1,461	\$ 1,069,732
Additional provisions recognized	11,143	16,140	-	27,283
Reductions arising from payments	<u>(5,634)</u>	<u>(10,183)</u>	<u>(1,461)</u>	<u>(17,278)</u>
Balance at March 31, 2016	<u>\$ 931,634</u>	<u>\$ 148,103</u>	<u>\$ -</u>	<u>\$ 1,079,737</u>
Balance at January 1, 2015	\$ 870,515	\$ 124,565	\$ 8,340	\$ 1,003,420
Additional provisions recognized	13,824	24,027	11,017	48,868
Reductions arising from payments	<u>(4,277)</u>	<u>(13,426)</u>	<u>(8,340)</u>	<u>(26,043)</u>
Balance at March 31, 2015	<u>\$ 880,062</u>	<u>\$ 135,166</u>	<u>\$ 11,017</u>	<u>\$ 1,026,245</u>

24. RETIREMENT BENEFIT PLANS

For defined benefit plans, employee benefit expenses as of and for the three months ended March 31, 2016 and 2015 were calculated as NT\$53,420 thousand and NT\$41,186 thousand by the actuarially determined pension cost discount rate as of December 31, 2015 and 2014. The Group transferred defined benefit costs NT\$165 thousand to related parties for the three months ended March 31, 2016.

25. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

	March 31, 2016		
	Within One Year	Over One Year	Total
<u>Assets</u>			
Notes and accounts receivable	\$ 418,885	\$ 313,139	\$ 732,024
Inventories - construction and real estate	4,019,173	700,887	4,720,060
Amounts due from customers for construction contracts	104,828	850,443	955,271
Other financial assets - current	79,447	1,023,921	1,103,368
Refundable deposits - current	25,003	12,285	37,287
<u>Liabilities</u>			
Notes and accounts payable	1,093,892	436,735	1,530,627
Notes and accounts payable to related parties	65,169	-	65,169
Amounts due to customers for construction contracts	2,577	276,172	278,749
Provisions - current	-	53,616	53,616
Advance real estate receipts	5,124	-	5,124
	December 31, 2015		
	Within One Year	Over One Year	Total
<u>Assets</u>			
Notes and accounts receivable	\$ 431,941	\$ 285,370	\$ 717,311
Inventories - construction and real estate	4,019,173	700,887	4,720,060
Amounts due from customers for construction contracts	90,542	883,346	973,888
Other financial assets - current	80,249	1,546,727	1,626,976
Refundable deposits - current	25,003	9,180	34,183
<u>Liabilities</u>			
Notes and accounts payable	1,919,971	407,525	2,327,496
Notes and accounts payable to related parties	97,249	-	97,249
Amounts due to customers for construction contracts	2,133	118,563	120,696
Provisions - current	-	53,620	53,620
Advance real estate receipts	4,308	-	4,308

	March 31, 2015		
	Within One Year	Over One Year	Total
<u>Assets</u>			
Notes and accounts receivable	\$ 516,262	\$ 285,370	\$ 717,311
Inventories - construction and real estate	4,561,180	700,887	4,720,060
Amounts due from customers for construction contracts	22,153	883,346	973,888
Other financial assets - current	263,487	1,546,727	1,626,976
Refundable deposits - current	3	9,180	34,183
<u>Liabilities</u>			
Notes and accounts payable	1,400,015	254,513	1,654,528
Notes and accounts payable to related parties	85,679	-	85,679
Amounts due to customers for construction contracts	3,629	129,620	133,249
Provisions - current	-	53,210	53,210

26. EQUITY

a. Share capital

1) Common shares

	March 31, 2016	December 31, 2015	March 31, 2015
Number of shares authorized (in thousands)	<u>6,000,000</u>	<u>6,000,000</u>	<u>6,000,000</u>
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>5,352,875</u>	<u>5,352,875</u>	<u>5,247,917</u>
Shares issued	<u>\$ 53,528,751</u>	<u>\$ 53,528,751</u>	<u>\$ 52,479,168</u>

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

2) Global depositary receipt

The Company issued global depositary receipts (GDRs) since 1999, one GDRs unit represents 10 common shares of the Company. The GDRs were traded and listed on the Luxembourg Stock Exchange. As of March 31, 2016, there are 33 thousand units outstanding, which were equal to 331 thousand common shares of the Company.

b. Capital surplus

	March 31, 2016	December 31, 2015	March 31, 2015
May be used to offset a deficit, distributed as cash dividends or transferred to share capital (1)			
Difference between consideration received or paid and the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	\$ 2,654,932	\$ 2,654,932	\$ 3,636,824
<u>May be used to offset a deficit only (2)</u>			
Arising from changes in percentage of ownership interest in subsidiaries	107,081	107,081	4,183
Treasury shares transaction	11,729	11,729	10,813
<u>May not be used for any purpose</u>			
Changes in equity-method associates capital surplus	<u>33,941</u>	<u>33,941</u>	<u>15,128</u>
	<u>\$ 2,807,683</u>	<u>\$ 2,807,683</u>	<u>\$ 3,666,948</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 transferred to share capital.
- 2) Such capital surplus arises from the effect of changes in ownership interest in a subsidiary resulted from equity transactions other than actual disposal or acquisition, or from changes in capital surplus of subsidiaries accounted for by using equity method.

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
Bonus for stockholders	33
Bonus for employees	4
Remuneration for directors and supervisors	3

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.

In accordance with the amendments to the Company Act in May 2015, the recipients of dividends and bonuses are limited to shareholders and do not include employees. The consequential amendments to the Company's Articles of Incorporation had been proposed by the Company's board of directors on March 25, 2016 and are subject to the resolution of the shareholders in their meeting to be held on June 23, 2016. For information about the accrual basis of the employees' compensation and remuneration to directors and supervisors and the actual appropriations, please refer to Note 27,c. Employee benefits expense.

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.

Under Rule No. 1010012865, Rule No. 1010047490 and Rule No. 1030006415 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.

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 2015 and 2014 earnings were proposed and approved by the Company's board of directors and in the stockholders' meeting on March 25, 2016 and June 26, 2015, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings		Dividends Per Share	
			(NT\$)	
	For Year 2015	For Year 2014	For Year 2015	For Year 2014
Legal reserve	\$ 803,469	\$ 1,103,342		
Special reserve	2,165,513	4,348,583		
Cash dividends	<u>5,352,875</u>	<u>6,297,500</u>	\$ 1.0	\$ 1.2
	<u>\$ 8,321,857</u>	<u>\$ 11,749,425</u>		

In addition, in order to refine financial and capital structure, The Company's stockholders approved the distribution of shares amounting to NT\$1,049,583 thousand with NT\$0.2 per share, from the capital surplus in the stockholders' meeting on June 26, 2015.

d. Special reserves

The Group's special reserves appropriated following the first-time adoption of IFRSs were as NT\$22,287,929 thousand.

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 Three Months Ended March 31	
	2016	2015
Balance at January 1	\$ 21,860,117	\$ 22,275,153
Reversed on elimination of the original need to appropriate a special reserves:		
Disposal of associates	(2,291)	-
Disposal of investment properties	<u>(7,763)</u>	<u>(415,036)</u>
Balance at March 31	<u>\$ 21,850,063</u>	<u>\$ 21,860,117</u>

On the initial application of fair value model to investment properties, the Group appropriated for 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 Three Months Ended March 31	
	2016	2015
Balance at January 1	\$ 83,686,899	\$ 80,462,245
Reversed on elimination of the original need to appropriate a special reserves:		
Disposal of investment properties	<u>(21,534)</u>	<u>(1,100,153)</u>
Balance at March 31	<u>\$ 83,665,365</u>	<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 on Financial Instruments	Cash Flow Hedges	Unrealized Revaluation Increments	Total
Balance at January 1, 2016	\$ 2,274,683	\$ 1,119,927	\$ (95,944)	\$ 702,030	\$ 4,000,696
Exchange differences arising on translation of foreign operations	(261,166)	-	-	-	(261,166)
Unrealized loss on available-for-sale financial assets	-	(140,807)	-	-	(140,807)
Losses on hedging instruments in cash flow hedges arising from fair value changes	-	-	(2,915)	-	(2,915)
Share of the other comprehensive loss of associates	<u>(242,925)</u>	<u>(1,865,170)</u>	<u>-</u>	<u>-</u>	<u>(2,108,095)</u>
Balance at March 31, 2016	<u>\$ 1,770,592</u>	<u>\$ (886,050)</u>	<u>\$ (98,859)</u>	<u>\$ 702,030</u>	<u>\$ 1,487,713</u>
Balance at January 1, 2015	\$ 2,871,860	\$ 3,629,652	\$ (173,051)	\$ 512,607	\$ 6,841,068
Exchange differences arising on translation of foreign operations	(463,348)	-	-	-	(463,348)
Unrealized gain on available-for-sale financial assets	-	139,485	-	-	139,485
Gain on hedging instruments in cash flow hedges arising from fair value changes	-	-	18,461	-	18,461
Share of the other comprehensive (loss) income of associates	<u>(242,007)</u>	<u>1,294,546</u>	<u>1,452</u>	<u>-</u>	<u>1,053,991</u>
Balance at March 31, 2015	<u>\$ 2,166,505</u>	<u>\$ 5,063,683</u>	<u>\$ (153,138)</u>	<u>\$ 512,607</u>	<u>\$ 7,589,657</u>

f. Non-controlling interests

	For the Three Months Ended March 31	
	2016	2015
Balance at January 1	\$ 63,145,438	\$ 63,818,325
Attributable to non-controlling interests:		
Current profit	1,731,916	1,991,215
Exchange differences arising on translation of foreign operations	(4,068)	(52,894)
(Loss) gain on hedging instruments in cash flow hedges arising from fair value changes	(8,177)	25,292
Unrealized loss on available-for-sale financial assets	(47,993)	(299)
Share of other comprehensive (loss) gain of associates accounted for using the equity method	22,152	3,525
Changes in unappropriated earnings of associates	-	9
Effect on changes in percentage of ownership in subsidiaries	6,416	7,762
Disposal of associates	<u>(6)</u>	<u>-</u>
Balance at March 31	<u>\$ 64,801,374</u>	<u>\$ 65,792,935</u>

g. Treasury shares

The Group's shares held by its subsidiary, Yuan Ding Company Corporation (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>March 31, 2016</u>			
Yuan Ding	779	<u>\$ 25,063</u>	<u>\$ 20,498</u>
<u>December 31, 2015</u>			
Yuan Ding	779	<u>\$ 25,063</u>	<u>\$ 20,069</u>
<u>March 31, 2015</u>			
Yuan Ding	764	<u>\$ 25,063</u>	<u>\$ 24,680</u>

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

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

27 NET PROFIT FROM CONTINUING OPERATIONS

a. Interest expenses

	For the Three Months Ended March 31	
	2016	2015
Capitalized interests on properties	\$ 70,398	\$ 62,534
Capitalization rates	1.05%-1.52%	1.14%-1.56%

b. Depreciation and amortization

	For the Three Months Ended March 31	
	2016	2015
Property, plant and equipment	\$ 3,718,976	\$ 3,343,717
Intangible assets	927,631	819,208
Long-term prepayments for lease	<u>50,380</u>	<u>49,014</u>
	<u>\$ 4,696,987</u>	<u>\$ 4,211,939</u>
 An analysis of deprecation by function		
Operating costs	\$ 3,248,060	\$ 2,880,510
Operating expenses	436,366	435,088
Other expenses	<u>34,550</u>	<u>28,119</u>
	<u>\$ 3,718,976</u>	<u>\$ 3,343,717</u>
 An analysis of amortization by function		
Operating costs	\$ 756,898	\$ 615,596
Operating expenses	<u>221,113</u>	<u>252,626</u>
	<u>\$ 978,011</u>	<u>\$ 868,222</u>

c. Employee benefits expense

	For the Three Months Ended March 31	
	2016	2015
Post-employment benefits		
Defined contribution plans	\$ 217,756	\$ 202,955
Defined benefit plans	53,255	41,186
Other employee benefits	<u>4,481,626</u>	<u>4,659,773</u>
Total employee benefit expense	<u>\$ 4,752,637</u>	<u>\$ 4,903,914</u>
 Analysis of employee benefit expense by function		
Operating costs	\$ 2,203,941	\$ 2,237,722
Operating expenses	<u>2,548,696</u>	<u>2,666,192</u>
	<u>\$ 4,752,637</u>	<u>\$ 4,903,914</u>

Under the Group'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 Group would retain a certain amount for expansion plans and then make the following appropriations:

	%
Dividends	60
Bonus for stockholders	33
Bonus for employees	4
Remuneration for directors and supervisors	3

The Group accrued the bonuses to employees amounting to NT\$115,116 and remunerations to directors and supervisors amounting to NT\$86,337 for the three months ended March 31, 2015

To be in compliance with the Group Act as amended in May 2015, the proposed amended Articles of Incorporation of the Group stipulate to distribute employees' compensation and remuneration to directors at the rates 2.0% to 3.5% and no higher than 2.5%, respectively, of net profit before income tax, employees' compensation, and remuneration to directors. For the three months ended March 31, 2016, the Group accrued the employees' compensation and the remuneration to directors amounting to NT\$27,801 thousand and NT\$19,858 thousand, respectively, representing 3.44% and 2.45% of foregoing net profit before income tax, respectively.

If there is a change in the proposed amounts after the annual consolidated financial statements were authorized for issue, the differences are recorded as a change in accounting estimate.

The bonuses to employees and remuneration to directors and supervisors for 2015 and 2014 which have been approved in the Company's board of directors and the shareholders' meetings on March 25, 2016 and June 26, 2015, respectively, were as follows. The employees' compensation and remuneration to directors for the year ended December 31, 2015, are subject to the resolution of the amendments to the Group's Articles of Incorporation for adoption by the shareholders in their meeting to be held on June 23, 2016, and in addition to a report of such distribution shall be submitted to the shareholders' meeting.

	For the Year Ended December 31, 2015	
	Cash	Share
Employees' compensation	\$ 230,231	\$ -
Remuneration to directors	152,659	-

There was no difference between the amounts of the employees' compensation and the remuneration to directors approved in the board of directors on March 25, 2016 and the amounts recognized in the Company's financial statements for the years ended December 31, 2015. The total employees' compensation was paid in cash.

	For the Year Ended December 31, 2014	
	Cash	Share
Bonuses to employees		
Remuneration to directors and supervisors	\$ 270,860	\$ -
	203,145	-

There was no difference between the amounts of the bonuses to employees and the remuneration to directors and supervisors approved in the shareholders' meeting on June 26, 2015 and the amounts recognized in the Company's financial statements for the years ended December 31, 2014. The total bonuses to employees was paid in cash.

Information on the employees' compensation and remuneration to directors which have been approved by the board of directors in 2016, available on the Market Observation Post System website of the Taiwan Stock Exchange.

28. INCOME TAXES

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	For the Three Months Ended March 31	
	2016	2015
Current tax	\$ 667,624	\$ 922,890
Deferred tax	<u>330,071</u>	<u>1,428,712</u>
Income tax expense recognized in profit or loss	<u>\$ 997,695</u>	<u>\$ 2,351,602</u>

b. Integrated income tax

	March 31, 2016	December 31, 2015	March 31, 2015
Unappropriated earnings			
Generated before January 1, 1998	<u>\$ 72,890</u>	<u>\$ 78,778</u>	<u>\$ 98,794</u>
Imputation credits accounts	<u>\$ 785,893</u>	<u>\$ 785,893</u>	<u>\$ 922,151</u>
		For the Year Ended December 31	
		2015	2014
		(Expected)	(Actual)
Creditable ratio for distribution of earning		5.77 %	9.85%

c. Income tax assessments

	Latest Year of Income Tax Return That Tax Authorities Had Examined and Cleared
Far Eastern New Century Corporation	2010
Far Eastern Resources Development Corporation	2010
Far Eastern Fibertech Corporation	2013
Oriental Petrochemical (Taiwan) Corporation	2013
Yuan Tong Investment Corporation	2013
Ding Ding Integrated Marketing Service Corporation.	2014

(Continued)

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

Ding Ding Hotel Corporation	2013
Fu Kwok Garment Manufacturing Corporation	2013
Far Eastern Apparel Corporation	2013
Yuan Cheng Human Resources Consultant Corporation	2013
Yuan Ding Investment Corporation	2013
Oriental Resources Development Corporation	2013
Yuan Faun Corporation	2014
Kai Yuan International Investment Corporation	2014
Ding Yuan International Investment Corporation	2014
An Ho Garment Corporation	2013
Far Eastern Electronic Toll Collection Corporation	2013
Far Eastern Textile Corporation	2014
Far Eastern Construction Corporation	2014
Far Eastern General Contractor Inc.	2013
Yuan Ding Corporation	2013
FET Consulting Engineers Corporation	2014
Far Eastern Technical Consultants Corporation	2014
Far Eastern Electronic Commerce Corporation	2013
YDT Technology International Corporation	2014
Far EasTone Telecommunications Corporation	2013
New Century InfoComm Tech Corporation	2013
Arcoa Communication Corporation	2013
Simple InfoComm Corporation	2014
Q-Ware Communication Corporation	2013
Information Security Service Digital United Corporation	2014
Linkwell Tech. Corporation	2013
Data Express Infotech Corporation	2013
Yuan Cing Corporation	2014
O-music Corporation	2013
New Diligent Corporation	2013
KGEx.com Corporation	2014
Homet Master Technology Corporation	2014
Hiiir Corporation	2014

(Concluded)

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

Income tax returns through 2010 of KG Telecom 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.

29. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Three Months Ended March 31	
	2016	2015
Basic earnings per share	<u>\$ 0.17</u>	<u>\$ 0.53</u>
Diluted earnings per share	<u>\$ 0.17</u>	<u>\$ 0.53</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 March 31	
	2016	2015
Profit for the period attributable to owners of the Company	<u>\$ 834,946</u>	<u>\$ 2,635,289</u>

Weighted Average Number of Common Shares Outstanding

Unit: In Thousand Shares

	For the Three Months Ended March 31	
	2016	2015
Weighted average number of common shares used in the computation of basic earnings per share	5,000,508	5,002,577
Effect of potentially dilutive common shares: Employees' compensation	<u>10,607</u>	<u>12,912</u>
Weighted average number of common shares used in the computation of diluted earnings per share	<u>5,011,115</u>	<u>5,015,489</u>

In calculating the weighted average number of share outstanding for consolidated EPS, the Company recognized the number of the shares held by associates as treasury shares and deducted the number of treasury shares from the weighted average number of outstanding shares in the current period.

If the Company offered to settle compensation paid to employees in cash or shares, the Company assumed the entire amount of the compensation would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if the effect is dilutive. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

The weighted average number of shares outstanding for EPS calculation has been retroactively adjusted for stock dividends. This adjustment caused the basic and diluted after income tax EPS for the three months ended March 31, 2015 to decrease from NT\$0.54 to NT\$0.53.

The Company calculated basic EPS with the weighted average number of outstanding shares in the current period. Based on the calculation, for the three months ended March 31, 2016 and 2015, the Company's EPS were NT\$0.16 and NT\$0.49, respectively.

30. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

For the three months ended March 31, 2015

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

	Far Eastern Ishizuka Green Pet Corporation	Sino Belgium (Holding) Corporation
Cash consideration paid	\$ (59,701)	\$ (63,550)
The proportionate share of the carrying amount of the net assets of the subsidiary transferred from non-controlling 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>		
Unappropriated earnings	<u>\$ (3,749)</u>	<u>\$ (4,013)</u>

31. 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 non-cancellable operating lease commitments were as follows:

	March 31, 2016	December 31, 2015	March 31, 2015
Not later than 1 year	\$ 3,621,181	\$ 3,684,769	\$ 3,438,103
Later than 1 year and not later than 5 years	6,427,808	6,968,830	6,219,953
Later than 5 years	<u>1,115,127</u>	<u>1,149,250</u>	<u>1,164,534</u>
	<u>\$ 11,164,116</u>	<u>\$ 11,802,849</u>	<u>\$ 10,822,590</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 non-cancellable operating lease commitments were as follows:

	March 31, 2016	December 31, 2015	March 31, 2015
Not later than 1 year	\$ 708,965	\$ 913,081	\$ 821,438
Later than 1 year and not later than 5 years	2,302,690	2,827,551	2,674,322
Later than 5 years	<u>1,380,183</u>	<u>1,348,977</u>	<u>1,462,930</u>
	<u>\$ 4,391,838</u>	<u>\$ 5,089,609</u>	<u>\$ 4,958,690</u>

32. 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.

33. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value on a recurring basis

- 1) Except as detailed in the following table, management believes the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

	<u>March 31, 2016</u>		<u>December 31, 2015</u>		<u>March 31, 2015</u>	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<u>Financial liabilities</u>						
Financial liabilities measured at amortized cost						
Bonds payable	\$ 81,351,336	\$ 81,929,795	\$ 84,284,520	\$ 84,706,177	\$ 76,609,212	\$ 76,825,589

- 2) Fair value hierarchy

March 31, 2016

	Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>				
Bonds payable	<u>\$ 81,929,795</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81,929,795</u>

December 31, 2015

	Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>				
Bonds payable	<u>\$ 84,706,177</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84,706,177</u>

March 31, 2015

	Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>				
Bonds payable	<u>\$ 76,825,589</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,825,589</u>

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

1) Fair value hierarchy

March 31, 2016

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVTPL)				
Open-end mutual funds - beneficial certificates	\$ 2,302,550	\$ -	\$ -	\$ 2,302,550
Marketable equity securities	302,194	-	-	302,194
Guarantee deposits - cotton futures contracts	-	-	42,139	42,139
Guarantee deposits - PTA futures contracts	<u>-</u>	<u>-</u>	<u>13,342</u>	<u>13,342</u>
	<u>\$ 2,604,744</u>	<u>\$ -</u>	<u>\$ 55,481</u>	<u>\$ 2,660,225</u>
Hedging derivative financial assets				
Forward exchange contracts	\$ -	\$ -	\$ 11,286	\$ 11,286
Foreign exchange swap contracts	<u>-</u>	<u>-</u>	<u>23,690</u>	<u>23,690</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,976</u>	<u>\$ 34,976</u>
Available-for-sale financial assets				
Marketable equity securities	\$ 4,304,439	\$ -	\$ -	\$ 4,304,439
Mutual funds - beneficial certificates	-	582,010	-	582,010
Oversea equity securities	<u>101,325</u>	<u>-</u>	<u>-</u>	<u>101,325</u>
	<u>\$ 4,405,764</u>	<u>\$ 582,010</u>	<u>\$ -</u>	<u>\$ 4,987,774</u>
Financial liabilities at FVTPL				
Forward exchange contracts	\$ -	\$ -	\$ 183,329	\$ 183,329
Option contracts	-	-	966	966
Combined foreign exchange options	-	-	44,732	44,732
Cross-currency swaps contracts	<u>-</u>	<u>-</u>	<u>89,039</u>	<u>89,039</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 318,066</u>	<u>\$ 318,066</u>
Hedging derivative financial liabilities				
Interest rate swaps	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 373,961</u>	<u>\$ 373,961</u>

December 31, 2015

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVTPL)				
Open-end mutual funds - beneficial certificates	\$ 3,333,494	\$ -	\$ -	\$ 3,333,494
Marketable equity securities	543,829	-	-	543,829
Guarantee deposits - cotton futures contracts	-	-	43,073	43,073
Guarantee deposits - PTA futures contracts	-	-	6,012	6,012
Cross-currency swap contracts	-	-	2,195	2,195
Combined exchange options	-	-	1,009	1,009
Forward exchange contracts	-	-	68,283	68,283
	<u>\$ 3,877,323</u>	<u>\$ -</u>	<u>\$ 120,572</u>	<u>\$ 3,997,895</u>
Available-for-sale financial assets				
Marketable equity securities	\$ 4,433,684	\$ -	\$ -	\$ 4,433,684
Mutual funds - beneficial certificates	-	665,295	-	665,295
Oversea equity securities	<u>115,317</u>	<u>-</u>	<u>-</u>	<u>115,317</u>
	<u>\$ 4,549,001</u>	<u>\$ 665,295</u>	<u>\$ -</u>	<u>\$ 5,214,296</u>
Hedging derivative financial assets				
Forward exchange contracts	\$ -	\$ -	\$ 3,790	\$ 3,790
Foreign exchange swap contracts	-	-	2,225	2,225
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,015</u>	<u>\$ 6,015</u>
Hedging derivative financial liabilities				
Forward exchange contracts	\$ -	\$ -	\$ 3,916	\$ 3,916
Cross-currency swap contracts	-	-	1,775	1,775
Foreign exchange swap contracts	-	-	5,325	5,325
Interest rate swaps	-	-	338,020	338,020
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 349,036</u>	<u>\$ 349,036</u>

March 31, 2015

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss (FVTPL)				
Open-end mutual funds - beneficial certificates	\$ 70,840	\$ -	\$ -	\$ 70,840
Marketable equity securities	134,754	-	-	134,754
Guarantee deposits - cotton futures contracts	-	-	40,980	40,980
Guarantee deposits - PTA futures contracts	-	-	16,371	16,371
Combined exchange options	-	-	38,623	38,623
Forward exchange contracts	-	-	300	300
	<u>\$ 205,594</u>	<u>\$ -</u>	<u>\$ 96,274</u>	<u>\$ 301,868</u>

(Continued)

	Level 1	Level 2	Level 3	Total
Hedging derivative financial assets				
Forward exchange contracts	\$ -	\$ -	\$ 5,100	\$ 5,100
Cross-currency rate swaps	<u>-</u>	<u>-</u>	<u>525</u>	<u>525</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,625</u>	<u>\$ 5,625</u>
Available-for-sale financial assets				
Marketable equity securities	\$ 4,754,034	\$ -	\$ -	\$ 4,754,034
Mutual funds - beneficial certificates	59,750	708,180	-	767,930
Oversea equity securities	<u>226,916</u>	<u>-</u>	<u>-</u>	<u>226,916</u>
	<u>\$ 5,040,700</u>	<u>\$ 708,180</u>	<u>\$ -</u>	<u>\$ 5,748,880</u>
Financial liabilities at FVTPL				
Forward exchange contracts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,413</u>	<u>\$ 8,413</u>
Hedging derivative financial liabilities				
Interest rate swaps	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 479,978</u>	<u>\$ 479,978</u> (Concluded)

There were no transfers between Levels 1 and 2 for the three months ended March 31, 2016 and 2015.

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

March 31, 2016

	Financial Assets at Fair Value Through Profit or Loss - Held for Trading	Hedging Derivative Financial Instruments	Total
Balance at January 1, 2016	\$ 120,572	\$ (343,021)	\$ (222,449)
Recognized in profit or loss			
Realized	(124,031)	(19,443)	(143,474)
Unrealized	(262,585)	-	(262,585)
Recognized in other comprehensive income	-	(11,092)	(11,092)
Settlements	<u>3,459</u>	<u>34,571</u>	<u>38,030</u>
Balance at March 31, 2016	<u>\$ (262,585)</u>	<u>\$ (338,985)</u>	<u>\$ (601,570)</u>

March 31, 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)
Recognized in profit or loss			
Realized	33,065	(46,753)	(13,688)
Unrealized	87,861	-	87,861
Recognized in other comprehensive income	-	43,753	43,753
Settlements	<u>(151,240)</u>	<u>79,434</u>	<u>(71,806)</u>
Balance at March 31, 2015	<u>\$ 87,861</u>	<u>\$ (474,353)</u>	<u>\$ (386,492)</u>

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

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
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

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Future contract	Future contract pricing model 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.
Forward exchange contracts, option contracts, combined exchange options, cross-currency interest rate swap and interest rate swap	Discounted cash flow. Future cash flows are estimated based on observable spot exchange rates at the end of the reporting period and contract rates.

c. Categories of financial instruments

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Financial assets</u>			
FVTPL			
Held for trading	\$ 2,660,225	\$ 3,997,895	\$ 301,868
Derivative instruments in designated hedge			
accounting relationships	34,976	6,015	5,625
Loans and receivables (Note 1)	80,464,114	84,170,332	77,789,722
Available-for-sale financial assets (Note 2)	6,124,294	6,352,922	6,817,554
<u>Financial liabilities</u>			
FVTPL			
Held for trading	318,066	-	8,413
Derivative instruments in designated hedge			
accounting relationships	373,961	349,036	479,978
Amortized cost (Note 3)	229,393,773	229,139,543	212,389,580

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 measured 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 received.

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 non-operating 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 (a) below) and interest rates (see (b) 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 37.

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.

	March 31, 2016	December 31, 2015	March 31, 2015
5% change in profit or loss			
USD	<u>\$ (340,801)</u>	<u>\$ (589,910)</u>	<u>\$ 52,764</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.

	March 31, 2016	December 31, 2015	March 31, 2015
Fair value interest rate risk			
Financial assets	\$ 30,782,857	\$ 33,333,704	\$ 21,606,613
Financial liabilities	142,019,571	150,927,513	137,281,295
Cash flow interest rate risk			
Financial assets	18,526,278	12,913,827	14,524,673
Financial liabilities	53,465,971	43,087,204	40,902,570

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 0.25% 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.

As of March 31, 2016, December 31, 2015 and March 31, 2015, had interest rates been 0.25% 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\$76,765 thousand, NT\$83,126 thousand and NT\$53,882 thousand, respectively, and the cash flows on the Group's financial assets with floating interest rate would have increased/decreased by NT\$46,316 thousand, NT\$32,285 thousand and NT\$36,312 thousand, respectively.

As of March 31, 2016, December 31, 2015 and March 31, 2015, had interest rates been 0.25% 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\$354,164 thousand, NT\$376,378 thousand and NT\$342,347 thousand, respectively, and the cash flows on the Group's financial liabilities with floating interest rate would have increased/decreased by NT\$133,665 thousand, NT\$107,718 thousand, and NT\$102,256 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 March 31, 2016, December 31 and March 31, 2015 would have decreased by NT\$379,626 thousand, NT\$454,581 thousand and NT\$297,724 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>March 31, 2016</u>				
Long-term borrowings	\$ 35,120,459	\$ 6,966,466	\$ 36,720,643	\$ 78,807,568
Bonds payable	<u>10,450,000</u>	<u>14,800,000</u>	<u>32,200,000</u>	<u>57,450,000</u>
	<u>\$ 45,570,459</u>	<u>\$ 21,766,466</u>	<u>\$ 68,920,643</u>	<u>\$ 136,257,568</u>
<u>December 31, 2015</u>				
Long-term borrowings	\$ 48,596,038	\$ 12,013,572	\$ 16,395,282	\$ 77,004,892
Bonds payable	<u>16,450,000</u>	<u>13,500,000</u>	<u>33,500,000</u>	<u>63,450,000</u>
	<u>\$ 65,046,038</u>	<u>\$ 25,513,572</u>	<u>\$ 49,895,282</u>	<u>\$ 140,454,892</u>
<u>March 31, 2015</u>				
Long-term borrowings	\$ 34,668,219	\$ 15,431,611	\$ 16,989,908	\$ 67,089,738
Bonds payable	<u>23,872,750</u>	<u>10,450,000</u>	<u>26,000,000</u>	<u>60,322,750</u>
	<u>\$ 58,540,969</u>	<u>\$ 25,881,611</u>	<u>\$ 42,989,908</u>	<u>\$ 127,412,488</u>

34. TRANSACTIONS WITH RELATED PARTIES

The Group had significant transactions with related parties. Besides the transactions mentioned in the other notes, the transactions for the three months ended March 31, 2016 and 2015 and the related balances as of the balance sheet dates are summarized in the accompanying Tables 2 and 3.

35. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

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.

	March 31, 2016	December 31, 2015	March 31, 2015
Other financial assets - current	\$ 2,464,594	\$ 3,106,606	\$ 2,012,532
Inventories - available-for-construction - land	693,157	693,157	693,157
Inventories - available-for-sale - land and building	1,401,999	1,401,999	1,901,016
Property, plant and equipment, net	13,500,448	13,599,735	12,834,458
Investment properties	36,994,971	36,689,061	39,236,418
Available-for-sale financial assets - current and non-current	142,950	146,850	163,500
Investment accounted for using the equity method	2,910,052	2,975,552	3,536,918
Concession	2,857,000	2,857,000	2,036,000
Other financial assets - non-current	<u>2,023,345</u>	<u>2,697,969</u>	<u>2,962,843</u>
	<u>\$ 62,988,516</u>	<u>\$ 64,167,929</u>	<u>\$ 65,376,842</u>

As of March 31, 2016, December 31, 2015 and March 31, 2015, FENC and some of its subsidiaries had provided 122,094 thousand shares, 122,094 thousand shares and 123,794 thousand shares, respectively, of the common shares of Far EasTone Telecommunications Corporation and 16,500 thousand common shares of Yuan Ding Company Corporation, as collaterals for short-term borrowings, short-term bills payable and long-term borrowings.

36. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of March 31, 2016, December 31, 2015 and March 31, 2015 were as follows:

- a. The Group issued but unused letters of credit aggregated approximately NT\$815,464 thousand, NT\$1,022,874 thousand and NT\$1,199,861 thousand as of March 31, 2016, December 31, 2015 and March 31, 2015, respectively.
- b. The Group (except for Far EasTone and its subsidiaries) unpaid building construction and equipment installation contracts amounting to approximately NT\$9,302,589 thousand, NT\$7,764,224 thousand and NT\$9,302,589 thousand as of March 31, 2016, December 31, 2015 and March 31, 2015, respectively.

In addition, Far EasTone and its subsidiaries unpaid properties and cellular phone equipment were as follows:

	March 31, 2016	December 31, 2015	March 31, 2015
Acquisition of property, plant and equipment under contracts	\$ 6,061,656	\$ 6,668,933	\$ 5,650,015
Less: Payments for acquisition of property, plant and equipment	<u>1,766,782</u>	<u>1,716,273</u>	<u>1,919,573</u>
	<u>\$ 4,294,874</u>	<u>\$ 4,952,660</u>	<u>\$ 3,730,442</u>
Acquisition of cellular phone equipment under contract	\$ 13,721,093	\$ 13,372,760	\$ 12,734,124
Less: Payments for acquisition of cellular phone equipment	<u>9,358,644</u>	<u>8,264,134</u>	<u>6,057,916</u>
	<u>\$ 4,362,449</u>	<u>\$ 5,108,626</u>	<u>\$ 6,676,208</u>

- c. There were undelivered cotton contracts amounting to NT\$149,081 thousand, NT\$222,091 thousand and NT\$468,235 thousand as of March 31, 2016, December 31, 2015 and March 31, 2015, respectively.
- d. Project contracts already signed by Far Eastern General Contractor Inc. (FEGC) amounted to NT\$29,518,157 thousand, NT\$26,466,265 thousand and NT\$31,565,795 as of March 31, 2016, December 31, 2015 and March 31, 2015, respectively.
- e. Eastern Electronic Toll Collection Corporation (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 Corporation (FEIB) to manage the tolls collected. The trust property for this agreement had amounted to NT\$3,713,450 thousand, NT\$3,598,241 thousand and NT\$3,559,507 thousand as of March 31, 2016, December 31, 2015 and March 31, 2015, respectively.
- f. Endorsements and guarantees provided to the related parties are shown in Table 5 (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 Corporation 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 May 10, 2016, 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 May 10, 2016, 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 Corporation (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 May 10, 2016, the lawsuit was pending before the Ministry of the Interior.

- j. A Company subsidiary, Far Eastern Electronic Toll Collection Corporation (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 May 13, 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.

- k. In May 2015, an FENC subsidiary, Far EasTone applied to the Taipei District Court for a temporary injunction order against Taiwan Mobile Corporation (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 approved the issuance of a preliminary injunction. Under the preliminary injunction process, in July 2015, Far EasTone lodged NT\$1,049,000 thousand in negotiable certificates (recognized as other financial assets - current) however TWM posted a bond of NT\$927,000 thousand as part of its appeal of the preliminary injunction and request that the Court allow TWM to use the C1 spectrum. On September 11, 2015, the High Court rejected TWM's interlocutory appeal and upheld provisional injunction.

TWM no longer filed another appeal of the preliminary injunction. On July 28, 2015, Far EasTone filed a civil litigation against TWM, asking TWM to escheat the C4 spectrum immediately and declared that TWM should refrain from using the C1 spectrum even before escheating the C4 spectrum. At the same time, Far EasTone demanded a compensation of NT\$1,005,800 thousand from TWM.

On April 28, 2016, the Taipei District Court ruled that after Far EasTone lodges the security of NT\$143,050 thousand or a Far Eastern International Bank bearer Negotiable Certificate of Deposit ("NCD") in the same amount, TWM has to return the C4 spectrum to NCC and is prohibited from any use of the spectrum. Far EasTone's other requests were turned down. The provisional injunction order ruling can be waived or revoked if TWM provides a counter-security of NT\$547,119 thousand or a Bank of Taiwan bearer NCD in the same amount.

- l. To enter the cable television market and strengthen the domain of digital convergence, an FENC subsidiary, 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, on July 30, 2015, 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. The case is subject to the permission from the Investment Commission, MOEA.

37. SIGNIFICANT 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:

March 31, 2016

	Foreign Currencies	Exchange Rate	Carrying Amount (NT\$)
<u>Financial assets</u>			
Monetary items			
USD	\$ 495,341	32.165 (USD:NTD)	\$ 15,932,643
USD	140,041	6.473 (USD:RMB)	4,504,419
USD	80,897	7.800 (USD:HKD)	2,602,052
USD	1,585	4.381 (USD:MYR)	<u>50,982</u>
			<u>\$ 23,090,096</u>

Financial liabilities

Monetary items			
USD	85,607	32.165 (USD:NTD)	\$ 2,753,549
USD	279,270	6.473 (USD:RMB)	8,982,720
USD	139,495	7.800 (USD:HKD)	4,486,857
USD	1,584	4.381 (USD:MYR)	<u>50,949</u>
			<u>\$ 16,274,075</u>

December 31, 2015

	Foreign Currencies	Exchange Rate	Carrying Amount (NT\$)
<u>Financial assets</u>			
Monetary items			
USD	\$ 549,405	32.88 (USD:NTD)	\$ 18,064,436
USD	112,975	6.589 (USD:RMB)	3,714,618
USD	51,429	7.800 (USD:HKD)	1,690,986
USD	3,746	4.478 (USD:MYR)	<u>123,168</u>
			<u>\$ 23,593,208</u>

Financial liabilities

Monetary items			
USD	157,132	32.88 (USD:NTD)	\$ 5,166,500
USD	191,217	6.589 (USD:RMB)	6,287,215
USD	7,630	7.800 (USD:HKD)	250,874
USD	2,750	4.478 (USD:MYR)	<u>90,420</u>
			<u>\$ 11,795,009</u>

March 31, 2015

	Foreign Currencies	Exchange Rate	Carrying Amount (NT\$)
<u>Financial assets</u>			
Monetary items			
USD	\$ 453,252	31.290 (USD:NTD)	\$ 14,182,255
USD	132,172	6.208 (USD:RMB)	4,135,662
USD	125,498	7.800 (USD:HKD)	3,926,832
USD	6,444	3.855 (USD:MYR)	<u>201,633</u>
			<u>\$ 22,446,382</u>
<u>Financial liabilities</u>			
Monetary items			
USD	270,285	31.290 (USD:NTD)	\$ 8,457,218
USD	450,753	6.208 (USD:RMB)	14,104,061
USD	222,267	7.800 (USD:HKD)	696,734
USD	7,787	3.855 (USD:MYR)	<u>243,655</u>
			<u>\$ 23,501,668</u>

For the three months ended March 31, 2016 and 2015, (realized and unrealized) net foreign exchange gains losses were NT\$440,028 thousand and NT\$168,501 thousand, respectively. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the functional currencies of the Group entities.

38. SEPARATELY DISCLOSED ITEMS

a. Information about significant transactions and investees:

- 1) Financing provided to others: Table 4 (attached)
- 2) Endorsement/guarantee provided: Table 5 (attached)
- 3) Marketable securities held: Table 6 (attached)
- 4) Marketable securities acquired and disposed at costs or prices at least NT\$300 million or 20% of the paid-in capital: Table 7 (attached)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: None
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital: None
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 8 (attached)
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 9 (attached)

- 9) Trading in derivative instruments: Notes 7 and 10
 - 10) Intercompany relationships and significant intercompany transactions: Table 10 (attached)
 - 11) Information on investees: Table 11 (attached)
- b. Information on investments in mainland China
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 12 and 12-1 (attached)
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: Tables 14 (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.
 - f) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services.

39. 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, revaluation gain on investment properties, gain or loss on disposal of properties, 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.

a. Segment revenues and results

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

	<u>Segments Revenue</u>		<u>Segments Profit</u>	
	<u>For the Three Months Ended March 31</u>		<u>For the Three Months Ended March 31</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Petrochemical business			\$ (301,921)	\$ (359,395)
Revenues generated from external customers	\$ 4,247,517	\$ 3,941,676		
Intersegment revenues	<u>3,436,545</u>	<u>2,851,023</u>		
	<u>7,684,062</u>	<u>6,792,699</u>		
Chemical fiber business			224,229	557,912
Revenues generated from external customers	14,038,884	14,576,925		
Intersegment revenues	<u>215,134</u>	<u>152,632</u>		
	<u>14,254,018</u>	<u>14,729,557</u>		
Textile business			157,955	198,854
Revenues generated from external customers	7,417,530	7,240,131		
Intersegment revenues	<u>27,283</u>	<u>22,358</u>		
	<u>7,444,813</u>	<u>7,262,489</u>		
Mobile services business			3,844,036	3,942,695
Revenues generated from external customers	23,744,370	24,742,610		
Intersegment revenues	<u>75,086</u>	<u>41,888</u>		
	<u>23,819,456</u>	<u>24,784,498</u>		
Real estate development			97,879	168,741
Revenues generated from external customers	873,958	1,062,740		
Intersegment revenues	<u>58,827</u>	<u>55,413</u>		
	<u>932,785</u>	<u>1,118,153</u>		
Investment and other			(116,048)	(273,033)
Revenues generated from external customers	1,406,360	2,332,094		
Intersegment revenues	<u>77,477</u>	<u>71,817</u>		
	<u>1,483,837</u>	<u>2,403,911</u>		
Adjustment and elimination	<u>(3,906,815)</u>	<u>(3,179,119)</u>	<u>33,352</u>	<u>18,980</u>
Total	<u>\$ 51,712,156</u>	<u>\$ 53,912,188</u>	<u>3,939,482</u>	<u>4,254,754</u>
Interest revenue			89,942	153,014
Net exchange loss			(440,028)	(168,501)
Interest expense			(623,388)	(646,867)
Net other revenue and income (net other expenses and losses)			<u>598,549</u>	<u>3,385,706</u>
Profit before tax			<u>\$ 3,564,557</u>	<u>\$ 6,978,106</u>

Note: For the three months ended March 31, 2016, 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\$113,458 thousand and dividend income from associates NT\$2,792 thousand, respectively. For the three months ended March 31, 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\$382,636 thousand.

b. 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.

TABLE 1

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

**INTERCOMPANY RELATIONSHIPS AND PERCENTAGES OF OWNERSHIP
MARCH 31, 2016**

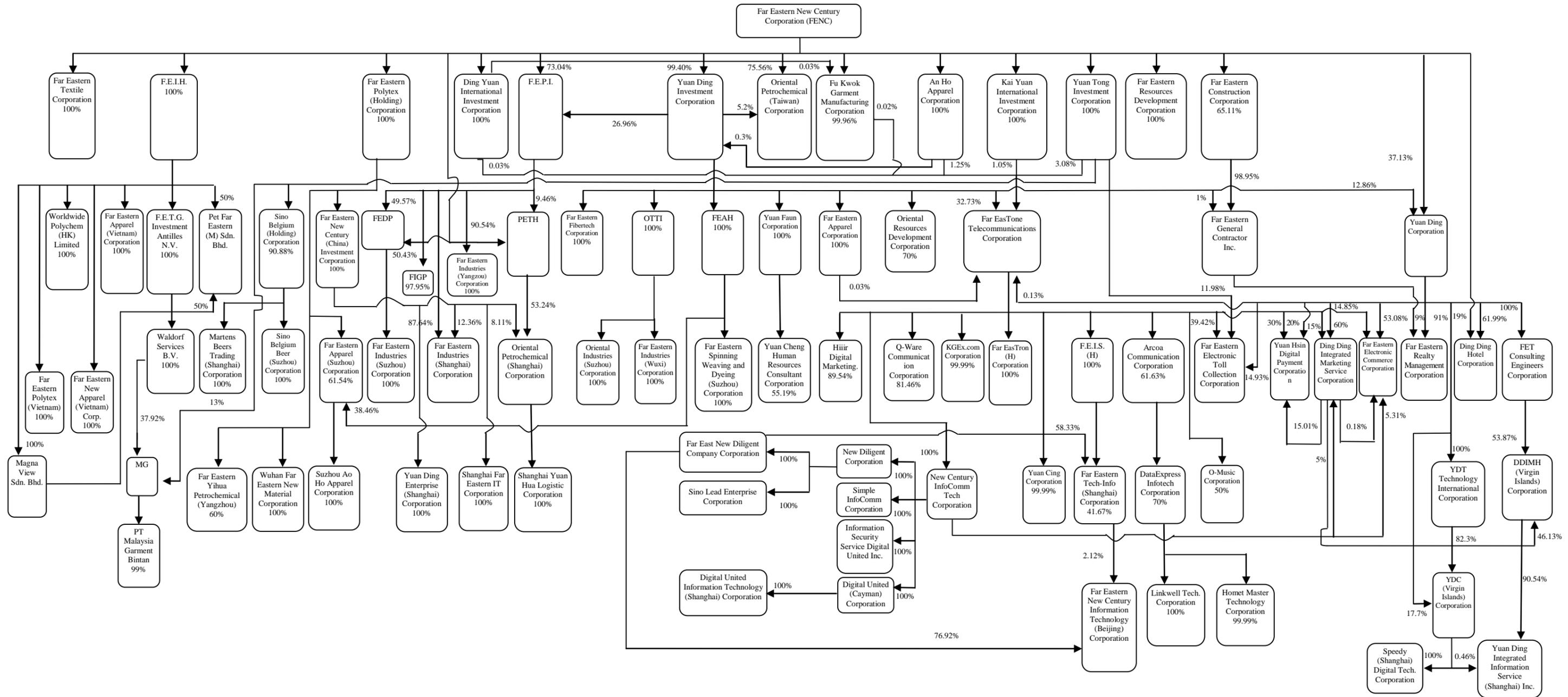


TABLE 2**FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES****CONSOLIDATED RELATED-PARTY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31 2016 AND 2015
(In Thousands of New Taiwan Dollars)**

	For the Three Months Ended March 31	
	2016	2015
Operating revenue		
Associates	\$ 286,330	\$ 394,622
Others	<u>235,958</u>	<u>244,840</u>
	<u>\$ 522,288</u>	<u>\$ 639,462</u>
Operating cost		
Associates	\$ 458,471	\$ 299,867
Others	<u>121,262</u>	<u>137,431</u>
	<u>\$ 579,733</u>	<u>\$ 437,298</u>
Operating expense		
Associates	\$ 11,956	\$ 12,268
Others	<u>87,816</u>	<u>82,391</u>
	<u>\$ 99,772</u>	<u>\$ 94,659</u>
Rental revenue (recognized as operating revenue)		
Associates	\$ 58,480	\$ 52,947
Others	<u>83,399</u>	<u>85,322</u>
	<u>\$ 141,879</u>	<u>\$ 138,269</u>
Rental expense (recognized as operating cost and expense)		
Associates	\$ 22,854	\$ 32,127
Others	<u>46,901</u>	<u>61,760</u>
	<u>\$ 69,755</u>	<u>\$ 93,887</u>

Note:

- a. The terms of sales to and purchases from the related parties were based on agreements.
- b. The Group had donated NT\$4,000 thousand and NT\$14,487 thousand to other related parties for the three months ended March 31, 2016 and 2015.

(Continued)

- c. The Group had purchased the software equipment, construction contracts, machinery and equipment, and securities from other related parties amounting to NT\$11,414 thousand for the three months ended March 31, 2016. The Group had purchased the software equipment and construction contracts from other related parties amounting to NT\$7,209 thousand for the three months ended March 31, 2015.
- d. The Group had sold other assets amounting to NT\$199,224 thousand to the associates and recognized the gain on disposal as of NT\$34,275 thousand (recognized as other income) for the three months ended March 31, 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 three months ended March 31, 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 other receivables from related parties - noncurrent NT\$1,620,000 thousand, respectively as of March 31, 2016 and 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 for the three months ended March 31, 2015. 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 NT\$1,665,015 thousand and investment properties - land amounting to NT\$385,610 thousand as of March 31, 2016.
- g. The rental expense incurred for rental agreements on factories in Hukou, Hsinchu, hotel, 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 2035. Rent is received or paid quarterly or monthly, and the amount of rent was based on market conditions in nearby locations.
- h. Compensation of key management personnel:

	For the Three Months Ended March 31	
	2016	2015
Short-term employee benefits	\$ 80,516	\$ 144,554
Post-employment benefits	<u>648</u>	<u>766</u>
	<u>\$ 81,164</u>	<u>\$ 145,320</u>

(Concluded)

TABLE 3**FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES****CONSOLIDATED RELATED-PARTY TRANSACTIONS****AS OF MARCH 31, 2016 AND 2015****(In Thousands of New Taiwan Dollars)**

	March 31, 2016	December 31, 2015	March 31, 2015
Notes and accounts receivable from related parties			
Associates	\$ 354,388	\$ 562,937	\$ 383,815
Others	<u>535,971</u>	<u>582,024</u>	<u>536,389</u>
	<u>\$ 890,359</u>	<u>\$ 1,144,961</u>	<u>\$ 920,204</u>
Notes and accounts payable to related parties			
Associates	\$ 248,448	\$ 71,596	\$ 163,990
Others	<u>224,689</u>	<u>309,787</u>	<u>164,805</u>
	<u>\$ 473,137</u>	<u>\$ 381,383</u>	<u>\$ 328,795</u>
Progress billings			
Associates	\$ 2,333	\$ -	\$ 1,684,897
Others	<u>707,564</u>	<u>707,564</u>	<u>707,564</u>
	<u>\$ 709,897</u>	<u>\$ 707,564</u>	<u>\$ 2,392,461</u>
Guarantee deposits received			
Associates	\$ 10,899	\$ 10,899	\$ 10,889
Others	<u>180,693</u>	<u>177,306</u>	<u>188,375</u>
	<u>\$ 191,592</u>	<u>\$ 188,205</u>	<u>\$ 199,264</u>
Deferred credit - gains on - related party accounts			
Associates	\$ 139,736	\$ 139,736	\$ 140,291
Others	<u>9,338</u>	<u>9,338</u>	<u>9,338</u>
	<u>\$ 149,074</u>	<u>\$ 149,074</u>	<u>\$ 149,629</u>
<u>Financing to related parties</u>			
Loans to related parties (recognized as other receivables):			
	March 31, 2016	December 31, 2015	March 31, 2015
Associates	<u>\$ 3,821,710</u>	<u>\$ 4,186,100</u>	<u>\$ 940,000</u>

(Continued)

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

	March 31, 2016	December 31, 2015	March 31, 2015
Others	<u>\$ 3,542,037</u>	<u>\$ 3,592,852</u>	<u>\$ 3,488,370</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\$283,749 thousand, NT\$258,524 thousand and NT\$203,360 thousand as of March 31, 2016, December 31, 2015 and March 31, 2015, respectively.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2016
(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	PET Far Eastern (Holding) Corporation	Yes	Receivables from related parties	\$ 1,983,150	\$ 1,937,910	\$ 1,937,910	3.35	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 9,778,307	\$ 97,783,071	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note C)
		Far Eastern Polychem Industries Corporation	Yes	Receivables from related parties	2,032,350	1,978,090	1,978,090	1.5118-3.35	2	-	For revolving fund	-	Promissory note	-	9,778,307	97,783,071	Amounts allowed for ending period (Note B); maximum amounts allowed for the period (Note C)
1	Yuan Ding Investment Corporation	Oriental Resources Development Corporation	Yes	Receivables from related parties	300,000	300,000	-	-	2	-	For revolving fund	-	Promissory note	-	4,071,049	20,355,245	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note I)
		Far Eastern Apparel Corporation	Yes	Receivables from related parties	50,000	50,000	-	-	2	-	For revolving fund	-	Promissory note	-	4,071,049	20,355,245	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note I)
		Ding Yuan International Investment Corporation	Yes	Receivables from related parties	300,000	300,000	-	-	2	-	For revolving fund	-	Promissory note	-	4,071,049	20,355,245	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note I)
		Far Eastern Resources Development Corporation	Yes	Receivables from related parties	1,000,000	1,000,000	-	-	2	-	For revolving fund	-	Promissory note	-	4,071,049	20,355,245	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note I)
		Oriental Petrochemical (Taiwan) Corporation	Yes	Receivables from related parties	1,500,000	1,500,000	-	-	2	-	For revolving fund	-	Promissory note	-	4,071,049	20,355,245	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note I)
		Yuan Tong Investment Corporation	Yes	Receivables from related parties	750,000	750,000	254,000	1.64-1.65	2	-	For revolving fund	-	Promissory note	-	4,071,049	20,355,245	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note I)
		Yu Ding Industry Corporation	Yes	Receivables from related parties	570,000	570,000	340,000	1.64-1.65	2	-	For revolving fund	-	Promissory note	-	4,071,049	20,355,245	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note I)
		An Ho Garment Corporation, Corporation	Yes	Receivables from related parties	400,000	400,000	400,000	1.64-1.65	2	-	For revolving fund	-	Promissory note	-	4,071,049	20,355,245	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note I)

(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			
		Kai Yuan International Investment Corporation	Yes	Receivables from related parties	\$ 800,000	\$ 800,000	\$ 485,000	1.64-1.65	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 4,071,049	\$ 20,355,245	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note I)
		Da Ju Fiber Corporation	Yes	Receivables from related parties	790,000	790,000	550,000	1.64-1.65	2	-	For revolving fund	-	Promissory note	-	4,071,049	20,355,245	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note I)
2	Yuan Tong Investment Corporation	Far Eastern Resources Development Corporation	Yes	Receivables from related parties	500,000	500,000	-	-	2	-	For revolving fund	-	Promissory note	-	825,216	4,126,079	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note I)
3	Kai Yuan International Investment Corporation	Da Ju Fiber Corporation	Yes	Receivables from related parties	100,000	-	-	-	2	-	For revolving fund	-	Promissory note	-	527,493	2,637,463	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note I)
		Yu Ding Industry Corporation	Yes	Receivables from related parties	150,000	-	-	1.76-1.82	2	-	For revolving fund	-	Promissory note	-	527,493	2,637,463	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note I)
4	An Ho Garment Corporation, Corporation	Far Eastern Apparel Corporation	Yes	Receivables from related parties	50,000	-	-	-	2	-	For revolving fund	-	Promissory note	-	200,851	1,004,256	Amounts allowed for ending period (Note E); maximum amounts allowed for the period (Note I)
5	Far EasTone Telecommunications Corporation	Q-ware Communications Corporation	Yes	Receivables from related parties	250,000	250,000	221,000	1.45-1.50	2	-	For revolving fund	-	-	-	7,484,305	37,421,525	Amounts allowed for ending period (Note Q); maximum amounts allowed for the period (Note S)
6	New Century InfoComm Corporation	Q-ware Communications Corporation	Yes	Receivables from related parties	250,000	250,000	-	-	2	-	For revolving fund	-	-	-	5,057,813	12,644,533	Amounts allowed for ending period (Note R); maximum amounts allowed for the period (Note S)
		Far EasTone Telecommunications Corporation	Yes	Receivables from related parties	4,500,000	4,500,000	3,900,000	0.93-1.00	2	-	For revolving fund	-	-	-	5,057,813	12,644,533	Amounts allowed for ending period (Note R); maximum amounts allowed for the period (Note S)
		Far EasTone Telecommunications Corporation	Yes	Receivables from related parties	4,000,000	4,000,000	4,000,000	0.93-1.00	1	4,423,152	-	-	-	-	4,423,152	12,644,533	Amounts allowed for ending period (Note P); maximum amounts allowed for the period (Note S)

(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			
7	Yuan Ding Company Corporation	Far Eastern Technical Consultants Corporation	Yes	Receivables from related parties	\$ 50,000	\$ 50,000	\$ -	-	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 1,513,251	\$ 3,783,128	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
		Ding Ding Integrated Marketing Services Corporation	Yes	Receivables from related parties	100,000	100,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,513,251	3,783,128	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
		Ding Ding Hotel Corporation	Yes	Receivables from related parties	300,000	300,000	-	-	2	-	For revolving fund	-	Promissory note	-	1,513,251	3,783,128	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
		Yuan Ding Integrated Information Service (Shanghai) Inc.	Yes	Receivables from related parties	334,500	-	-	1.5	2	-	For revolving fund	-	Promissory note	-	1,513,251	3,783,128	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
		Far Eastern Electronic Commerce Corporation	Yes	Receivables from related parties	250,000	250,000	100,000	1.1628-1.2694	2	-	For revolving fund	-	Promissory note	-	1,513,251	3,783,128	Amounts allowed for ending period (Note G); maximum amounts allowed for the period (Note I)
8	YDT Technology International Corporation	Yuan Ding Company Corporation	Yes	Receivables from related parties	200,000	130,000	110,000	1.1628-1.2694	2	-	For revolving fund	-	Promissory note	-	137,840	172,300	Amounts allowed for ending period (Note H); maximum amounts allowed for the period (Note I)
9	FET Consulting Engineers Corporation	Yuan Ding Company Corporation	Yes	Receivables from related parties	140,000	140,000	140,000	1.1628-1.2694	2	-	For revolving fund	-	Promissory note	-	208,920	261,150	Amounts allowed for ending period (Note H); maximum amounts allowed for the period (Note I)
10	Ding Ding Integrated Marketing Services Corporation	Yuan Ding Integrated Information Service (Shanghai) Inc.	Yes	Receivables from related parties	66,900	64,330	-	-	2	-	For revolving fund	-	Promissory note	-	153,055	191,319	Amounts allowed for ending period (Note H); maximum amounts allowed for the period (Note I)
11	Far Eastern Investment (Holding) Corporation	Far Eastern Polychem Industries Corporation	Yes	Receivables from affiliates	1,286,600	1,286,600	-	-	2	-	For revolving fund	-	Promissory note	-	4,669,436	14,008,308	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		Far Eastern New Apparel (Vietnam) Corporation	Yes	Receivables from affiliates	964,950	964,950	-	-	2	-	For revolving fund	-	Promissory note	-	4,669,436	14,008,308	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		Worldwide Polychem (HK) Corporation	Yes	Receivables from affiliates	321,650	321,650	-	-	2	-	For revolving fund	-	Promissory note	-	4,669,436	14,008,308	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		FEDP (Holding) Corporation	Yes	Receivables from affiliates	321,650	-	-	-	2	-	For revolving fund	-	Promissory note	-	4,669,436	14,008,308	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		Far Eastern Apparel (Holding) Corporation	Yes	Receivables from affiliates	964,950	643,300	-	-	2	-	For revolving fund	-	Promissory note	-	4,669,436	14,008,308	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)

(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			
		Sino Belgium (Holding) Corporation	Yes	Receivables from affiliates	\$ 482,475	\$ 482,475	\$ 151,176	1.84615	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 3,735,549	\$ 3,735,549	Amounts allowed for ending period (Note H); maximum amounts allowed for the period (Note H)
		PET Far Eastern (M) Sdn. Bhd.	Yes	Receivables from affiliates	321,650	321,650	231,852	1.84615	2	-	For revolving fund	-	Promissory note	-	4,669,436	14,008,308	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		Far Eastern Apparel (Vietnam) Corporation	Yes	Receivables from affiliates	964,950	964,950	418,145	-	2	-	For revolving fund	-	Promissory note	-	4,669,436	14,008,308	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		PET Far Eastern (Holding) Corporation	Yes	Receivables from affiliates	2,573,200	2,573,200	752,661	1.84615	2	-	For revolving fund	-	Promissory note	-	4,669,436	14,008,308	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		Far Eastern Polytex (Holding) Corporation	Yes	Receivables from affiliates	2,573,200	1,608,250	987,466	1.84615	2	-	For revolving fund	-	Promissory note	-	4,669,436	14,008,308	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		Far Eastern New Century (China) Investment Corporation	Yes	Receivables from affiliates	993,800	993,800	993,800	-	2	-	For revolving fund	-	Promissory note	-	4,669,436	14,008,308	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		Oriental Textile (Holding) Corporation	Yes	Receivables from affiliates	3,216,500	2,573,200	2,061,777	1.84615	2	-	For revolving fund	-	Promissory note	-	4,669,436	14,008,308	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
12	Far Eastern Apparel (Holding) Corporation	Far Eastern Dyeing & Finishing (Suzhou) Corporation	Yes	Receivables from affiliates	643,300	-	-	-	1	2,313,974	-	-	Promissory note	-	1,820,581	1,820,581	Amounts allowed for ending period (Note J); maximum amounts allowed for the period (Note J)
		Far Eastern Dyeing & Finishing (Suzhou) Corporation	Yes	Receivables from affiliates	1,286,600	1,286,600	-	-	2	-	For revolving fund	-	Promissory note	-	1,300,415	3,901,246	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		Far Eastern Investment (Holding) Corporation	Yes	Receivables from affiliates	964,950	964,950	-	-	2	-	For revolving fund	-	Promissory note	-	1,300,415	3,901,246	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		Far Eastern Apparel (Suzhou) Corporation	Yes	Receivables from affiliates	964,950	964,950	-	-	2	-	For revolving fund	-	Promissory note	-	1,300,415	3,901,246	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
13	Oriental Textile (Holding) Corporation	Oriental Industries (Suzhou) Corporation	Yes	Receivables from affiliates	1,543,920	-	-	-	1	3,100,783	-	-	Promissory note	-	3,100,783	5,558,059	Amounts allowed for ending period (Note P); maximum amounts allowed for the period (Note J)
		Sino Belgium Beer (Suzhou) Corporation	Yes	Receivables from affiliates	192,990	192,990	-	-	2	-	For revolving fund	-	Promissory note	-	3,970,042	11,910,125	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		Sino Belgium (Holding) Corporation	Yes	Receivables from affiliates	321,650	321,650	-	-	2	-	For revolving fund	-	Promissory note	-	3,176,033	3,176,033	Amounts allowed for ending period (Note H); maximum amounts allowed for the period (Note H)
		Far Eastern Industries (WuXi) Corporation	Yes	Receivables from affiliates	2,087,509	2,058,560	-	-	2	-	For revolving fund	-	Promissory note	-	3,970,042	11,910,125	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)

(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 New Century (China) Investment Corporation	Yes	Receivables from affiliates	\$ 1,937,910	\$ 1,937,910	\$ 844,730	1.265	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 3,970,042	\$ 11,910,125	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		Oriental Industries (Suzhou) Corporation	Yes	Receivables from affiliates	3,859,800	3,859,800	859,826	-	2	-	For revolving fund	-	Promissory note	-	3,970,042	11,910,125	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
14	Far Eastern Polychem Industries Corporation	Far Eastern Industries (Shanghai) Corporation	Yes	Receivables from affiliates	2,122,890	-	-	-	1	7,332,668	-	-	Promissory note	-	7,332,668	7,378,323	Amounts allowed for ending period (Note P); maximum amounts allowed for the period (Note J)
		Far Eastern Investment (Holding) Corporation	Yes	Receivables from affiliates	964,950	964,950	-	-	2	-	For revolving fund	-	Promissory note	-	5,270,231	15,810,693	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		Sino Belgium Beer (Suzhou) Corporation	Yes	Receivables from affiliates	321,650	-	-	-	2	-	For revolving fund	-	Promissory note	-	5,270,231	15,810,693	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		Far Eastern Industries (Shanghai) Corporation	Yes	Receivables from affiliates	3,795,470	3,795,470	96,495	-	2	-	For revolving fund	-	Promissory note	-	5,270,231	15,810,693	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		Far Eastern Industries (Suzhou) Corporation	Yes	Receivables from affiliates	1,511,755	1,511,755	141,775	-	2	-	For revolving fund	-	Promissory note	-	5,270,231	15,810,693	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		Far Eastern Ishizuka Green Pet Corporation	Yes	Receivables from affiliates	715,750	715,750	415,135	1.11929	2	-	For revolving fund	-	Promissory note	-	4,216,185	4,216,185	Amounts allowed for ending period (Note H); maximum amounts allowed for the period (Note H)
		Far Eastern New Century (China) Investment Corporation	Yes	Receivables from affiliates	2,931,710	2,931,710	645,970	1.265	2	-	For revolving fund	-	Promissory note	-	5,270,231	15,810,693	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
15	PET Far Eastern (Holding) Corporation	Far Eastern Union Petrochemical (Yangzhou) Corporation	Yes	Receivables from affiliates	1,125,775	1,125,775	-	-	2	-	For revolving fund	-	Promissory note	-	2,475,092	2,475,092	Amounts allowed for ending period (Note H); maximum amounts allowed for the period (Note H)
		Far Eastern Investment (Holding) Corporation	Yes	Receivables from affiliates	1,286,600	964,950	-	-	2	-	For revolving fund	-	Promissory note	-	3,093,865	9,281,596	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)
		Oriental Petrochemical (Shanghai) Corporation	Yes	Receivables from affiliates	1,222,270	1,222,270	385,980	-	2	-	For revolving fund	-	Promissory note	-	2,475,092	2,475,092	Amounts allowed for ending period (Note H); maximum amounts allowed for the period (Note H)
		Far Eastern New Century (China) Investment Corporation	Yes	Receivables from affiliates	2,086,980	2,086,980	2,086,980	1.265	2	-	For revolving fund	-	Promissory note	-	3,093,865	9,281,596	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note L)

(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			
16	FEDP (Holding) Corporation	Far Eastern Investment (Holding) Corporation	Yes	Receivables from affiliates	\$ 192,990	\$ 192,990	\$ -	-	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 236,805	\$ 710,414	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note L)
		Far Eastern Polychem Industries Corporation	Yes	Receivables from affiliates	192,990	192,990	-	-	2	-	For revolving fund	-	Promissory note	-	236,805	710,414	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note L)
		Far Eastern Industries (Suzhou) Corporation	Yes	Receivables from affiliates	289,485	-	-	-	-	2	-	For revolving fund	-	Promissory note	-	236,805	710,414
17	Waldorf Services B.V.	Oriental Textile (Holding) Corporation	Yes	Receivables from affiliates	482,475	482,475	340,949	1.84615	2	-	For revolving fund	-	Promissory note	-	785,985	2,357,954	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note L)
		Far Eastern Polychem Industries Corporation	Yes	Receivables from affiliates	482,475	482,475	350,599	1.84615	2	-	For revolving fund	-	Promissory note	-	785,985	2,357,954	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note L)
		Far Eastern Investment (Holding) Corporation	Yes	Receivables from affiliates	482,475	482,475	482,475	1.84615	2	-	For revolving fund	-	Promissory note	-	785,985	2,357,954	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note L)
18	Far Eastern Polytex (Holding) Corporation	Wuhan Far Eastern New Material Corporation	Yes	Receivables from affiliates	128,660	128,660	-	-	2	-	For revolving fund	-	Promissory note	-	4,057,449	12,172,347	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note L)
		Far Eastern New Century (China) Investment Corporation	Yes	Receivables from affiliates	2,122,890	1,061,445	1,030,750	-	2	-	For revolving fund	-	Promissory note	-	4,057,449	12,172,347	Amounts allowed for ending period (Note L); maximum amounts allowed for the period (Note L)
19	Far Eastern Dyeing & Finishing (Suzhou) Corporation	Oriental Industries (Suzhou) Corporation	Yes	Other receivables - loans to related parties	496,900	496,900	-	2.37854-2.75	2	-	For revolving fund	-	Promissory note	-	2,121,700	4,714,889	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note M)
20	Far Eastern Apparel (Suzhou) Corporation	Oriental Industries (Suzhou) Corporation	Yes	Other receivables - loans to related parties	993,800	993,800	591,127	2.37854-2.75	2	-	For revolving fund	-	Promissory note	-	1,224,065	2,720,144	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note M)
21	Far Eastern Industries (Suzhou) Corporation	Oriental Industries (Suzhou) Corporation	Yes	Other receivables - loans to related parties	149,070	149,070	-	-	2	-	For revolving fund	-	Promissory note	-	209,085	464,633	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note M)
22	Oriental Industries (Suzhou) Corporation	Far Eastern Apparel (Suzhou) Corporation	Yes	Other receivables - loans to related parties	496,900	496,900	-	-	2	-	For revolving fund	-	Promissory note	-	5,033,672	11,185,938	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note M)
		Far Eastern Industries (WuXi) Corporation	Yes	Other receivables - loans to related parties	993,800	993,800	-	-	2	-	For revolving fund	-	Promissory note	-	5,033,672	11,185,938	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note M)

(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 Dyeing & Finishing (Suzhou) Corporation	Yes	Other receivables - loans to related parties	\$ 496,900	\$ 496,900	\$ 18,823	2.91159-2.97773	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 5,033,672	\$ 11,185,938	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note M)
		Far Eastern Union Petrochemical (Yangzhou) Corporation	Yes	Other receivables - loans to related parties	347,830	347,830	347,830	2.00-2.50	2	-	For revolving fund	-	Promissory note	-	2,237,188	2,237,188	Amounts allowed for ending period (Note H); maximum amounts allowed for the period (Note H)
		Sino Belgium Beer (Suzhou) Corporation	Yes	Other receivables - loans to related parties	1,664,615	1,664,615	703,441	2.61000-2.97773	2	-	For revolving fund	-	Promissory note	-	5,033,672	11,185,938	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note M)
		Far Eastern Industries (Suzhou) Corporation	Yes	Other receivables - loans to related parties	1,490,700	1,490,700	824,993	2.91159-2.97773	2	-	For revolving fund	-	Promissory note	-	5,033,672	11,185,938	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note M)
23	Far Eastern Industries (WuXi) Corporation	Oriental Industries (Suzhou) Corporation	Yes	Other receivables - loans to related parties	993,800	993,800	250,204	2.37854-2.75	2	-	For revolving fund	-	Promissory note	-	2,859,885	6,355,300	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note M)
24	Oriental Petrochemical (Shanghai) Corporation	Far Eastern New Century (China) Investment Corporation	Yes	Other receivables - loans to related parties	248,450	248,450	-	1.265	2	-	For revolving fund	-	Promissory note	-	317,517	952,552	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note F)
		Shanghai Far Eastern Petrochemical Logistic Corporation	Yes	Other receivables - loans to related parties	74,535	-	-	5.9	2	-	For revolving fund	-	Promissory note	-	317,517	952,552	Amounts allowed for ending period (Note D); maximum amounts allowed for the period (Note F)
25	Far Eastern Industries (Shanghai) Corporation	Oriental Petrochemical (Shanghai) Corporation	Yes	Other receivables - loans to related parties	496,900	496,900	-	-	2	-	For revolving fund	-	Promissory note	-	3,588,776	3,588,776	Amounts allowed for ending period (Note H); maximum amounts allowed for the period (Note H)
		Far Eastern New Century (China) Investment Corporation	Yes	Other receivables - loans to related parties	745,350	745,350	-	1.265	2	-	For revolving fund	-	Promissory note	-	4,485,970	8,074,745	Amounts allowed for ending period (Note I); maximum amounts allowed for the period (Note K)
		Everest Textile (Shanghai) Corporation	Yes	Other receivables - loans to related parties	248,450	248,450	149,070	4.2	2	-	For revolving fund	-	Promissory note	-	3,588,776	3,588,776	Amounts allowed for ending period (Note H); maximum amounts allowed for the period (Note H)
		Far Eastern Union Petrochemical (Yangzhou) Corporation	Yes	Other receivables - loans to related parties	1,838,530	1,838,530	1,838,530	2.00-3.00	2	-	For revolving fund	-	Promissory note	-	3,588,776	3,588,776	Amounts allowed for ending period (Note H); maximum amounts allowed for the period (Note H)
26	Wuhan Far Eastern New Material Corporation	Far Eastern New Century (China) Investment Corporation	Yes	Other receivables - loans to related parties	99,380	99,380	-	1.265	2	-	For revolving fund	-	Promissory note	-	514,369	925,865	Amounts allowed for ending period (Note I); 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			
27	Far Eastern New Century (China) Investment Corporation	Oriental Textile (Holding) Corporation	Yes	Other receivables - loans to related parties	\$ 99,380	\$ 99,380	\$ -	-	2	\$ -	For revolving fund	\$ -	Promissory note	\$ -	\$ 5,166,870	\$ 7,233,618	Amounts allowed for ending period (Note N); maximum amounts allowed for the period (Note O)
		Far Eastern Polychem Industries Corporation	Yes	Other receivables - loans to related parties	99,380	99,380	-	-	2	-	For revolving fund	-	Promissory note	-	5,166,870	7,233,618	Amounts allowed for ending period (Note N); maximum amounts allowed for the period (Note O)
		PET Far Eastern (Holding) Corporation	Yes	Other receivables - loans to related parties	99,380	99,380	-	-	2	-	For revolving fund	-	Promissory note	-	5,166,870	7,233,618	Amounts allowed for ending period (Note N); maximum amounts allowed for the period (Note O)
		Shanghai Far Eastern Petrochemical Logistic Corporation	Yes	Other receivables - loans to related parties	59,628	59,628	49,690	1.265	2	-	For revolving fund	-	Promissory note	-	5,166,870	7,233,618	Amounts allowed for ending period (Note N); maximum amounts allowed for the period (Note O)
		Wuhan Far Eastern New Material Corporation	Yes	Other receivables - loans to related parties	99,380	99,380	98,272	1.265	2	-	For revolving fund	-	Promissory note	-	5,166,870	7,233,618	Amounts allowed for ending period (Note N); maximum amounts allowed for the period (Note O)
		Oriental Petrochemical (Shanghai) Corporation	Yes	Other receivables - loans to related parties	894,420	546,590	544,717	1.26500-3.00	2	-	For revolving fund	-	Promissory note	-	826,699	826,699	Amounts allowed for ending period (Note H); maximum amounts allowed for the period (Note H)
		Oriental Industries (Suzhou) Corporation	Yes	Other receivables - loans to related parties	745,350	745,350	744,709	1.265	2	-	For revolving fund	-	Promissory note	-	5,166,870	7,233,618	Amounts allowed for ending period (Note N); maximum amounts allowed for the period (Note O)
		Far Eastern Industries (Shanghai) Corporation	Yes	Other receivables - loans to related parties	5,764,040	5,068,380	2,514,394	1.265	2	-	For revolving fund	-	Promissory note	-	5,166,870	7,233,618	Amounts allowed for ending period (Note N); maximum amounts allowed for the period (Note O)
28	Far Eastern Industries (Yangzhou) Corporation	Far Eastern Industries (Shanghai) Corporation	Yes	Other receivables - loans to related parties	248,450	248,450	248,450	3	2	-	For revolving fund	-	Promissory note	-	1,394,197	3,098,215	Amounts allowed for ending period (Note K); maximum amounts allowed for the period (Note M)
		Far Eastern Union Petrochemical (Yangzhou) Corporation	Yes	Other receivables - loans to related parties	596,280	596,280	596,280	2.50-3.00	2	-	For revolving fund	-	Promissory note	-	619,643	619,643	Amounts allowed for ending period (Note H); maximum amounts allowed for the period (Note H)

(Continued)

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 FENC's net value of the current reviewed financial statements as of March 31, 2016.
- C. The limit is equal to 50% of the FENC's net value of the current reviewed financial statements as of March 31, 2016.
- D. The limit is equal to 5% of the Company's net value of the current audited financial statements as of December 31, 2015.
- E. The limit is equal to 10% of the Company's net value of the current audited financial statements as of December 31, 2015.
- F. The limit is equal to 15% of the Company's net value of the current audited financial statements as of December 31, 2015.
- G. The limit is equal to 20% of the Company's net value of the current audited financial statements as of December 31, 2015.
- H. The limit is equal to 40% of the Company's net value of the current audited financial statements as of December 31, 2015.
- I. The limit is equal to 50% of the Company's net value of the current audited financial statements as of December 31, 2015.
- J. The limit is equal to 70% of the Company's net value of the current audited financial statements as of December 31, 2015.
- K. The limit is equal to 90% of the Company's net value of the current audited financial statements as of December 31, 2015.
- L. The limit is equal to 150% of the Company's net value of the current audited financial statements as of December 31, 2015.
- M. The limit is equal to 200% of the Company's net value of the current audited financial statements as of December 31, 2015.
- N. The limit is equal to 250% of the Company's net value of the current audited financial statements as of December 31, 2015.
- O. The limit is equal to 350% of the Company's net value of the current audited financial statements as of December 31, 2015.
- P. The limit is equal to business transaction amount.
- Q. The limit is equal to 10% of the Company's net value of the current reviewed financial statements as of March 31, 2016.
- R. The limit is equal to 20% of the Company's net value of the current reviewed financial statements as of March 31, 2016.
- S. The limit is equal to 50% of the Company's net value of the current reviewed financial statements as of March 31, 2016.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2016
(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 Corporation	(Note A)	\$ 97,783,072	\$ 2,301,750	\$ 2,282,475	\$ 300,000	\$ -	1.17	\$ 195,566,142	Yes	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
1	Far EasTone Telecommunications Corporation	KGEx.com Corporation	(Note A)	37,421,525	45,000	45,000	5,994	-	0.06	74,843,050	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
2	Yuan Ding Investment Corporation	Far Eastern Apparel Corporation	(Note A)	20,355,245	130,000	130,000	20,000	-	0.32	40,710,489	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
		Oriental Resources Development Corporation	(Note A)	20,355,245	250,000	250,000	-	-	0.61	40,710,489	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
		Da Ju Fiber Corporation	(Note B)	20,355,245	360,000	360,000	212,000	-	0.88	40,710,489	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
		PET Far Eastern (Holding) Corporation	(Note C)	19,556,614	669,000	643,300	-	-	1.58	19,556,614	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note I); maximum amounts allowed for the period (Note K)
		Far Eastern Apparel (Holding) Corporation	(Note A)	20,355,245	1,003,500	964,950	643,300	-	2.37	40,710,489	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
		Far Eastern Polychem Industries Corporation	(Note C)	19,556,614	1,338,000	1,286,600	964,950	-	3.16	19,556,614	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note I); maximum amounts allowed for the period (Note K)
		Oriental Textile (Holding) Corporation	(Note A)	20,355,245	1,572,150	1,511,755	621,915	-	3.71	40,710,489	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
		Far Eastern New Century Corporation	(Note D)	20,355,245	300,000	300,000	300,000	-	0.74	40,710,489	-	Yes	-	Limits on each counter-party's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
		Oriental Industries (Suzhou) Corporation	(Note A)	20,355,245	1,672,500	1,608,250	-	-	3.95	40,710,489	-	-	Yes	Limits on each counter-party's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
3	Far Eastern Resources Development Corporation	Far Eastern New Century Corporation	(Note D)	13,789,999	5,596,448	5,596,448	2,640,000	5,596,448	2.86	27,579,998	-	Yes	-	Limits on each counter-party's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)

(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 O)	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent (Note O)	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China (Note O)	Note
		Name	Relationship											
8	PET Far Eastern (Holding) Corporation	Far Eastern Union Petrochemical (Yangzhou) Corporation	(Note B)	97,783,072	2,245,050	2,171,138	1,090,510	-	1.11	195,566,143	-	-	Yes	Limits on each counter-party's endorsement/guarantee amounts (Note H); maximum amounts allowed for the period (Note G)
11	Yuan Ding Company Corporation	Ding Ding Hotel Corporation	(Note A)	\$ 3,783,128	\$ 1,253,000	\$ 1,253,000	\$ 860,000	\$ 50,000	0.64	\$ 7,566,256	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
		Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	3,783,128	66,900	64,330	48,247	-	0.03	7,566,256	-	-	Yes	Limits on each counter-party's endorsement/guarantee amounts (Note E); maximum amounts allowed for the period (Note F)
12	Far Eastern Construction Corporation	Far Eastern General Contractor Corporation	(Note A)	38,163,858	350,000	350,000	100,000	-	2.75	38,163,858	-	-	-	Limits on each counter-party's endorsement/guarantee amounts (Note J); maximum amounts allowed for the period (Note J)
43	Oriental Industries (Suzhou) Corporation	Far Eastern Industries (Suzhou) Corporation	(Note C)	97,783,072	1,326,250	1,289,270	464,847	-	3.17	195,566,143	-	-	Yes	Limits on each counter-party's endorsement/guarantee amounts (Note H); maximum amounts allowed for the period (Note G)

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 50% of the net value of the guarantor, based on latest audited/reviewed financial statements.

F. The amount of the collateral/guarantee is equal to the net value of the guarantor, based on latest audited/reviewed financial statements.

G. The amount of the collateral/guarantee is equal to the net value of the ultimate parent company, based on latest audited/reviewed financial statements.

H. The amount of the collateral/guarantee is equal to 50% of the net value of the ultimate parent company, based on latest audited/reviewed financial statements.

I. 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 as of March 21, 2016) and 50% of the net value of Yuan Ding Investment Corporation (based on audited financial statements as of December 31, 2015.)

J. The amount of the collateral/guarantee is equal to 300% of the net value of the guarantor, based on latest audited/reviewed financial statements.

K. 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 as of March 31, 2016) and the net value of Yuan Ding Investment Corporation (based on audited financial statements as of December 31, 2015.)

L. 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.

M. 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) Corporation: RMB9,909 thousand (NT\$49,446 thousand), the actual remittance was this same amount. (2) Far Eastern Apparel (Suzhou) Corporation: RMB2,100 thousand (NT\$10,479 thousand), the actual remittance was this same amount.

N. 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

MARCH 31, 2016

(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	March 31, 2016				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note I)	
Far Eastern New Century Corporation	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	750,511	\$ 16,697,068	22.33	\$ 22,065,033	19,900 thousand shares pledged or mortgaged as collaterals for loans.
	Far Eastern Department Stores Corporation	(Note A)	Investments accounted for using the equity method	241,770	4,833,449	17.06	4,085,908	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	81,216	1,342,394	9.17	1,652,746	
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	129	1,550	0.03	2,048	
	Oriental Securities Corporation	(Note A)	Investments accounted for using the equity method	140,278	1,926,028	19.65	-	
	Pacific Liu Tong Investment Corporation (Note G)	(Note A)	Investments accounted for using the equity method	135,000	1,794,864	16.83	-	
	Yuan Ding Investment Corporation	(Note A)	Investments accounted for using the equity method	1,822,822	41,119,218	99.40	-	
	Far Eastern Resources Development Corporation	(Note A)	Investments accounted for using the equity method	557,354	98,638,396	100.00	-	
	Far Eastern Polytex (Holding) Corporation	(Note A)	Investments accounted for using the equity method	124	8,069,231	100.00	-	
	Far Eastern Polychem Industries Corporation	(Note A)	Investments accounted for using the equity method	830,815	7,705,811	73.04	-	
	Yuan Tong Investment Corporation	(Note A)	Investments accounted for using the equity method	705,147	7,750,277	100.00	-	
	Kai Yuan International Investment Corporation	(Note A)	Investments accounted for using the equity method	302,843	4,832,051	100.00	-	
	Far Eastern Investment (Holding) Corporation	(Note A)	Investments accounted for using the equity method	1,700	9,289,469	100.00	-	
	PET Far Eastern (Holding) Corporation	(Note A)	Investments accounted for using the equity method	333	5,369,002	90.54	-	
	Oriental Petrochemical (Taiwan) Corporation	(Note A)	Investments accounted for using the equity method	1,183,311	7,479,036	75.56	-	
	Far Eastern Construction Corporation	(Note A)	Investments accounted for using the equity method	198,791	7,955,369	65.11	-	
	Yuan Ding Company Corporation	(Note A)	Investments accounted for using the equity method	186,929	3,176,826	37.13	-	
	An Ho Garment Corporation, Corporation	(Note A)	Investments accounted for using the equity method	66,346	1,790,047	100.00	-	
	Ding Yuan International Investment Corporation	(Note A)	Investments accounted for using the equity method	205,000	2,571,848	100.00	-	
	FEDP (Holding) Corporation	(Note A)	Investments accounted for using the equity method	244	218,260	50.43	-	
Fu Kwok Garment Manufacturing Corporation	(Note A)	Investments accounted for using the equity method	3,998	312,603	99.96	-		
Ding Ding Hotel Corporation	(Note A)	Investments accounted for using the equity method	19,772	34,881	19.00	-		
Far Eastern Textile Corporation	(Note A)	Investments accounted for using the equity method	100	1,371	100.00	-		
Far Eastern International Bank	(Note C)	Available-for-sale financial assets - non-current	79,778	760,284	2.63	760,284		
Yuan Ding Investment Corporation	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	17,176	561,891	0.51	504,960	43,145 thousand shares pledged or mortgaged as collaterals for loans.
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	81,431	1,550,352	9.19	1,657,114	
	Far Eastern Department Stores Corporation	(Note A)	Investments accounted for using the equity method	20,265	439,261	1.43	342,478	
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	118,869	1,155,443	25.23	1,884,078	
	Far Eastone Telecommunications Corporation	(Note A)	Investments accounted for using the equity method	1,066,658	24,434,305	32.73	76,906,014	
	Far Eastern Polychem Industries Corporation	(Note A)	Investments accounted for using the equity method	306,644	2,844,314	26.96	-	
	Far Eastern Apparel (Holding) Corporation	(Note A)	Investments accounted for using the equity method	111	2,781,888	100.00	-	
	Da Ju Fiber Corporation	(Note A)	Investments accounted for using the equity method	27,305	1,492,473	41.86	-	
	Far Eastern Apparel Corporation	(Note A)	Investments accounted for using the equity method	24,736	276,527	100.00	-	
	Yuan Faun Corporation	(Note A)	Investments accounted for using the equity method	5,000	119,304	100.00	-	
	Yue Ming Corporation	(Note A)	Investments accounted for using the equity method	3,729	71,221	45.50	-	
	Yuan Ding Leasing Corporation	(Note A)	Investments accounted for using the equity method	36,706	417,750	46.20	-	
	Far Eastern Fibertech Corporation	(Note A)	Investments accounted for using the equity method	91,000	1,172,620	100.00	-	
	Oriental Resources Development Corporation	(Note A)	Investments accounted for using the equity method	34,242	316,958	70.00	-	
	Liquid Air Far East Corporation	(Note A)	Investments accounted for using the equity method	86,615	1,944,964	35.00	-	
	Freudenberg Far Eastern Spunweb Corporation	(Note A)	Investments accounted for using the equity method	13,052	369,779	29.80	-	
	Oriental Securities Corporation	(Note A)	Investments accounted for using the equity method	185,247	2,650,025	25.96	-	
Yuan Ding Company Corporation	(Note A)	Investments accounted for using the equity method	64,759	1,128,712	12.86	-		

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2016				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note I)	
	Far Eastern International Leasing Corporation	(Note A)	Investments accounted for using the equity method	75,268	\$ 1,151,446	16.87	\$ -	
	Oriental Textile (Holding) Corporation	(Note A)	Investments accounted for using the equity method	110	8,245,940	100.00	-	
	Pacific Liu Tong Investment Corporation	(Note A)	Investments accounted for using the equity method	119,653	1,504,530	14.92	-	
	(Note G)							
	Yu Yuan Investment Corporation	(Note A)	Investments accounted for using the equity method	98,198	558,273	18.96	-	
	Far Eastern General Contractor Corporation	(Note A)	Investments accounted for using the equity method	1,490	22,419	1.00	-	
	Oriental Petrochemical (Taiwan) Corporation	(Note A)	Investments accounted for using the equity method	81,374	521,399	5.20	-	
	Chung Nan Textile Corporation	-	Financial assets carried at cost - non-current	2,985	81,405	5.27	-	
	Overseas Investment and Development Corporation	-	Financial assets carried at cost - non-current	1,000	10,000	1.11	-	
	Universal Venture Capital Investment Corporation	-	Financial assets carried at cost - non-current	1,400	14,000	1.16	-	
	China Investment and Development Corporation	-	Financial assets carried at cost - non-current	1,287	8,250	0.80	-	
	Taiwan Stock Exchange Corporation	-	Financial assets carried at cost - non-current	1,029	22,493	0.16	-	
	Oriental Securities Investment Consultant Corporation	-	Financial assets carried at cost - non-current	1	10	0.00	-	
	Dah Chung Bills Finance Corporation	-	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	8,749	223,100	1.04	223,100	
	Far Eastern International Bank	(Note C)	Available-for-sale financial assets - non-current	108,534	1,034,334	3.58	1,034,334	
	Financial assets under asset management contracts (Note F)							
	Taiwan Top 50 ETF	-	Financial assets at fair value through profit or loss - current	500	32,325	-	32,325	
	Formosa Plastics Corporation	-	Financial assets at fair value through profit or loss - current	400	31,920	-	31,920	
	Hon Hai Precision Ind. Corporation	-	Financial assets at fair value through profit or loss - current	100	8,480	-	8,480	
	Taiwan Semiconductor Manufacturing Corporation	-	Financial assets at fair value through profit or loss - current	200	32,400	-	32,400	
	Catcher Technology Corporation	-	Financial assets at fair value through profit or loss - current	50	13,200	-	13,200	
	E.Sun FHC	-	Financial assets at fair value through profit or loss - current	1,200	21,600	-	21,600	
	LOTES Corporation	-	Financial assets at fair value through profit or loss - current	75	8,025	-	8,025	
	Chlitina Holding Limited (Cayman)	-	Financial assets at fair value through profit or loss - current	15	4,155	-	4,155	
	Radiant Opto-Electronics Corporation	-	Financial assets at fair value through profit or loss - current	350	21,840	-	21,840	
Far Eastern Investment (Holding) Corporation	FETG Investment Autilles N.V.	(Note A)	Investments accounted for using the equity method	6	1,563,559	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	203,214	50.00	-	
				Preferred stock 3,000				
	Com2B	(Note A)	Investments accounted for using the equity method	9,000	13,686	20.00	-	
	Far Eastern Apparel (Vietnam) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	431,210	100.00	-	
	Worldwide Polychem (HK) Corporation	(Note A)	Investments accounted for using the equity method	2,700	84,189	100.00	-	
	Opas Fund Segregated Portfolio Company	(Note A)	Investments accounted for using the equity method	(Note H)	1,685	34.00	-	
	Far Eastern Polytex (Vietnam) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	250,411	100.00	-	
	Far Eastern New Apparel (Vietnam) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	159,870	100.00	-	
	Magna View Sdn. Bhd.	(Note A)	Investments accounted for using the equity method	3,000	201,828	100.00	-	
Magna View Sdn. Bhd.	PET Far Eastern (M) Sdn. Bhd.	(Note A)	Investments accounted for using the equity method	Common stock 5,000	203,214	50.00	-	
				Preferred stock 3,000				
Ding Yuan International Investment Corporation	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	13,222	450,725	0.39	388,718	
	Far Eastern Department Stores Corporation	(Note A)	Investments accounted for using the equity method	3,878	91,223	0.27	65,538	
	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	2,470	22,643	0.52	39,151	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	27,710	697,305	3.13	563,909	
	Far EastOne Telecommunications Corporation	(Note A)	Investments accounted for using the equity method	920	42,451	0.03	66,307	
	Pacific Liu Tong Investment Corporation	(Note A)	Investments accounted for using the equity method	18,000	220,994	2.24	-	
	(Note G)							

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2016				Note	
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note I)		
	Yu Ding Industry Corporation	(Note A)	Investments accounted for using the equity method	11,074	\$ 301,692	13.20	\$ -	15,000 thousand shares pledged or mortgaged as collaterals for loans.	
	Fu Kwok Garment Manufacturing Corporation	(Note A)	Investments accounted for using the equity method	1	75	0.03	-		
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - non-current	80,649	768,590	2.66	768,590		
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	20,207	678,151	0.60	594,100		
	Far EasTone Telecommunications Corporation	(Note A)	Investments accounted for using the equity method	34,149	1,176,388	1.05	2,462,145		23,800 thousand shares pledged or mortgaged as collaterals for loans.
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	34,701	743,852	3.92	706,169		
	Far Eastern Department Stores Corporation	(Note A)	Investments accounted for using the equity method	20,672	576,148	1.46	349,360		
	Kowloon Cement Corporation	(Note A)	Investments accounted for using the equity method	1,127	488,102	49.00	-		
	Far Eastern International Leasing Corporation	(Note A)	Investments accounted for using the equity method	74,970	1,151,605	16.80	-		
	Pacific Liu Tong Investment Corporation (Note G)	(Note A)	Investments accounted for using the equity method	18,000	221,196	2.24	-		
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - non-current	97,912	933,100	3.23	933,100		
	U-Ming Marine Transport Corporation	(Note E)	Available-for-sale financial assets - non-current	422	10,761	0.05	10,761		
Far Eastern Polychem Industries Corporation	Far Eastern Industries (Shanghai) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	8,048,033	87.64	-		
	PET Far Eastern (Holding) Corporation	(Note A)	Investments accounted for using the equity method	35	566,227	9.46	-		
	FEDP (Holding) Corporation	(Note A)	Investments accounted for using the equity method	240	214,538	49.57	-		
	Far Eastern Industries (Yangzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	1,545,032	100.00	-		
	Far Eastern Ishizuka Green Pet Corporation	(Note A)	Investments accounted for using the equity method	1,430	277,049	97.95	-		
	Nippon Parison Corporation	-	Financial assets carried at cost - non-current	4	70,272	10.00	-		
	Bank of Chongqing	-	Available-for-sale financial assets - non-current	3,883	101,325	0.25	101,325		
Far Eastern Construction Corporation	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	17,726	545,577	0.53	521,148		
	Far Eastern General Contractor Corporation	(Note A)	Investments accounted for using the equity method	147,413	2,038,907	98.95	-		
	U-Ming Marine Transport Corporation	(Note E)	Available-for-sale financial assets - current	1,590	40,540	0.19	40,540		
Far Eastern Apparel (Holding) Corporation	Far Eastern Apparel (Suzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	546,124	38.46	-		
	Far Eastern Dyeing & Finishing (Suzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	2,409,260	100.00	-		
Far Eastern Apparel Corporation	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	469	17,963	0.01	13,789		
	Far EasTone Telecommunications Corporation	(Note A)	Investments accounted for using the equity method	90	2,066	0.00	6,489		
	Yu Ding Industry Corporation	(Note A)	Investments accounted for using the equity method	7	949	0.01	-		
Far Eastern General Contractor Corporation	Far Eastern Technical Consultants Corporation	(Note A)	Investments accounted for using the equity method	450	5,003	9.00	-		
	Kaohsiung Rapid Transit Corporation	-	Financial assets carried at cost - non-current	7,572	44,349	2.72	-		
	Ya-Li Precast Prestressed Concrete Industries Corporation	-	Financial assets carried at cost - non-current	3,106	25,142	16.03	-		
	U-Ming Marine Transport Corporation	(Note E)	Available-for-sale financial assets - current	746	19,036	0.09	19,036		
	CTBC Hwa-win Money Market Fund	-	Financial assets at fair value through profit or loss - current	3,214	35,010	-	35,010		
	DFE DWS Taiwan Money Market	-	Financial assets at fair value through profit or loss - current	2,340	27,041	-	27,041		
FETG Investment Antilles N.V.	Waldorf Services B.V.	(Note A)	Investments accounted for using the equity method	2	1,561,807	100.00	-		
Waldorf Services B.V.	Malaysia Garment Manufactures Pte. Corporation	(Note A)	Investments accounted for using the equity method	30	510,883	37.92	-		
	Far Eastern International Garments	(Note A)	Other liabilities - other	59	(12,531)	41.00	-		
	Cemtex Apparel Inc.	(Note A)	Other liabilities - other	90	(11,627)	50.00	-		
	Filsyn Corporation	-	Financial assets carried at cost - non-current	20,513	-	-	-		
Malaysia Garment Manufactures Pte. Corporation	PT Malaysia Garment Bintan	(Note A)	Other liabilities - other	(Note H)	(45)	99.00	-		

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2016				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note I)	
An Ho Garment Corporation, Corporation	Far EasTone Telecommunications Corporation	(Note A)	Investments accounted for using the equity method	40,818	\$ 1,113,959	1.25	\$ 2,942,948	21,050 thousand shares pledged or mortgaged as collaterals for loans.
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	6,094	234,250	0.18	179,154	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	11,204	270,005	1.26	228,001	
	Far Eastern Department Stores Corporation	(Note A)	Investments accounted for using the equity method	370	11,323	0.03	6,250	
	Oriental Securities Corporation	(Note A)	Investments accounted for using the equity method	6,005	87,043	0.84	-	
	Yu Ding Industry Corporation	(Note A)	Investments accounted for using the equity method	13,146	259,807	15.66	-	
	Pacific Liu Tong Investment Corporation (Note G)	(Note A)	Investments accounted for using the equity method	9,681	124,106	1.21	-	
	Yuan Ding Investment Corporation	(Note A)	Investments accounted for using the equity method	5,502	167,765	0.30	-	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - non-current	20,083	191,391	0.66	191,391	
Yuan Faun Corporation	Yuan Cheng Human Resources Consultant Corporation	(Note A)	Investments accounted for using the equity method	745	13,049	55.19	-	
	Yi Tong Fiber Corporation	-	Financial assets carried at cost - non-current	3,504	28,519	3.56	-	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - non-current	4,256	40,556	0.14	40,556	
Fu Kwok Garment Manufacturing Corporation	Far EasTone Telecommunications Corporation	(Note A)	Investments accounted for using the equity method	520	19,734	0.02	37,492	
Yuan Tong Investment Corporation	Far EasTone Telecommunications Corporation	(Note A)	Investments accounted for using the equity method	100,237	2,903,338	3.08	7,227,090	34,100 thousand shares pledged or mortgaged as collaterals for loans.
	Far Eastern Department Stores Corporation	(Note A)	Investments accounted for using the equity method	39,619	1,248,577	2.80	669,553	
	Oriental Union Chemical Corporation	(Note A)	Investments accounted for using the equity method	49,705	1,722,056	5.61	1,011,505	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	28,579	1,061,054	0.85	840,234	
	Pacific Liu Tong Investment Corporation (Note G)	(Note A)	Investments accounted for using the equity method	18,000	219,997	2.24	-	
	Far Eastern Electronic Toll Collection Corporation	(Note A)	Investments accounted for using the equity method	77,257	320,942	11.98	-	
	Liquid Air Far East Corporation	(Note A)	Investments accounted for using the equity method	1	28	0.00	-	
	Sino Belgium (Holding) Corporation	(Note A)	Other liabilities - other	36	(16,230)	90.88	-	
	Freudenberg Far Eastern Spunweb Corporation	(Note A)	Investments accounted for using the equity method	1	37	0.00	-	
	Malaysia Garment Manufactures Pte. Corporation	(Note A)	Investments accounted for using the equity method	10	175,145	13.00	-	
	Ding Shen Investment Corporation	-	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	182,283	12.51	-	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - non-current	19,407	184,952	0.64	184,952	
	Financial assets under asset management contracts (Note F)							
	Yuanta Financial Holding Corporation, Corporation	-	Financial assets at fair value through profit or loss - current	1,407	16,180	-	16,180	
	Taiwan Semiconductor Manufacturing Corporation	-	Financial assets at fair value through profit or loss - current	155	25,110	-	25,110	
Taiwan Top 50 ETF	-	Financial assets at fair value through profit or loss - current	701	45,320	-	45,320		
Hon Hai Precision Ind. Corporation	-	Financial assets at fair value through profit or loss - current	63	5,342	-	5,342		
Uni-President	-	Financial assets at fair value through profit or loss - current	210	11,865	-	11,865		
Formosa Plastics Corporation	-	Financial assets at fair value through profit or loss - current	80	6,384	-	6,384		
Catcher Technology Corporation	-	Financial assets at fair value through profit or loss - current	22	5,808	-	5,808		
E.Sun FHC	-	Financial assets at fair value through profit or loss - current	680	12,240	-	12,240		
Far Eastern Apparel (Suzhou) Corporation	An Ho Garment (Suzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	53,763	100.00	-	
PET Far Eastern (Holding) Corporation	Oriental Petrochemical (Shanghai) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	3,247,459	53.24	-	
	Far Eastern Union Petrochemical (Yangzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	1,690,748	50.00	-	
	Tong Da Air Industry (Yangzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	989,081	50.00	-	
Oriental Textile (Holding) Corporation	Far Eastern Industries (WuXi) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	3,213,350	100.00	-	
	Oriental Industries (Suzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	5,665,750	100.00	-	

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Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2016				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note I)	
FEDP (Holding) Corporation	Far Eastern Industries (Suzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	\$ 199,298	100.00	\$ -	
Far Eastern Polytex (Holding) Corporation	Wuhan Far Eastern New Material Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	1,031,851	100.00	-	
	Far Eastern Apparel (Suzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	873,855	61.54	-	
	Far Eastern New Century (China) Investment Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	1,737,112	100.00	-	
	Far Eastern Yihua Petrochemical (Yangzhou) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	4,366,116	60.00	-	
Far Eastern New Century (China) Investment Corporation	Far Eastern Industries (Shanghai) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	1,135,027	12.36	-	
	Shanghai Yuan Zi Information Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	67,111	100.00	-	
	Oriental Petrochemical (Shanghai) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	495,174	8.11	-	
	Yuan Ding Enterprise (Shanghai) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	227,560	100.00	-	
Sino Belgium (Holding) Corporation	Sino Belgium Beer (Suzhou) Corporation	(Note A)	Other liabilities - other	(Note H)	(30,690)	100.00	-	
	Martens Beers Trading (Shanghai) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	25,007	100.00	-	
Oriental Petrochemical (Shanghai) Corporation	Shanghai Far Eastern Petrochemical Logistic Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	133,435	100.00	-	
Far Eastern Industries (Yangzhou) Corporation	Harvest Money Market A	-	Financial assets at fair value through profit or loss - current	15,234	75,698	-	75,698	
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	Harvest Money Market A	-	Financial assets at fair value through profit or loss - current	407,307	2,023,907	-	2,023,907	
Yuan Ding Company Corporation	YDT Technology International Corporation	(Note A)	Investments accounted for using the equity method	13,992	317,971	100.00	-	
	Ding Ding Integrated Marketing Services Corporation	(Note A)	Investments accounted for using the equity method	41,633	221,382	60.00	-	
	Far Eastern Technical Consultants Corporation	(Note A)	Investments accounted for using the equity method	4,550	53,239	91.00	-	
	YDC (Virgin Islands) Corporation	(Note A)	Investments accounted for using the equity method	-	8,774	17.70	-	
	Ding Ding Hotel Corporation	(Note A)	Investments accounted for using the equity method	64,502	113,639	61.99	-	
	FET Consulting Engineers Corporation	(Note A)	Investments accounted for using the equity method	85,000	516,466	100.00	-	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	5,329	193,443	0.16	156,662	
	Far Eastone Telecommunications Corporation	(Note A)	Investments accounted for using the equity method	4,164	116,135	0.13	300,188	
	Yu Yuan Investment Corporation	(Note A)	Investments accounted for using the equity method	129,637	1,524,408	25.02	-	104,000 thousand shares pledged or mortgaged as collaterals for loans
	Yue Ming Corporation	(Note A)	Investments accounted for using the equity method	82	759	1.00	-	
	Yu Ding Industry Corporation	(Note A)	Investments accounted for using the equity method	2,175	42,599	2.59	-	
	FEDS Asia Pacific Development Corporation	(Note A)	Investments accounted for using the equity method	10,650	131,895	5.00	-	10,236 thousand shares pledged or mortgaged as collaterals for loans
	Far Eastern Electronic Toll Collection Corporation	(Note A)	Investments accounted for using the equity method	96,312	394,677	14.93	-	
	Yuan Hsin Digital Payment Corporation	(Note A)	Investments accounted for using the equity method	30,000	205,293	20.00	-	
Far Eastern Electronic Commerce Corporation	Far Eastern Electronic Commerce Corporation	(Note A)	Other liabilities - other	23,913	(148,038)	53.08	-	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - non-current	7,592	72,352	0.25	72,352	
	Far Eastern New Century Corporation	(Note J)	Financial assets at fair value through profit or loss - current	779	20,498	-	20,498	
Ding Ding Integrated Marketing Services Corporation	Yuan Hsin Digital Payment Corporation	(Note A)	Investments accounted for using the equity method	22,515	154,068	15.01	-	
	DDIM (Virgin Islands) Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	16,876	46.13	-	
	Far Eastern Electronic Commerce Corporation	(Note A)	Other liabilities - other	79	(503)	0.18	-	
	Pacific SOGO Department Stores	-	Financial assets carried at cost - non-current	1	10	0.00	-	
	DFE DWS Taiwan Money Market	-	Financial assets at fair value through profit or loss - current	12,192	140,894	-	140,894	
Far Eastern Technical Consultants Corporation	Cosmos Foreign Exchange Intl. Corporation	-	Financial assets carried at cost - non-current	480	4,800	4.00	-	
FET Consulting Engineers Corporation	DDIM (Virgin Islands Corporation)	(Note A)	Investments accounted for using the equity method	(Note H)	19,707	53.87	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2016				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note I)	
YDC (Virgin Islands) Corporation	Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	Investments accounted for using the equity method	(Note H)	\$ 167	0.46	\$ -	
	Speedy (Shanghai) Digital Tech. Corporation	(Note A)	Investments accounted for using the equity method	(Note H)	47,724	100.00	-	
DDIM (Virgin Islands) Corporation	Yuan Ding Integrated Information Service (Shanghai) Inc.	(Note A)	Investments accounted for using the equity method	(Note H)	36,102	99.54	-	
YDT Technology International Corporation	Everest Textile Corporation	(Note A)	Investments accounted for using the equity method	120	1,177	0.03	1,908	
	Far Eastern Department Stores Corporation	(Note A)	Investments accounted for using the equity method	2,764	95,786	0.19	46,709	
	Asia Cement Corporation	(Note A)	Investments accounted for using the equity method	61	2,191	0.00	1,780	
	YDC (Virgin Islands) Corporation	(Note A)	Investments accounted for using the equity method	1	40,787	82.30	-	
	Oriental Securities Investment Consultant Corporation	-	Financial assets carried at cost - non-current	1	10	0.00	-	
	Far Eastern International Bank	(Note D)	Available-for-sale financial assets - non-current	2,670	25,443	0.09	25,443	
Far EasTone Telecommunications Corporation	New Century InfoComm Corporation	(Note A)	Investments accounted for using the equity method	2,100,000	27,958,314	100.00	-	
	ARCOA Communication Corporation	(Note A)	Investments accounted for using the equity method	82,762	1,339,981	61.63	-	
	KGEx.com Corporation	(Note A)	Investments accounted for using the equity method	88,894	963,153	99.99	-	
	Hiiir Digital Marketing Corporation	(Note A)	Investments accounted for using the equity method	53,726	66,357	89.54	-	
	Yuan Cing Corporation	(Note A)	Investments accounted for using the equity method	19,350	141,008	99.99	-	
	Far Eastern Info Service (Holding) Corporation	(Note A)	Other liabilities - other	1	(49,488)	100.00	-	
	O-music Corporation	(Note A)	Investments accounted for using the equity method	2,500	4,743	50.00	-	
	Q-ware Communications Corporation	(Note A)	Other liabilities - other	33,983	(68,132)	81.46	-	
	Far Eastern Electronic Toll Collection Corporation	(Note A)	Investments accounted for using the equity method	254,240	634,040	39.42	-	
	Yuan Hsin Digital Payment Corporation	(Note A)	Investments accounted for using the equity method	45,000	307,935	30.00	-	
	Ding Ding Integrated Marketing Services Corporation	(Note A)	Investments accounted for using the equity method	10,408	54,918	15.00	-	
	Alliance Digital Technology Corporation	(Note A)	Investments accounted for using the equity method	3,000	13,682	13.33	-	
	Far Eastern Electronic Commerce Corporation	(Note A)	Other liabilities - other	6,691	(41,135)	14.85	-	
	App Works Fund II Corporation	-	Financial assets carried at cost - non-current	15,000	150,000	11.11	-	
ARCOA Communication Corporation	DataExpress Infotech Corporation	(Note A)	Investments accounted for using the equity method	12,866	211,964	70.00	-	
	THI consultants	-	Financial assets carried at cost - non-current	1,214	12,190	18.32	-	
	Web Point Corporation	-	Financial assets carried at cost - non-current	161	1,618	0.63	-	
New Century InfoComm Corporation	New Diligent Corporation	(Note A)	Investments accounted for using the equity method	80,000	548,377	100.00	-	
	Information Security Service Digital United Inc.	(Note A)	Investments accounted for using the equity method	10,249	103,203	100.00	-	
	Digital United (Cayman) Corporation	(Note A)	Investments accounted for using the equity method	4,320	29,797	100.00	-	
	Ding Ding Integrated Marketing Services Corporation	(Note A)	Investments accounted for using the equity method	3,469	18,306	5.00	-	
	Far Eastern Electronic Commerce Corporation	(Note A)	Other liabilities - other	2,392	(14,706)	5.31	-	
	Kaohsiung Rapid Transit Corporation	-	Financial assets carried at cost - non-current	8,858	50,000	3.18	-	
	Bank Pro E-service Technology Corporation	-	Financial assets carried at cost - non-current	450	4,500	3.33	-	
	Opas Fund Segregated Portfolio Tranche A	-	Available-for-sale financial assets - current	15	436,040	-	436,040	
	Opas Fund Segregated Portfolio Tranche C	-	Available-for-sale financial assets - current	4	145,970	-	145,970	
New Diligent Corporation	Sino Lead Enterprise Limited	(Note A)	Investments accounted for using the equity method	-	68	100.00	-	
	Far Eastern New Diligent Company Corporation	(Note A)	Investments accounted for using the equity method	-	33,659	100.00	-	
	New Diligent Hong Kong Corporation	(Note A)	Investments accounted for using the equity method	-	-	-	-	
DataExpress Infotech Corporation	Linkwell Tech. Corporation	(Note A)	Investments accounted for using the equity method	-	43,826	100.00	-	
	Home Master Technology Corporation	(Note A)	Other liabilities - other	-	(8,776)	100.00	-	
Digital United (Cayman) Corporation	Digital United Information Technologies (Shanghai) Corporation	(Note A)	Investments accounted for using the equity method	-	8,338	100.00	-	

(Continued)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	March 31, 2016				Note
				Shares or Units (All Common Shares Unless Stated Otherwise) (Thousands)	Carrying Amount	Percentage of Ownership (%)	Market Value or Net Asset Value (Note I)	
Far Eastern Tech-info Corporation (Shanghai)	Far Eastern New Century Information Technology (Beijing) Limited	(Note A)	Investments accounted for using the equity method	-	\$ 1,646	2.12	\$ -	
Far Eastern New Diligent Company Corporation	Far Eastern New Century Information Technology (Beijing) Limited	(Note A)	Investments accounted for using the equity method	-	59,725	76.92	-	
	Far Eastern Tech-info Corporation (Shanghai)	(Note A)	Investments accounted for using the equity method	-	62,315	58.33	-	
Far Eastern Info Service (Holding) Corporation	Far Eastern Tech-info Corporation (Shanghai)	(Note A)	Investments accounted for using the equity method	-	44,516	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. The chairman of the investee is FENC's chairman.

F. Financial assets under asset management contracts and the financial assets can be sold in the open market by the investee, Oriental Securities Corporation

G. The investor opened a trust account in Shanghai Bank in Taipei on September 26, 2002 to acquire the ownership of Pacific Liu Tong Investment Corporation

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 can't be reliably measured.

J. Parent company.

K. Relevant information about investment of subsidiaries, affiliates and joint venture. Please refer to Schedule 12 and 13.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

**MARKETABLE SECURITIES ACQUIRED AND DISPOSED AT COSTS OR PRICES OF AT LEAST \$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE THREE MONTHS ENDED MARCH 31, 2016
(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				Ending Balance	
					Shares	Amount	Shares	Amount	Shares	Amount	Carrying Amount	Gain (Loss) on Disposal	Shares	Amount
Far Eastern Yihua petrochemical (Yangzhou) Corporation	Yoshizane Money Market Fund B (Note A)	Financial assets at fair value through profit or loss - current	-	-	561,532	RMB 561,532	82,015	RMB 82,015	-	RMB 241,001	RMB 241,001	-	407,307	RMB 407,307

Note A: The transaction of Yoshizane Money Market Fund B were purchased and redeemed based on one unit for RMB 1, the dividend were reinvested original unit when holding period, difference of unit were the dividend reinvested.

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 THREE MONTHS ENDED MARCH 31, 2016

(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 % to Total
			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 Petrochemical (Taiwan) Corporation	(Note A)	Purchase	\$ 1,763,707	18	Based on contract	-	-	\$ -	-	\$ (524,632)	(19)	
	Worldwide Polychem (HK) Corporation	(Note A)	Sale	(607,196)	(6)	Based on contract	-	-	-	-	564,171	8	
	Far Eastern Industries (Shanghai) Corporation	(Note A)	Sale	(273,155)	(3)	Based on contract	-	-	-	-	201,275	3	
	Oriental Union Chemical Corporation	(Note D)	Purchase	222,605	2	Based on contract	-	-	-	-	(97,010)	(3)	
Far Eastern Apparel (Holding) Corporation	Far Eastern Dyeing & Finishing (Suzhou) Corporation	(Note A)	Purchase	814,831	56	Based on contract	-	-	-	-	(591,785)	(62)	
	Far Eastern Apparel (Suzhou) Corporation	(Note C)	Purchase	313,071	21	Based on contract	-	-	-	-	(170,328)	(18)	
	Far Eastern Apparel (Vietnam) Corporation	(Note C)	Purchase	369,465	25	Based on contract	-	-	-	-	(203,080)	(21)	
Far Eastern Dyeing & Finishing (Suzhou) Corporation	Far Eastern Industries (WuXi) Corporation	(Note C)	Purchase	119,168	12	Based on contract	-	-	-	-	(41,903)	(8)	
	Far Eastern Apparel (Holding) Corporation	(Note B)	Sale	(814,831)	(73)	Based on contract	-	-	-	-	591,785	69	
Far Eastern Industries (Shanghai) Corporation	Far Eastern New Century Corporation	(Note B)	Purchase	273,155	6	Based on contract	-	-	-	-	(201,275)	(7)	
	Oriental Petrochemical (Shanghai) Corporation	(Note C)	Purchase	1,216,287	25	Based on contract	-	-	(428,713)	(47)	(531,186)	(18)	
	Oriental Petrochemical (Taiwan) Corporation	(Note C)	Purchase	104,788	2	Based on contract	-	-	-	-	(104,788)	(3)	
	Far Eastern Polychem Industries Corporation	(Note B)	Sale	(1,847,144)	(36)	Based on contract	-	-	-	-	880,147	40	
	Wuhan Far Eastern New Material Corporation	(Note C)	Sale	(170,546)	(3)	Based on contract	-	-	49,690	7	125,933	6	
	Far Eastern Union Petrochemical (Yangzhou) Corporation	(Note E)	Purchase	220,515	5	Based on contract	-	-	-	-	(147,688)	(5)	
Far Eastern Industries (Suzhou) Corporation	Oriental Petrochemical (Shanghai) Corporation	(Note C)	Purchase	347,065	58	Based on contract	-	-	(258,742)	(100)	(140,732)	(65)	
	Oriental Industries (Suzhou) Corporation	(Note C)	Sale	(546,391)	(91)	Based on contract	-	-	154,415	97	206,974	87	
Far Eastern Polychem Industries Corporation	Far Eastern Industries (Shanghai) Corporation	(Note A)	Purchase	1,847,144	96	Based on contract	-	-	-	-	(880,147)	(74)	
	Pet Far Eastern (M) Sdn. Bhd.	(Note C)	Sale	(190,063)	(9)	Based on contract	-	-	-	-	97,221	9	
Oriental Petrochemical (Shanghai) Corporation	Far Eastern Industries (Shanghai) Corporation	(Note C)	Sale	(1,216,287)	(32)	Based on contract	-	-	428,713	35	531,186	79	
	Far Eastern Industries (Suzhou) Corporation	(Note C)	Sale	(347,065)	(9)	Based on contract	-	-	258,742	21	140,732	21	
Oriental Petrochemical (Taiwan) Corporation	Far Eastern New Century Corporation	(Note B)	Sale	(1,763,707)	(51)	Based on contract	-	-	-	-	524,632	44	
	Far Eastern Industries (Shanghai) Corporation	(Note C)	Sale	(104,788)	(3)	Based on contract	-	-	-	-	104,788	9	

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes Payable or Receivable		Accounts Payable or Receivable		Note % to Total
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	Ending Balance	% to Total	
Oriental Industries (Suzhou) Corporation	Far Eastern Industries (Suzhou) Corporation	(Note C)	Purchase	546,391	37	Based on contract	-	-	(154,415)	(100)	(206,974)	(35)	
	Oriental Textile (Holding) Corporation	(Note B)	Sale	(792,175)	(47)	Based on contract	-	-	-	-	500,637	43	
Oriental Textile (Holding) Corporation	Oriental Industries (Suzhou) Corporation	(Note A)	Purchase	792,175	96	Based on contract	-	-	-	-	(500,637)	(94)	
Far Eastern Apparel (Vietnam) Corporation	Far Eastern Apparel (Holding) Corporation	(Note C)	Sale	(369,465)	(58)	Based on contract	-	-	-	-	203,080	66	
Pet Far Eastern (M) Sdn. Bhd.	Far Eastern Polychem Industries Corporation	(Note C)	Purchase	\$ 190,063	60	Based on contract	-	-	\$ -	-	\$ (97,221)	(64)	
Wuhan Far Eastern New Material Corporation	Far Eastern Industries (Shanghai) Corporation	(Note C)	Purchase	170,546	69	Based on contract	-	-	(49,690)	(100)	(125,933)	(60)	
Worldwide Polychem (HK) Corporation	Far Eastern New Century Corporation	(Note B)	Purchase	607,196	100	Based on contract	-	-	-	-	(564,171)	(81)	
Far Eastern Industries (WuXi) Corporation	Far Eastern Dyeing & Finishing (Suzhou) Corporation	(Note C)	Sale	(119,168)	(19)	Based on contract	-	-	-	-	41,903	18	
Far Eastern Apparel (Suzhou) Corporation	Far Eastern Apparel (Holding) Corporation	(Note C)	Sale	(313,071)	(60)	Based on contract	-	-	-	-	170,328	55	
Far EasTone Telecommunications Corporation	ARCOA Communication Corporation	(Note A)	Cost of telecommunications services, marketing expenses and cost of sales	3,545,763	23	Based on contract	-	-	-	-	(1,327,366)	(7)	
	New Century InfoComm Corporation	(Note A)	Operating revenues	(148,716)	(1)	Based on contract	-	-	-	-	2,663	-	
			Cost of telecommunications services	957,072	8	Based on contract	-	-	-	-	(702,317)	(4)	(Note F)
New Century InfoComm Corporation	Far EasTone Telecommunications Corporation	(Note B)	Operating revenues	(957,072)	(29)	Based on contract	-	-	-	-	702,317	48	(Note G)
			Cost of telecommunications services	148,716	7	Based on contract	-	-	-	-	(2,663)	-	
ARCOA Communication Corporation	Far EasTone Telecommunications Corporation	(Note B)	Operating revenues	(3,545,763)	(70)	Based on contract	-	-	-	-	1,327,366	78	

Notes: A. Subsidiary.

B. Parent company.

C. Same ultimate parent company.

D. The equity-method investee.

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

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

G. Including the receivables collected by Far EasTone for NCIC.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE CAPITAL STOCK
FOR THE THREE MONTHS ENDED MARCH 31, 2016**

(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		
Far Eastern New Century Corporation	Worldwide Polychem (HK) Corporation	(Note B)	\$ 564,171	4.00	\$ -	-	\$ 196,899	\$ -
	Far Eastern Industries (Shanghai) Corporation	(Note B)	201,275	5.01	-	-	92,662	-
Oriental Petrochemical (Taiwan) Corporation	Far Eastern New Century Corporation	(Note C)	524,632	14.07	-	-	524,632	-
	Far Eastern Industries (Shanghai) Corporation	(Note D)	104,788	0.77	-	-	57,904	-
Far Eastern Apparel (Holding) Corporation	Far Eastern Apparel (Vietnam) Corporation	(Note D)	219,450	1.30	-	-	15,667	-
Far Eastern Apparel (Vietnam) Corporation	Far Eastern Apparel (Holding) Corporation	(Note D)	203,080	6.64	-	-	121,817	-
Far Eastern Industries (Shanghai) Corporation	Far Eastern Polychem Industries Corporation	(Note C)	880,147	8.05	-	-	880,147	-
	Wuhan Far Eastern New Material Corporation	(Note D)	175,623	4.25	-	-	36,790	-
Far Eastern Dyeing & Finishing (Suzhou) Corporation	Far Eastern Apparel (Holding) Corporation	(Note C)	591,785	6.33	-	-	322,554	-
Oriental Petrochemical (Shanghai) Corporation	Far Eastern Industries (Shanghai) Corporation	(Note D)	959,899	5.01	-	-	531,186	-
	Far Eastern Industries (Suzhou) Corporation	(Note D)	399,474	3.49	-	-	140,732	-
Oriental Industries (Suzhou) Corporation	Oriental Textile (Holding) Corporation	(Note C)	500,637	6.72	-	-	209,079	-
Far Eastern Industries (Suzhou) Corporation	Oriental Industries (Suzhou) Corporation	(Note D)	361,389	7.43	-	-	361,389	-
Far Eastern Apparel (Suzhou) Corporation	Far Eastern Apparel (Holding) Corporation	(Note D)	170,328	5.68	-	-	95,479	-
Far Eastern Construction Corporation	Far Eastern Department Stores Corporation	(Note E)	103,013	(Note F)	-	-	24,001	-
Far EastTone Telecommunications Corporation	New Century InfoComm Corporation	(Note B)	180,039	(Note G)	-	-	157,212	-
New Century InfoComm Corporation	Far EastTone Telecommunications Corporation	(Note C)	8647,401	(Note H)	-	-	497,799	-
ARCOA Communication Corporation	Far EastTone Telecommunications Corporation	(Note C)	1,327,366	11.30	-	-	1,327,366	-

Notes: A. For the receivables from the financier in the Group, please refer to Schedule 4.

B. Subsidiary.

C. Parent company.

(Continued)

- D. Same ultimate parent company.
- E. Equity-method investee equity-method of FENC.
- F. The turnover rate was unavailable as the receivables from related parties were on purpose for rent equalization.
- G. 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.
- H. The turnover rate was unavailable as the receivables from related parties were due to (A) the collection of telecommunications bills by Far EasTone for NCIC and (B) financing provided by NCIC to Far EasTone.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

**SIGNIFICANT TRANSACTIONS BETWEEN FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES
FOR THE THREE MONTHS ENDED MARCH 31, 2016**

(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 Corporation	1	Other receivables	\$ 1,978,090	Based on agreement	-
		Far Eastern Polychem Industries Corporation	1	Interest receivables	48,948	Based on agreement	-
		Far Eastern Polychem Industries Corporation	1	Interest revenue	10,762	Based on agreement	-
		PET Far Eastern (Holding) Corporation	1	Other receivables	1,937,910	Based on agreement	-
		PET Far Eastern (Holding) Corporation	1	Interest receivables	66,908	Based on agreement	-
		PET Far Eastern (Holding) Corporation	1	Interest revenue	16,090	Based on agreement	-
		Worldwide Polychem (HK) Corporation	1	Accounts receivable	564,171	Based on agreement	-
		Worldwide Polychem (HK) Corporation	1	Sales	607,196	Based on agreement	1
		Far Eastern Industries (Shanghai) Corporation	1	Sales	273,155	Based on agreement	1
		Far Eastern Industries (Shanghai) Corporation	1	Accounts receivable	201,275	Based on agreement	-
1	Yuan Ding Investment Corporation	Yuan Tong Investment Corporation	3	Other receivables	254,000	Based on agreement	-
		Yuan Tong Investment Corporation	3	Interest revenue	1,043	Based on agreement	-
		Kai Yuan International Investment Corporation	3	Other receivables	485,000	Based on agreement	-
		Kai Yuan International Investment Corporation	3	Interest revenue	1,991	Based on agreement	-
		An Ho Garment Corporation, Corporation	3	Other receivables	400,000	Based on agreement	-
		An Ho Garment Corporation, Corporation	3	Interest revenue	1,642	Based on agreement	-
2	Far Eastern Polychem Industries Corporation	Pet Far Eastern (M) Sdn. Bhd.	3	Sales	190,063	Based on agreement	-
		Far Eastern Industries (Shanghai) Corporation	3	Other receivables	96,495	Based on agreement	-
		Far Eastern Ishizuka Green Pet	3	Other receivables	415,135	Based on agreement	-
		Far Eastern Ishizuka Green Pet	3	Interest revenue	978	Based on agreement	-
		Far Eastern Industries (Suzhou) Corporation	3	Other receivables	141,775	Based on agreement	-
		Far Eastern New Century (China) Investment Corporation	3	Other receivables	645,970	Based on agreement	-
3	Oriental Petrochemical (Taiwan) Corporation	Far Eastern New Century Corporation	2	Accounts receivable	524,632	Based on agreement	-
		Far Eastern New Century Corporation	2	Sales	1,763,707	Based on agreement	3
		Far Eastern Industries (Shanghai) Corporation	3	Accounts receivable	104,788	Based on agreement	-
		Far Eastern Industries (Shanghai) Corporation	3	Sales	104,788	Based on agreement	-
4	Far Eastern Investment (Holding) Corporation	Far Eastern Polytex (Holding) Corporation	3	Other receivables	987,466	Based on agreement	-
		Far Eastern Polytex (Holding) Corporation	3	Interest receivables	3,038	Based on agreement	-
		Far Eastern Polytex (Holding) Corporation	3	Interest revenue	7,898	Based on agreement	-
		Oriental Textile (Holding) Corporation	3	Other receivables	2,061,777	Based on agreement	-
		Oriental Textile (Holding) Corporation	3	Interest receivables	5,678	Based on agreement	-
		Oriental Textile (Holding) Corporation	3	Interest revenue	8,380	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)
		Pet Far Eastern (M) Sdn. Bhd.	3	Other receivables	\$ 231,852	Based on agreement	-
		Pet Far Eastern (M) Sdn. Bhd.	3	Interest receivables	60,306	Based on agreement	-
		Pet Far Eastern (M) Sdn. Bhd.	3	Interest revenue	831	Based on agreement	-
		Far Eastern Apparel (Vietnam) Corporation	3	Other receivables	418,145	Based on agreement	-
		Sino Belgium (Holding) Corporation	3	Other receivables	151,176	Based on agreement	-
		Sino Belgium (Holding) Corporation	3	Interest receivables	1,439	Based on agreement	-
		Sino Belgium (Holding) Corporation	3	Interest revenue	727	Based on agreement	-
		PET Far Eastern (Holding) Corporation	3	Other receivables	752,661	Based on agreement	-
		PET Far Eastern (Holding) Corporation	3	Interest receivables	2,505	Based on agreement	-
		PET Far Eastern (Holding) Corporation	3	Interest revenue	1,989	Based on agreement	-
		Far Eastern New Century (China) Investment Corporation	3	Other receivables	993,800	Based on agreement	-
5	PET Far Eastern (Holding) Corporation	Oriental Petrochemical (Shanghai) Corporation	3	Other receivables	385,980	Based on agreement	-
		Far Eastern New Century (China) Investment Corporation	3	Other receivables	2,086,980	Based on agreement	-
		Far Eastern New Century (China) Investment Corporation	3	Interest receivables	11,013	Based on agreement	-
		Far Eastern New Century (China) Investment Corporation	3	Interest revenue	6,784	Based on agreement	-
6	Far Eastern Polytex (Holding) Corporation	Far Eastern New Century (China) Investment Corporation	3	Other receivables	1,030,750	Based on agreement	-
7	Yuan Ding Company Corporation	Far Eastern Electronic Commerce Corporation	3	Other receivables	100,000	Based on agreement	-
		Far Eastern Electronic Commerce Corporation	3	Interest receivables	84	Based on agreement	-
		Far Eastern Electronic Commerce Corporation	3	Interest revenue	218	Based on agreement	-
8	Oriental Textile (Holding) Corporation	Oriental Industries (Suzhou) Corporation	3	Other receivables	859,826	Based on agreement	-
		Far Eastern New Century (China) Investment Corporation	3	Other receivables	844,730	Based on agreement	-
		Far Eastern New Century (China) Investment Corporation	3	Interest receivables	2,684	Based on agreement	-
		Far Eastern New Century (China) Investment Corporation	3	Interest revenue	2,608	Based on agreement	-
9	Far Eastern Apparel (Holding) Corporation	Far Eastern Apparel (Vietnam) Corporation	3	Accounts receivable	219,450	Based on agreement	-
10	Far Eastern Apparel (Vietnam) Corporation	Far Eastern Apparel (Holding) Corporation	3	Accounts receivable	203,080	Based on agreement	-
		Far Eastern Apparel (Holding) Corporation	3	Sales	369,465	Based on agreement	1
11	Far Eastern Industries (Shanghai) Corporation	Far Eastern Polychem Industries Corporation	2	Accounts receivable	880,147	Based on agreement	-
		Far Eastern Polychem Industries Corporation	2	Sales	1,847,144	Based on agreement	4
		Wuhan Far Eastern New Material Corporation	3	Accounts receivable	125,933	Based on agreement	-
		Wuhan Far Eastern New Material Corporation	3	Notes receivable	49,690	Based on agreement	-
		Wuhan Far Eastern New Material Corporation	3	Sales	170,546	Based on agreement	-
12	Far Eastern Industries (Yangzhou) Corporation	Far Eastern Industries (Shanghai) Corporation	3	Other receivables	248,450	Based on agreement	-
		Far Eastern Industries (Shanghai) Corporation	3	Interest receivables	4,534	Based on agreement	-
		Far Eastern Industries (Shanghai) Corporation	3	Interest revenue	1,915	Based on agreement	-
13	Far Eastern Dyeing & Finishing (Suzhou) Corporation	Far Eastern Apparel (Holding) Corporation	3	Accounts receivable	591,785	Based on agreement	-
		Far Eastern Apparel (Holding) Corporation	3	Sales	814,831	Based on agreement	2

(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)
14	Waldorf Services B.V.	Far Eastern Investment (Holding) Corporation	3	Other receivables	\$ 482,475	Based on agreement	-
		Far Eastern Investment (Holding) Corporation	3	Interest receivables	3,065	Based on agreement	-
		Far Eastern Investment (Holding) Corporation	3	Interest revenue	2,312	Based on agreement	-
		Oriental Textile (Holding) Corporation	3	Other receivables	340,949	Based on agreement	-
		Oriental Textile (Holding) Corporation	3	Interest receivables	2,166	Based on agreement	-
		Oriental Textile (Holding) Corporation	3	Interest revenue	1,634	Based on agreement	-
		Far Eastern Polychem Industries Corporation	3	Other receivables	350,599	Based on agreement	-
		Far Eastern Polychem Industries Corporation	3	Interest receivables	36	Based on agreement	-
		Far Eastern Polychem Industries Corporation	3	Interest revenue	36	Based on agreement	-
		15	Oriental Petrochemical (Shanghai) Corporation	Far Eastern Industries (Shanghai) Corporation	3	Accounts receivable	531,186
Far Eastern Industries (Shanghai) Corporation	3			Notes receivable	428,713	Based on agreement	-
Far Eastern Industries (Shanghai) Corporation	3			Sales	1,216,287	Based on agreement	2
Far Eastern Industries (Suzhou) Corporation	3			Accounts receivable	140,732	Based on agreement	-
Far Eastern Industries (Suzhou) Corporation	3			Notes receivable	258,742	Based on agreement	-
Far Eastern Industries (Suzhou) Corporation	3			Sales	347,065	Based on agreement	1
Far Eastern New Century (China) Investment Corporation	3			Interest revenue	4	Based on agreement	-
16	Far Eastern Industries (WuXi) Corporation			Oriental Industries (Suzhou) Corporation	3	Other receivables	250,204
		Oriental Industries (Suzhou) Corporation	3	Interest revenue	761	Based on agreement	-
		Far Eastern Dyeing & Finishing (Suzhou) Corporation	3	Sales	119,168	Based on agreement	-
17	Oriental Industries (Suzhou) Corporation	Oriental Textile (Holding) Corporation	3	Accounts receivable	500,637	Based on agreement	-
		Oriental Textile (Holding) Corporation	3	Sales	792,175	Based on agreement	2
		Far Eastern Industries (Suzhou) Corporation	3	Other receivables	824,993	Based on agreement	-
		Far Eastern Industries (Suzhou) Corporation	3	Interest receivables	1,721	Based on agreement	-
		Far Eastern Industries (Suzhou) Corporation	3	Interest revenue	4,379	Based on agreement	-
		Sino Belgium Beer (Suzhou) Corporation	3	Other receivables	703,441	Based on agreement	-
		Sino Belgium Beer (Suzhou) Corporation	3	Interest receivables	76	Based on agreement	-
		Sino Belgium Beer (Suzhou) Corporation	3	Interest revenue	144	Based on agreement	-
		Far Eastern Dyeing & Finishing (Suzhou) Corporation	3	Other receivables	18,823	Based on agreement	-
		Far Eastern Dyeing & Finishing (Suzhou) Corporation	3	Interest receivables	133	Based on agreement	-
		Far Eastern Dyeing & Finishing (Suzhou) Corporation	3	Interest revenue	181	Based on agreement	-
18	Far Eastern Industries (Suzhou) Corporation	Oriental Industries (Suzhou) Corporation	3	Accounts receivable	206,974	Based on agreement	-
		Oriental Industries (Suzhou) Corporation	3	Notes receivable	154,415	Based on agreement	-
		Oriental Industries (Suzhou) Corporation	3	Sales	546,391	Based on agreement	1
19	Far Eastern Apparel (Suzhou) Corporation	Oriental Industries (Suzhou) Corporation	3	Other receivables	591,127	Based on agreement	-
		Oriental Industries (Suzhou) Corporation	3	Interest receivables	1,208	Based on agreement	-
		Oriental Industries (Suzhou) Corporation	3	Interest revenue	3,865	Based on agreement	-
		Far Eastern Apparel (Holding) Corporation	3	Accounts receivable	170,328	Based on agreement	-
		Far Eastern Apparel (Holding) Corporation	3	Sales	313,071	Based on agreement	1

(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)
20	Far Eastern New Century (China) Investment Corporation	Oriental Petrochemical (Shanghai) Corporation	3	Other receivables	\$ 544,717	Based on agreement	-
		Oriental Petrochemical (Shanghai) Corporation	3	Interest receivables	242	Based on agreement	-
		Oriental Petrochemical (Shanghai) Corporation	3	Interest revenue	246	Based on agreement	-
		Far Eastern Industries (Shanghai) Corporation	3	Other receivables	2,514,394	Based on agreement	-
		Far Eastern Industries (Shanghai) Corporation	3	Interest receivables	2,738	Based on agreement	-
		Far Eastern Industries (Shanghai) Corporation	3	Interest revenue	2,784	Based on agreement	-
		Oriental Industries (Suzhou) Corporation	3	Other receivables	744,709	Based on agreement	-
		Oriental Industries (Suzhou) Corporation	3	Interest receivables	810	Based on agreement	-
		Oriental Industries (Suzhou) Corporation	3	Interest revenue	824	Based on agreement	-
		Wuhan Far Eastern New Material Corporation	3	Other receivables	98,272	Based on agreement	-
		Wuhan Far Eastern New Material Corporation	3	Interest receivables	108	Based on agreement	-
		Wuhan Far Eastern New Material Corporation	3	Interest revenue	109	Based on agreement	-
		Shanghai Far Eastern Petrochemical Logistic Corporation	3	Other receivables	49,690	Based on agreement	-
		Shanghai Far Eastern Petrochemical Logistic Corporation	3	Interest receivables	39	Based on agreement	-
		Shanghai Far Eastern Petrochemical Logistic Corporation	3	Interest revenue	40	Based on agreement	-
21	YDT Technology International Corporation	Yuan Ding Company Corporation	3	Other receivables	110,000	Based on agreement	-
		Yuan Ding Company Corporation	3	Interest receivables	119	Based on agreement	-
		Yuan Ding Company Corporation	3	Interest revenue	329	Based on agreement	-
22	FET Consulting Engineers Corporation	Yuan Ding Company Corporation	3	Other receivables	140,000	Based on agreement	-
		Yuan Ding Company Corporation	3	Interest receivables	151	Based on agreement	-
		Yuan Ding Company Corporation	3	Interest revenue	419	Based on agreement	-

Note A: How the Company and subsidiaries are identified:

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

Note B: Flow of transaction:

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 THREE MONTHS ENDED MARCH 31, 2016
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2016			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				March 31, 2016	December 31, 2015	Shares (Note F)	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	\$ 16,697,068	\$ 198,424	\$ (4,730)	Gain or loss recognized under the treasury stock method (Note A)
	Far Eastern Department Stores Corporation	Taipei, Taiwan	Department store operations	1,254,158	1,254,158	241,770	17.06	4,833,449	304,718	51,985	(Note A)
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	1,176,211	1,176,211	81,216	9.17	1,342,394	(94,973)	(8,709)	(Notes A and K)
	Everest Textile Corporation	Taipei, Taiwan	Chemical fiber production	1,689	1,689	129	0.03	1,550	117,423	35	(Note A)
	Oriental Securities Corporation	Taipei, Taiwan	Broker	159,823	159,823	140,278	19.65	1,926,028	(116,659)	(22,923)	(Note A)
	Pacific Liu Tong Investment Corporation (Note E)	Taipei, Taiwan	Investment	810,000	810,000	135,000	16.83	1,794,864	85,043	14,313	(Note A)
	Yuan Ding Investment Corporation	Taipei, Taiwan	Investment	100,052	100,041	1,822,822	99.40	41,119,218	1,171,540	1,164,957	Including write off and reversed by side-stream transactions \$446 (Notes B and H)
	Far Eastern Resources Development Corporation	Taipei, Taiwan	Real estate construction and selling	14,931,733	14,931,733	667,242	100.00	98,638,396	458,578	458,578	(Notes B and K)
	Far Eastern Polytex (Holding) Corporation	Bermuda	Investment	7,678,309	7,678,309	124	100.00	8,069,231	(46,874)	(46,874)	(Note B)
	Far Eastern Polychem Industries Corporation	Bermuda	Investment	7,318,312	7,318,312	830,815	73.04	7,705,811	(173,352)	(126,616)	(Note B)
	Yuan Tong Investment Corporation	Taipei, Taiwan	Investment	5,850,000	5,850,000	705,147	100.00	7,750,277	61,879	64,355	Including write off and reversed by side-stream transactions \$2,476 (Note B)
	Kai Yuan International Investment Corporation	Taipei, Taiwan	Investment	999,993	999,993	302,843	100.00	4,832,051	35,947	35,947	(Note B)
	Far Eastern Investment (Holding) Corporation	Bermuda	Investment	5,833,333	5,833,333	1,700	100.00	9,289,469	96,892	96,892	(Notes B and K)
	PET Far Eastern (Holding) Corporation	Bermuda	Investment	5,811,250	5,811,250	333	90.54	5,369,002	(205,585)	(183,705)	Including premium and discount amortization \$2,432 (Note B)
	Oriental Petrochemical (Taiwan) Corporation	Taipei, Taiwan	Petrochemical materials production	10,919,967	10,919,967	1,183,311	75.56	7,479,036	(108,267)	(83,439)	Including write off and reversed by upstream transactions \$(1,632) (Notes B and H)
	Far Eastern Construction Corporation	Taipei, Taiwan	Real estate construction and selling	143,450	143,450	198,791	65.11	7,955,369	83,503	54,369	(Notes B and K)
	Yuan Ding Company Corporation	Taipei, Taiwan	Real estate construction and selling	857,511	857,511	186,929	37.13	3,176,826	18,267	8,657	Including write off and reversed by side-stream transactions \$1,874 (Notes B, I and K)
	An Ho Garment Corporation, Corporation	Taipei, Taiwan	Investment	1,023	1,023	66,346	100.00	1,790,047	37,277	37,324	Including write off and reversed by side-stream transactions \$47 (Note B)
	Ding Yuan International Investment Corporation	Taipei, Taiwan	Investment	2,000,062	2,000,062	205,000	100.00	2,571,848	12,466	12,503	Including write off and reversed by side-stream transactions \$37 (Note B)
	FEDP (Holding) Corporation	Bermuda	Investment	676,315	676,315	244	50.43	218,260	(40,374)	(20,361)	(Note B)
	Fu Kwok Garment Manufacturing Corporation	Kaohsiung, Taiwan	Garment production	9,076	9,076	3,998	99.96	312,603	30,136	30,124	(Notes B and K)
	Ding Ding Hotel Corporation	Taipei, Taiwan	Hotel	393,651	393,651	19,772	19.00	34,881	(56,351)	(10,707)	(Note B)
	Far Eastern Textile Corporation	Taipei, Taiwan	Chemical fiber production	1,000	1,000	100	100.00	1,371	-	-	(Note B)
Yuan Ding Investment Corporation	Asia Cement Corporation	Taipei, Taiwan	Cement production	488,090	453,350	17,176	0.51	561,891	198,424	-	(Note A)
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	1,308,983	1,335,807	81,431	9.19	1,550,352	(94,973)	-	(Note A)
	Far Eastern Department Stores Corporation	Taipei, Taiwan	Department store operations	418,997	408,054	20,265	1.43	439,261	304,718	-	(Note A)
	Everest Textile Corporation	Taipei, Taiwan	Chemical fiber production	470,103	470,103	118,869	25.23	1,155,443	117,423	-	(Note A)
	Far EasTone Telecommunications Corporation	Taipei, Taiwan	Telecommunications	2,723,598	2,723,598	1,066,658	32.73	24,434,305	3,000,158	-	(Note B)
	Far Eastern Polychem Industries Corporation	Bermuda	Investment	1,392,692	1,392,692	306,644	26.96	2,844,314	(173,352)	-	(Note B)
	Far Eastern Apparel (Holding) Corporation	Bermuda	Sale of textile, garments, and clothing	2,179,442	2,179,442	111	100.00	2,781,888	79,093	-	(Note B)
	Da Ju Fiber Corporation	Taipei, Taiwan	Sale of polychemical products	263,790	263,790	27,305	41.86	1,492,473	4,967	-	(Note A)
	Far Eastern Apparel Corporation	Taipei, Taiwan	Sale of textile, garments, and clothing	287,984	287,984	24,736	100.00	276,527	(5,494)	-	(Note B)
	Yuan Faun Corporation	Taipei, Taiwan	PET bottle production and selling	51,671	51,671	5,000	100.00	119,304	(894)	-	(Note B)
	Yue Ming Corporation	Taipei, Taiwan	Trading	97,852	97,852	3,729	45.50	71,221	18,279	-	(Note A)
	Yuan Ding Leasing Corporation	Taipei, Taiwan	Real estate construction and selling	319,380	319,380	36,706	46.20	417,750	3,223	-	(Note A)
	Far Eastern Fibertech Corporation	Taipei, Taiwan	Nylon production	585,000	585,000	91,000	100.00	1,172,620	33,513	-	(Note B)
	Oriental Resources Development Corporation	Taipei, Taiwan	Waste recycling and processing	338,188	338,188	34,242	70.00	316,958	(8,027)	-	(Note B)
	Liquid Air Far East Corporation	Taipei, Taiwan	Industrial gas production and selling	504,806	504,806	86,615	35.00	1,944,964	200,000	-	(Note A)
	Freudenberg Far Eastern Spunweb Corporation	Taipei, Taiwan	Production of nonwoven industrial fabrics	144,786	144,786	13,052	29.80	369,779	48,866	-	(Note A)
	Oriental Securities Corporation	Taipei, Taiwan	Broker	255,424	255,424	185,247	25.96	2,650,025	(116,659)	-	(Note A)
	Yuan Ding Company Corporation	Taipei, Taiwan	Real estate construction and selling	188,846	188,846	64,759	12.86	1,128,712	18,267	-	(Note B)
	Far Eastern International Leasing Corporation	Taipei, Taiwan	Leasing	1,012,057	1,012,057	75,268	16.87	1,151,446	27,813	-	(Note A)
	Oriental Textile (Holding) Corporation	Bermuda	Investment	7,142,602	7,142,602	110	100.00	8,245,940	87,051	-	(Note B)
Pacific Liu Tong Investment Corporation (Note E)	Taipei, Taiwan	Investment	796,491	796,491	119,653	14.92	1,504,530	85,043	-	(Note A)	

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2016			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				March 31, 2016	December 31, 2015	Shares (Note F)	Percentage of Ownership	Carrying Value			
Far Eastern Investment (Holding) Corporation	Yu Yuan Investment Corporation	Taipei, Taiwan	Investment	\$ 673,704	\$ 673,704	98,198	18.96	\$ 558,273	\$ (13,730)	\$ -	(Note A)
	Far Eastern General Contractor Corporation	Taipei, Taiwan	Real estate construction	14,682	14,682	1,490	1.00	22,419	8,665	-	(Note B)
	Oriental Petrochemical (Taiwan) Corporation	Taipei, Taiwan	Petrochemical materials production	415,679	415,679	81,374	5.20	521,399	(108,267)	-	(Note B)
	FETG Investment Antilles N.V.	Antillem	Investment	US\$ 6	US\$ 6	6	100.00	1,563,559	(22,618)	-	(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	203,214	27,763	-	(Notes B and C)
	Far Eastern Apparel (Vietnam) Corporation	Cayman Islands	E-business	US\$ 3,375	US\$ 3,375	9,000	20.00	13,686	-	-	(Note A)
	Worldwide Polychem (HK) Corporation	Vietnam	Clothing production	US\$ 9,000	US\$ 9,000	-	100.00	431,210	121,301	-	(Notes B and D)
	Opas Fund Segregated Portfolio Company	Hong Kong	Polyester production trading	US\$ 3,500	US\$ 3,500	2,700	100.00	84,189	(14,088)	-	(Note B)
	Far Eastern Polytex (Vietnam) Corporation	Cayman Islands	Investment	US\$ 51	US\$ 51	-	34.00	1,685	3,451	-	(Notes A and D)
	Far Eastern New Apparel (Vietnam) Corporation	Vietnam	Chemical fiber and textile production	US\$ 8,000	5,300	-	100.00	250,411	(4,449)	-	(Notes B and D)
	Magna View Sdn. Bhd.	Vietnam	Garment production	US\$ 5,600	4,300	-	100.00	159,870	(12,617)	-	(Notes B and D)
		Malaysia	Garment production	US\$ 3,465	3,465	-	100.00	201,828	3,176	-	(Note B)
Magna View Sdn. Bhd.	PET Far Eastern (M) Sdn. Bhd.	Malaysia	Bottle production	MYR 8,000	MYR 8,000	8,000	50.00	203,214	27,763	-	(Notes B and C)
Ding Yuan International Investment Corporation	Asia Cement Corporation	Taipei, Taiwan	Cement production	375,512	375,512	13,222	0.39	450,725	198,424	-	(Note A)
	Far Eastern Department Stores Corporation	Taipei, Taiwan	Department store operations	76,748	70,995	3,878	0.27	91,223	304,718	-	(Note A)
	Everest Textile Corporation	Taipei, Taiwan	Chemical fiber production	54,970	74,932	2,470	0.52	22,643	117,423	-	(Note A)
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	684,551	684,551	27,710	3.13	697,305	(94,973)	-	(Note A)
	Far EasTone Telecommunications Corporation	Taipei, Taiwan	Telecommunications	38,457	38,457	920	0.03	42,451	3,000,158	-	(Note B)
	Pacific Liu Tong Investment Corporation (Note E)	Taipei, Taiwan	Investment	90,000	90,000	18,000	2.24	220,994	85,043	-	(Note A)
	Yu Ding Industry Corporation	Taipei, Taiwan	Department store operations	95,624	95,624	11,074	13.20	301,692	64,495	-	(Note A)
Kai Yuan International Investment Corporation	Fu Kwok Garment Manufacturing Corporation	Taipei, Taiwan	Garment production	50	50	1	0.03	75	30,136	-	(Note B)
	Asia Cement Corporation	Taipei, Taiwan	Cement production	483,448	483,448	20,207	0.60	678,151	198,424	-	(Note A)
	Far EasTone Telecommunications Corporation	Taipei, Taiwan	Telecommunications	793,702	793,702	34,149	1.05	1,176,388	3,000,158	-	(Note B)
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	798,669	834,820	34,701	3.92	743,852	(94,973)	-	(Note A)
	Far Eastern Department Stores Corporation	Taipei, Taiwan	Department store operations	519,473	519,473	20,672	1.46	576,148	304,718	-	(Note A)
	Kowloon Cement Corporation	Hong Kong	Cement production	226,896	226,896	1,127	49.00	488,102	10,929	-	(Note A)
	Far Eastern International Leasing Corporation	Taipei, Taiwan	Leasing	1,026,489	1,026,489	74,970	16.80	1,151,605	27,813	-	(Note A)
	Pacific Liu Tong Investment Corporation (Note E)	Taipei, Taiwan	Investment	90,000	90,000	18,000	2.24	221,196	85,043	-	(Note A)
Far Eastern Polychem Industries Corporation	PET Far Eastern (Holding) Corporation	Bermuda	Investment	US\$ 17,622	US\$ 17,622	35	9.46	566,227	(205,585)	-	(Note B)
	FEDP (Holding) Corporation	Bermuda	Investment	US\$ 29,240	US\$ 29,240	240	49.57	214,538	(40,374)	-	(Note B)
	Far Eastern Ishizuka Green Pet Corporation	Japan	PET Production and Sale	JPY 1,283,883	JPY 1,214,683	1,430	97.95	277,049	(49,601)	-	(Note B)
Far Eastern Construction Corporation	Asia Cement Corporation	Taipei, Taiwan	Cement production	216,959	216,959	17,726	0.53	545,577	198,424	-	(Note A)
	Far Eastern General Contractor Corporation	Taipei, Taiwan	Real estate construction	271,587	271,587	147,413	98.95	2,038,907	8,665	-	(Note B)
Far Eastern Apparel Corporation	Asia Cement Corporation	Taipei, Taiwan	Cement production	16,246	16,246	469	0.01	17,963	198,424	-	(Note A)
	Far EasTone Telecommunications Corporation	Taipei, Taiwan	Telecommunications	6,353	6,353	90	-	2,066	3,000,158	-	(Note B)
	Yu Ding Industry Corporation	Taipei, Taiwan	Department store operations	29	29	7	0.01	949	64,495	-	(Note A)
Far Eastern General Contractor Corporation	Far Eastern Technical Consultants Co, Corporation	Taipei, Taiwan	Real estate development business consulting and management	3,864	3,864	450	9.00	5,003	3,311	-	(Note B)
FETG Investment Antilles N.V.	Waldorf Services B.V.	The Netherlands	Investment	US\$ 19	US\$ 19	2	100.00	1,561,807	(22,441)	-	(Note B)
Waldorf Services B.V.	Malaysia Garment Manufactures Pte. Corporation	Singapore	Garment production and investment	SGD 3,000	SGD 3,000	30	37.92	510,883	2,260	-	(Note B)
	Far Eastern International Garments	Philippines	Garment production	US\$ 290	US\$ 290	59	41.00	(12,531)	-	-	(Note A)
	Cemtex Apparel Inc.	Philippines	Clothing O.E.M.	Peso 9,000	Peso 9,000	90	50.00	(11,627)	-	-	(Note A)
Malaysia Garment Manufactures Pte. Corporation	PT Malaysia Garment Bintan	Malaysia	Garment production	IND -	IND -	-	99.00	(45)	-	-	(Notes B and D)
An Ho Garment Corporation, Corporation	Far EasTone Telecommunications Corporation	Taipei, Taiwan	Telecommunications	748,158	748,158	40,818	1.25	1,113,959	3,000,158	-	(Note B)
	Asia Cement Corporation	Taipei, Taiwan	Cement production	206,551	206,551	6,094	0.18	234,250	198,424	-	(Note A)
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	287,121	287,121	11,204	1.26	270,005	(94,973)	-	(Note A)
	Far Eastern Department Stores Corporation	Taipei, Taiwan	Department store operations	10,483	10,483	370	0.03	11,323	304,718	-	(Note A)
	Oriental Securities Corporation	Taipei, Taiwan	Broker	96,248	95,103	6,005	0.84	87,043	(116,659)	-	(Note A)
	Yu Ding Industry Corporation	Taipei, Taiwan	Department store operations	111,997	111,997	13,146	15.66	259,807	64,495	-	(Note A)
	Pacific Liu Tong Investment Corporation (Note E)	Taipei, Taiwan	Investment	67,285	67,285	9,681	1.21	124,106	85,043	-	(Note A)
	Yuan Ding Investment Corporation	Taipei, Taiwan	Investment	148,994	148,994	5,502	0.30	167,765	1,171,540	-	(Note B)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2016			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				March 31, 2016	December 31, 2015	Shares (Note F)	Percentage of Ownership	Carrying Value			
Yuan Faun Corporation	Yuan Cheng Human Resources Consultant Corporation	Taipei, Taiwan	Personnel recruitment	\$ 7,214	\$ 7,214	745	55.19	\$ 13,049	\$ 1,251	\$ -	(Note B)
Fu Kwok Garment Manufacturing Corporation	Far EasTone Telecommunications Corporation	Taipei, Taiwan	Telecommunications	19,663	19,663	520	0.02	19,734	3,000,158	-	(Note B)
Yuan Tong Investment Corporation	Far EasTone Telecommunications Corporation	Taipei, Taiwan	Telecommunications	2,246,035	2,246,035	100,237	3.08	2,903,338	3,000,158	-	(Note B)
	Far Eastern Department Stores Corporation	Taipei, Taiwan	Department store operations	1,159,521	1,159,521	39,619	2.80	1,248,577	304,718	-	(Note A)
	Oriental Union Chemical Corporation	Taipei, Taiwan	Petrochemical materials production	1,755,017	1,755,017	49,705	5.61	1,722,056	(94,973)	-	(Note A)
	Asia Cement Corporation	Taipei, Taiwan	Cement production	888,648	888,648	28,579	0.85	1,061,054	198,424	-	(Note A)
	Pacific Liu Tong Investment Corporation (Note E)	Taipei, Taiwan	Investment	90,000	90,000	18,000	2.24	219,997	85,043	-	(Note A)
	Far Eastern Electronic Toll Collection Corporation	Taipei, Taiwan	Electronic toll collection service	787,104	787,104	77,257	11.98	320,942	41,502	-	(Note B)
	Liquid Air Far East Corporation	Taipei, Taiwan	Industrial gas production and selling	20	20	1	-	28	1,657,664	-	(Note A)
	Sino Belgium (Holding) Corporation	Bermuda	Investment	2,255,510	2,255,510	36	90.88	(16,230)	(43,847)	-	(Note B)
	Freudenberg Far Eastern Spunweb Corporation	Taipei, Taiwan	Production of nonwoven industrial fabrics	34	34	1	-	37	48,866	-	(Note A)
	Malaysia Garment Manufactures Pte. Corporation	Singapore	Garment production & Investment	171,115	171,115	10	13.00	175,145	2,260	-	(Note B)
Yuan Ding Company Corporation	YDT Technology International Corporation	Taipei, Taiwan	Electronic material and relevant by-product sale	100,000	100,000	13,992	100.00	317,971	12,929	-	(Note B)
	Ding Ding Integrated Marketing Services Corporation	Taipei, Taiwan	Marketing	558,000	558,000	41,633	60.00	221,382	(13,652)	-	(Note B)
	Far Eastern Technical Consultants Co. Corporation	Taipei, Taiwan	Real estate development business consulting and management	45,182	45,182	4,550	91.00	53,239	3,311	-	(Note B)
	YDC (Virgin Islands) Corporation	British Virgin Islands	Investment	US\$ 200	US\$ 200	-	17.70	8,774	177	-	(Note B)
	Ding Ding Hotel Corporation	Taipei, Taiwan	Hotel	645,021	645,021	64,502	61.99	113,639	(56,351)	-	(Note B)
	Far Eastern Electronic Commerce Corporation	Taipei, Taiwan	Electronic information providing services	239,130	239,130	23,913	53.08	(148,038)	(53,208)	-	(Note B)
	FET Consulting Engineers Corporation	Taipei, Taiwan	Business consulting	822,701	822,701	85,000	100.00	516,466	(16,960)	-	(Note B)
	Asia Cement Corporation	Taipei, Taiwan	Cement production	136,037	136,037	5,329	0.16	193,443	198,424	-	(Note A)
	Far EasTone Telecommunications Corporation	Taipei, Taiwan	Telecommunications	100,412	100,412	4,164	0.13	116,135	3,000,158	-	(Note B)
	Yu Yuan Investment Corporation	Taipei, Taiwan	Investment	411,187	411,187	129,637	25.02	1,524,408	522,460	-	(Note A)
	Yue Ming Corporation	Taipei, Taiwan	Trading	787	787	82	1.00	759	2,485	-	(Note A)
	Yu Ding Industry Corporation	Taipei, Taiwan	Department store operations	22,676	22,676	2,175	2.59	42,599	64,495	-	(Note A)
	FEDS Asia Pacific Development Corporation	Taipei, Taiwan	Department store operations	100,000	100,000	10,650	5.00	131,895	31,860	-	(Note A)
	Far Eastern Electronic Toll Collection Corporation	Taipei, Taiwan	Electronic toll collection service	977,650	977,650	96,312	14.93	394,677	41,502	-	(Note B)
	Yuan Hsin Digital Payment Corporation	Taipei, Taiwan	Other financing and supporting services	300,000	300,000	30,000	20.00	205,293	(62,166)	-	(Note B)
Ding Ding Integrated Marketing Services Corporation	Far Eastern Electronic Commerce Corporation	Taipei, Taiwan	Electronic information providing services	745	745	79	0.18	(503)	(53,208)	-	(Note B)
	Yuan Hsin Digital Payment Corporation	Taipei, Taiwan	Other financing and supporting services	225,150	225,150	22,515	15.01	154,068	(62,166)	-	(Note B)
	DDIM (Virgin Islands) Corporation	British Virgin Islands	Investment	US\$ 11,000	11,000	-	46.13	16,876	(33,266)	-	(Notes B and D)
FET Consulting Engineers Corporation	DDIM (Virgin Islands) Corporation	British Virgin Islands	Investment	384,970	384,970	-	53.87	19,707	(33,266)	-	(Notes B and D)
YDT Technology International Corporation	Everest Textile Corporation	Taipei, Taiwan	Chemical fiber production	10,161	10,161	120	0.03	1,177	117,423	-	(Note A)
	Far Eastern Department Stores Corporation	Taipei, Taiwan	Department store operations	51,673	51,673	2,764	0.19	95,786	304,718	-	(Note A)
	Asia Cement Corporation	Taipei, Taiwan	Cement production	862	862	61	-	2,191	198,424	-	(Note A)
	YDC (Virgin Islands) Corporation	British Virgin Islands	Investment	US\$ 930	US\$ 930	1	82.30	40,787	177	-	(Note B)
Far EasTone Telecommunications Corporation	New Century InfoComm Corporation	Taipei, Taiwan	Type I, II telecommunications services	22,249,283	22,249,283	2,100,000	100.00	27,958,314	687,968	-	(Note B)
	ARCOA Communication Corporation	Taipei, Taiwan	Type II telecommunications services, sales of communications products and office equipment	1,305,802	1,305,802	82,762	61.63	1,339,981	48,637	-	(Note B)
	KGEx.com Corporation	Taipei, Taiwan	Type II telecommunications services	2,540,442	2,540,442	88,894	99.99	963,153	14,921	-	(Note B)
	Hiiir Digital Marketing Corporation	Taipei, Taiwan	Electronic information providing services	537,260	537,260	53,726	89.54	66,357	(55,130)	-	(Note B)
	Yuan Cing Corporation	Taipei, Taiwan	Call center services	101,371	101,371	19,350	99.99	141,008	3,057	-	(Note B)
	Far Eastern Info Service (Holding) Corporation	Bermuda	Investment	92,616	92,616	1	100.00	(49,488)	(210)	-	(Note B)
	O-music Corporation	Taipei, Taiwan	Electronic information providing services	25,000	25,000	2,500	50.00	4,743	1,636	-	(Note B)
	Q-ware Communications Corporation	Taipei, Taiwan	Type II telecommunications services	832,038	832,038	33,983	81.46	(68,132)	(6,403)	-	(Note B)
	Far Eastern Electronic Toll Collection Corporation	Taipei, Taiwan	Electronic toll collection service	2,542,396	2,542,396	254,240	39.42	634,040	41,502	-	(Note B)
	Yuan Hsin Digital Payment Corporation	Taipei, Taiwan	Other financing and supporting services	450,000	450,000	45,000	30.00	307,935	(62,166)	-	(Note B)
	Ding Ding Integrated Marketing Services Corporation	Taipei, Taiwan	Marketing	139,500	139,500	10,408	15.00	54,918	(13,652)	-	(Note B)
	Alliance Digital Technology Corporation	Taipei, Taiwan	Electronic information providing services	30,000	30,000	3,000	13.33	13,682	(16,488)	-	(Note A)
	Far Eastern Electronic Commerce Corporation	Taipei, Taiwan	Electronic information providing services	80,893	80,893	6,691	14.85	(41,135)	(53,208)	-	(Note B)

(Continued)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2016			Net Income (Loss) of the Investee	Investment Gain (Loss)	Notes
				March 31, 2016	December 31, 2015	Shares (Note F)	Percentage of Ownership	Carrying Value			
ARCOA Communication Corporation	DataExpress Infotech Corporation	Taipei, Taiwan	Electronic information providing services	\$ 141,750	\$ 141,750	12,866	70.00	\$ 211,964	\$ 12,732	\$ -	(Note B)
New Century InfoComm Corporation	New Diligent Corporation	Taipei, Taiwan	Investment	800,000	800,000	80,000	100.00	548,377	(15,674)	-	(Note B)
	Information Security Service Digital United Inc. Digital United (Cayman) Corporation	Taipei, Taiwan	Security and monitoring service via internet	148,777	148,777	10,249	100.00	103,203	(1,288)	-	(Note B)
	Far Eastern Electronic Commerce Corporation	Cayman Islands	Investment	132,406	132,406	4,320	100.00	29,797	(2,650)	-	(Note B)
	Ding Ding Integrated Marketing Services Corporation	Taipei, Taiwan	Electronic information providing services	28,922	28,922	2,392	5.31	(14,706)	(53,208)	-	(Note B)
		Taipei, Taiwan	Marketing	46,500	46,500	3,469	5.00	18,306	(13,622)	-	(Note B)
New Diligent Corporation	Sino Lead Enterprise Limited	Hong Kong	Telecommunications services	125	125	-	100.00	68	(31)	-	(Note B)
	Far Eastern New Diligent Company Corporation	British Virgin Islands	Investment	133,048	133,048	-	100.00	33,659	(17,075)	-	(Note B)
	New Diligent Hong Kong Corporation	Hong Kong	Investment	-	-	-	-	-	-	-	(Notes B and J)
DataExpress Infotech Corporation	Linkwell Tech. Corporation	Taipei, Taiwan	Sale of communications products	10,000	10,000	-	100.00	43,826	1,068	-	(Note B)
	Home Master Technology Corporation	Taipei, Taiwan	Sale of communications products	10,000	10,000	-	100.00	(8,776)	(254)	-	(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 Tong Investment Corporation

F. Shares in thousands.

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

H. Under the "IFRSs Questions and Answers" issued by Taiwan Stock Exchange Corporation (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 Corporation and the shares of Yuan Ding Company Corporation were adjusted resulting from investment properties are subsequently measured by the fair value.

J. New Diligent Hong Kong Corporation was established on December 4, 2014. The investment amount had not been remitted to the investee as of March 31, 2016.

(Concluded)

FAR EASTERN NEW CENTURY CORPORATION AND SUBSIDIARIES

INVESTMENTS IN MAINLAND CHINA
FOR THE THREE MONTHS ENDED MARCH 31, 2016
(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, 2016	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2016	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note B)	Carrying Amount as of March 31, 2016 (Note C)	Accumulated Repatriation of Investment Income as of March 31, 2016	Note
					Outflow	Inflow							
Far Eastern Industries (Shanghai) Corporation	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.	\$ 9,343,704	2	\$ 3,700,967	\$ -	\$ -	\$ 3,700,967	\$ 1,458	100.00	\$ 1,458	\$ 9,183,060	\$ 853,493	Notes D and E
Far Eastern Apparel (Suzhou) Corporation	Manufacture and distribution of knit garments, woven garments, non-knit garments, and nonwoven garments and accessories.	1,016,544	2	1,010,901	-	-	1,010,901	11,413	100.00	11,413	1,419,979	233,172	Notes F and G
Far Eastern Industries (WuXi) Corporation	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.	2,392,427	2	2,018,430	-	-	2,018,430	36,289	100.00	36,289	3,213,350	246,378	Notes H and I
Oriental Petrochemical (Shanghai) Corporation	Manufacture and distribution of PTA and its by-products.	7,462,790	2	2,976,148	-	-	2,976,148	(283,330)	61.35	(173,823)	3,742,633	1,064,005	Note J
Far Eastern Dyeing & Finishing (Suzhou) Corporation	Manufacture and distribution of weaving, dyeing and finishing of novelty fabrics, high-value engineered textiles industrial woven fabrics and scraps.	1,834,918	2	1,342,854	-	-	1,342,854	52,671	100.00	52,671	2,409,260	92,719	Notes H and S
Far Eastern Industries (Suzhou) Corporation	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.	1,959,623	2	1,765,319	-	-	1,765,319	(33,563)	100.00	(33,563)	199,298	-	Note K
Wuhan Far Eastern New Material Corporation	Manufacture and distribution of PET chips, PET performs and garments and its by-products	849,936	2	724,110	-	-	724,110	3,164	100.00	3,164	1,031,851	-	
Far Eastern Industries (Suzhou) Corporation	Manufacture and distribution of polyester chips, partially oriented yarn, fully oriented yarn, and polyester yarn.	5,440,293	2	4,957,248	-	-	4,957,248	73,982	100.00	73,982	5,665,750	-	Note H

(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, 2016	Investment Flows		Accumulated Outward Remittance for Investment from Taiwan as of March 31, 2016	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note B)	Carrying Amount as of March 31, 2016 (Note C)	Accumulated Repatriation of Investment Income as of March 31, 2016	Note
					Outflow	Inflow							
Far Eastern New Century (China) Investment Corporation	Investment	\$ 2,338,817	2	\$ 2,089,425	\$ -	\$ -	\$ 2,089,425	\$ (52,017)	100.00	\$ (52,017)	\$ 1,737,112	\$ -	
Sino Belgium Beer (Suzhou) Corporation	Brewery	1,893,975	2	1,763,952	-	-	1,763,952	(38,237)	100.00	(38,237)	(30,690)	-	Note L
Martens Beers Trading (Shanghai) Corporation	Brewery	389,600	2	231,475	-	-	231,475	(2,741)	100.00	(2,741)	25,007	-	Note L
Far Eastern Yihua Petrochemical (Yangzhou) Corporation	PA and its by-product production and sale	7,221,702	2	4,181,323	-	-	4,181,323	9,242	60.00	5,545	4,366,116	-	
Far Eastern Industries (Yangzhou) Corporation	PA and its by-product production	1,534,936	2	1,436,190	-	-	1,436,190	(4,143)	100.00	(4,143)	1,545,032	-	
Far Eastern Union Petrochemical (Yangzhou) Corporation	PA and its by-product production	4,055,253	2	1,962,908	-	-	1,962,908	(61,149)	50.00	(30,575)	1,690,748	-	
Shanghai Yuan Zi Information Corporation	Software development, equipment maintenance and consulting	63,156	3	-	-	-	-	197	100.00	197	67,111	-	
Shanghai Far Eastern Petrochemical Logistic Corporation	Transportation	94,411	3	-	-	-	-	692	100.00	692	133,435	-	
An Ho Garment (Suzhou) Corporation	Garment production	4,969	3	-	-	-	-	118	100.00	118	53,763	-	
Yuan Ding Enterprise (Shanghai) Corporation	Software development	526,714	3	-	-	-	-	(29,234)	100.00	(29,234)	227,560	-	
Tong Da Air Industry (Yangzhou) Corporation	Liquid oxygen, oxygen, nitrogen and hydrogen warehousing	2,044,615	2	1,020,489	-	-	1,020,489	(20,875)	50.00	(10,438)	1,028,752	-	
Yuan Ding Integrated Information Service (Shanghai) Inc.	Computer software and internet software design and development	748,571	2	598,270	-	-	598,270	(33,420)	100.00	(33,420)	36,269	-	Note M
Speedy (Shanghai) Digital Tech. Corporation	Intelligent control equipment and security monitoring products and services	32,494	2	24,220	-	-	24,220	332	100.00	332	47,724	-	Note N
Digital United Information Technologies (Shanghai) Corporation	Research and design of computer system	99,774	2	207,504	-	-	207,504	(2,469)	100.00	(2,469)	8,338	-	Note O
Far Eastern New Century Information Technology (Beijing) Limited	Electronic information providing services	167,362	2	101,758	-	-	101,758	(21,508)	79.04	(17,000)	61,371	-	Note P
Far Eastern Tech-Info Corporation (Shanghai)	Computer software, data processing and provision of network information	193,110	2	131,300	-	-	131,300	(505)	100.00	(505)	106,831	-	Note Q
New Diligence Corporation (Shanghai)	Consulting services, supporting services, and wholesale of machinery and equipment	-	1	36,994	-	-	36,994	-	-	-	-	-	Notes Q and R

(Continued)

Investee Company	Accumulated Outward Remittance for Investment in Mainland China as of March 31, 2016	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	\$25,120,860	\$-

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 Corporation, PET Far Eastern (Holding) Corporation, Oriental Textile (Holding) Corporation, FEDP (Holding) Corporation, Far Eastern Polytex (Holding) Corporation, Sino Belgium (Holding) Corporation, Bockhold N.V., YDC (Virgin Islands) Corporation, DDIM (Virgin Islands) Corporation, Far Eastern Info Service (Holding) Corporation, Digital United (Cayman) Corporation and Far Eastern New Diligent Company Corporation
3. Other.

B. Recognition of gains/losses was based on the following three information:

1. Financial statements of these companies, which were audited by an international accounting firm with a cooperative relationship with an ROC accounting firm: Far Eastern Industries (Shanghai) Corporation, Sino Belgium (Suzhou) Limited, Far Eastern Apparel (Suzhou) Corporation, Oriental Petrochemical (Shanghai) Corporation, Far Eastern Spinning Weaving and Dyeing (Suzhou) Corporation, Far Eastern Industries (Suzhou) Corporation, Wuhan Far Eastern New Material Corporation, Far Eastern Industries (WuXi) Corporation and Oriental Industries (Suzhou) Corporation
2. Financial statements of these companies, which were audited by the parent company's accounting firm: Far Eastern Tech-info Corporation (Shanghai), Digital United Information Technology (Shanghai) Corporation, New Diligence Tech-info (Shanghai) Corporation and Far Eastern New Century Information Technology (Beijing) Limited.
3. Others: Far Eastern New Century (China) Investment Corporation, Martens Beers Trading (Shanghai) Corporation, Yuan Ding Integrated Information Service (Shanghai) Inc., Speedy (Shanghai) Digital Tech. Corporation, Far Eastern Yihua Petrochemical (Yangzhou) Corporation, Far Eastern Industries (Yangzhou) Corporation, Far Eastern Union Petrochemical (Yangzhou) Corporation., Shanghai Yuan Zi Information Corporation, Shanghai Far Eastern Petrochemical Logistic Corporation, An Ho Garment (Suzhou) Corporation, Suqian Far Eastern Apparel Corporation and Yuan Ding Enterprise (Shanghai) Corporation

C. The ending balance of investment recognized by parent company.

D. As of March 31, 2016, 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 Corporation

E. As of March 31, 2016, the remitted amount of profit of investment was the total cash dividend of Far Eastern Polychem Industries Corporation received by FENC and Yuan Ding Investment Corporation

F. As of March 31, 2016, 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 Corporation

G. As of March 31, 2016, the profit of investment was cash dividend paid by Far Eastern Apparel (Suzhou) Corporation remitted through an FENC subsidiaries, Far Eastern Polytex (Holding) Corporation and Far Eastern Apparel (Holding) Corporation

H. As of March 31, 2016, the accumulated outflow of investment from Taiwan was remitted by Yuan Ding Investment Corporation

I. As of March 31, 2016, the profit of investment was cash dividend paid by Far Eastern Industries (WuXi) Corporation remitted through an FENC subsidiaries, Oriental Textile (Holding) Corporation

J. As of March 31, 2016, the profit of investment was cash dividend paid by Oriental Petrochemical (Shanghai) Corporation remitted through an FENC subsidiaries, PET Far Eastern (Holding) Corporation and Far Eastern Polytex (Holding) Corporation

K. As of March 31, 2016, 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 Corporation and Yuan Tong Investment Corporation.

L. As of March 31, 2016, the accumulated outflow of investment from Taiwan was remitted by an FENC subsidiary, Yuan Tong Investment Corporation.

M. As of March 31, 2016, the accumulated outflow of investment from Taiwan was remitted by an FENC subsidiary, YDT Technology International Corporation, Ding Ding Integrated Marketing Services Corporation and FET Consulting Engineers Corporation

N. As of March 31, 2016, the accumulated outflow of investment from Taiwan was remitted by an FENC subsidiary, YDT Technology International Corporation

O. As of March 31, 2016, the accumulated outflow of investment from Taiwan was remitted by an FENC subsidiary, Far EasTone Telecommunications Corporation

P. As of March 31, 2016, the accumulated outflow of investment from Taiwan was remitted by an FENC subsidiary, New Century InfoComm Tech Corporation

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 March 31, 2016, the accumulated outflow of investment from Taiwan was remitted by an FENC subsidiary, New Diligent Corporation

S. As of March 31, 2016, the profit of investment was cash dividend paid by Far Eastern Dyeing & Finishing (Suzhou) Corporation remitted through an FENC subsidiaries, Far Eastern Apparel (Holding) Corporation

(Continued)

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) Corporation 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 THREE MONTHS ENDED MARCH 31, 2016
(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) Corporation	Far Eastern New Century Corporation	1996.07.09	No. 84015136	Far Eastern Polychem Industries Corporation	\$ 6,000	\$ 6,000			
	Yuan Ding Investment Corporation			Far Eastern Polychem Industries Corporation	24,000	24,000			
	Far Eastern New Century Corporation	2004.12.29	No. 093032400	Far Eastern Polychem Industries Corporation	1,712		\$ 1,712		
	Far Eastern New Century Corporation	2004.12.30	No. 093032090	Far Eastern Polychem Industries Corporation	1,540			\$ 1,540	
	Far Eastern New Century Corporation	2004.11.03	No. 093032240	Far Eastern Polychem Industries Corporation	3,879		3,879		
	Yuan Ding Investment Corporation	2004.12.29	No. 093032402	Far Eastern Polychem Industries Corporation	7,014		7,014		
	Yuan Ding Investment Corporation	2004.11.02	No. 093032239	Far Eastern Polychem Industries Corporation	15,898		15,898		
	Yuan Ding Investment Corporation	2004.12.29	No. 093032089	Far Eastern Polychem Industries Corporation	6,313			6,313	
	Far Eastern New Century Corporation	2006.11.01	No. 09500287850	Far Eastern Polychem Industries Corporation	31,779	31,779			
	Far Eastern New Century Corporation	2008.06.27	No. 09700163440	Far Eastern Polychem Industries Corporation	56,000	56,000			
	Far Eastern New Century Corporation	2008.04.18	No. 09700045490	Far Eastern Polychem Industries Corporation	4,800	4,800			
	Far Eastern New Century Corporation	2010.04.19	No. 09900142680 (Note D)	Far Eastern Polychem Industries Corporation	8,198 11,500 (Note E)	11,500			
	Far Eastern Apparel (Suzhou) Corporation	Yuan Ding Investment Corporation	1996.10.16	No. 85016219	Far Eastern Apparel (Holding) Corporation	10,000	10,000		
Yuan Ding Investment Corporation		2003.10.30	No. 092033299	Far Eastern Apparel (Holding) Corporation	5,000	5,000			
Far Eastern New Century Corporation		2006.05.23	No. 09500112650	Far Eastern Polytex (Holding) Corporation	11,000	11,000			
Far Eastern New Century Corporation		2008.03.31	No. 09700038490	Far Eastern Polytex (Holding) Corporation	5,000	5,000			
Far Eastern Industries (WuXi) Corporation	Yuan Ding Investment Corporation	2002.06.21	No. 091011903	Oriental Textile (Holding) Corporation	19,960	19,960			
	Yuan Ding Investment Corporation	2005.11.03	No. 094024169	Oriental Textile (Holding) Corporation	40,000	40,000			
Oriental Petrochemical (Shanghai) Corporation	Far Eastern New Century Corporation	2009.11.17	No. 09800408170 (Note B)	Far Eastern Polychem Industries Corporation	1,228				\$ 1,228
	Yuan Ding Investment Corporation	2009.11.17	No. 09800408160 (Note C)	PET Far Eastern (Holding) Corporation Far Eastern Polychem Industries Corporation	6,592				6,592
	Far Eastern New Century Corporation	2008.06.27	No. 09700163430	PET Far Eastern (Holding) Corporation PET Far Eastern (Holding) Corporation	49,500	49,500			

(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 Dyeing & Finishing (Suzhou) Corporation	Far Eastern New Century Corporation	2008.04.18	No. 09700045500	Far Eastern Polychem Industries Corporation PET Far Eastern (Holding) Corporation	\$ 4,800 2,936 (Note F)	\$ 4,800			
	Far Eastern New Century Corporation	2009.12.25	No. 09800456740	PET Far Eastern (Holding) Corporation	41,171	41,171			
	Yuan Ding Investment Corporation	2003.10.31	No. 092033525	Far Eastern Apparel (Holding) Corporation	20,000	20,000			
	Yuan Ding Investment Corporation	2008.10.13	No. 09700348610	Far Eastern Apparel (Holding) Corporation	30,000	30,000			
Far Eastern Industries (Shanghai) Corporation	Yuan Ding Investment Corporation	2002.11.26	No. 091035216	Far Eastern Polychem Industries Corporation FEDP (Holding) Corporation	9,352				\$ 9,352
	Far Eastern New Century Corporation	2004.10.11	No. 093025506	Far Eastern Polychem Industries Corporation FEDP (Holding) Corporation	1,569			\$ 1,569	
Far Eastern Industries (Suzhou) Corporation	Far Eastern New Century Corporation	2004.10.14	No. 093030298	Far Eastern Polychem Industries Corporation FEDP (Holding) Corporation	713				713
	Far Eastern New Century Corporation	2010.10.12	No. 09900403430 (Note H)	FEDP (Holding) Corporation	5,288	5,288			
	Far Eastern New Century Corporation	2006.11.01	No. 09500287850	Far Eastern Polychem Industries Corporation FEDP (Holding) Corporation	4,524	4,524			
	Far Eastern New Century Corporation	2008.04.18	No. 09700045510	Far Eastern Polychem Industries Corporation FEDP (Holding) Corporation	4,800	4,800			
	Far Eastern New Century Corporation	2010.12.29	No. 09900470520 (Note I)	FEDP (Holding) Corporation	754 (Note G) 18,224				
	Yuan Ding Investment Corporation	2005.08.01	No. 094015006	Oriental Textile (Holding) Corporation	19,800	19,800			
	Yuan Ding Investment Corporation	2006.02.09	No. 094037416	Oriental Textile (Holding) Corporation	30,200	30,200			
	Yuan Ding Investment Corporation	2007.10.02	No. 09600280400	Oriental Textile (Holding) Corporation	23,000	23,000			
	Yuan Ding Investment Corporation	2008.09.01	No. 09700172130	Oriental Textile (Holding) Corporation	32,500	32,500			
	Yuan Ding Investment Corporation	2013.04.29	No. 10200127470	Oriental Textile (Holding) Corporation	8,000	8,000			
Wuhan Far Eastern New Material Corporation	Yuan Ding Investment Corporation	2014.09.11	No. 10300223190 (Note T)	Oriental Textile (Holding) Corporation	43,000	43,000			
	Far Eastern New Century Corporation	2006.05.19	No. 09500090070	Far Eastern Polytex (Holding) Corporation	12,000	12,000			
	Far Eastern New Century Corporation	2009.06.29	No. 09800135640	Far Eastern Polytex (Holding) Corporation	10,000	10,000			
Far Eastern New Century (China) Investment Corporation (Note A)	Far Eastern New Century Corporation	2010.12.21	No. 09900470530	Far Eastern Polytex (Holding) Corporation	RMB 6,695				RMB 6,695
	Far Eastern New Century Corporation	2006.08.01	No. 09500124430	Far Eastern Polytex (Holding) Corporation	48,000	48,000			
Sino Belgium Beer (Suzhou) Corporation	Yuan Tong Investment Corporation	2007.08.02	No. 09600248620	Sino Belgium (Holding) Corporation	18,000	18,000			
	Yuan Tong Investment Corporation	2008.02.21	No. 09600451060	Sino Belgium (Holding) Corporation	12,000	12,000			
	Yuan Tong Investment Corporation	2011.10.27	No. 10000446910 (Note L)	Sino Belgium (Holding) Corporation Bockhold N.V	16,000 38	16,000 38			
	Yuan Tong Investment Corporation	2014.12.19	No. 10300249370 (Note O)	Martens HK Corporation Sino Belgium (Holding) Corporation	10,000	10,000			

(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\$)
Martens Beers Trading (Shanghai) Corporation	Yuan Tong Investment Corporation Yuan Tong Investment Corporation	2008.12.10	No. 09700456110	Sino Belgium (Holding) Corporation	\$ 3,800	\$ 3,800			\$ 4,304
		2010.07.29	No. 09900284200	Bockhold N.V	4,304				
	Yuan Tong Investment Corporation Yuan Tong Investment Corporation	2011.10.27	No. 10000446910 (Note L)	Sino Belgium (Holding) Corporation	1,500	1,500			
				Bockhold N.V	282	282			
				Martens HK Corporation					
Far Eastern Tech-Info Corporation (Shanghai)	Far Eastone Telecommunications Corporation	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) Corporation	166,000	166,000			
Far Eastern Industries (Yangzhou) Corporation	Far Eastern New Century Corporation	2012.03.30	No. 10100043080	Far Eastern Polychem Industries Corporation	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) Corporation	100,000	100,000			
Yuan Ding Enterprise (Shanghai) Corporation	Far Eastern New Century Corporation	2013.11.08	No. 10200399280	Far Eastern Polytex (Holding) Corporation	1,000	1,000			
		2014.01.28	No. 10200399290 (Note R)	Far Eastern New Century (China) Investment Corporation	82,340	82,340			
Tong Da Air Industry (Yangzhou) Corporation	Far Eastern New Century Corporation	2014.01.28	No. 10300203670 (Note Q)	PET Far Eastern (Holding) Corporation	33,500	33,500			
Yuan Ding Integrated Information Service (Shanghai) Inc.	YDT Technology International Corporation	2011.10.19	No. 10000429550	YDC (Virgin Islands) Corporation	110	110			
	FET Consulting Engineers Corporation	2011.11.03	No. 10000439470	DDIM (Virgin Islands) Corporation	8,100	8,100			
Speedy (Shanghai) Digital Tech. Corporation	YDT Technology International Corporation	2004.02.11	No. 093003471	YDC (Virgin Islands) Corporation	300	300			
		2005.02.05	No. 094003122	YDC (Virgin Islands) Corporation	500	500			
Far Eastern Tech-Info Corporation (Shanghai)	Far Eastone Telecommunications Corporation	2004.08.26	No. 093018811	Far Eastern Info Service (Holding) Corporation	2,500	2,500			
	New Diligent Corporation	2014.01.29	No. 10300022990	Far Eastern New Diligent Company Corporation	3,500	3,500			
Digital United Information Technologies (Shanghai) Corporation	New Century InfoComm Tech Corporation	2002.10.07	No. 091041498	Digital United (Cayman) Corporation	3,100			3,100	
	New Century InfoComm Tech Corporation	2013.08.09	No. 10200302730	Digital United (Cayman) Corporation	1,000	1,000			
New Diligence Corporation (Shanghai)	New Diligent Corporation	2007.08.08	No. 09600261870	New Diligent Corporation (Note P)	1,127	1,127			
Far Eastern New Century Information Technology (Beijing) Limited	New Diligent Corporation	2012.11.19	No. 10100496420	Far Eastern New Diligent Company Corporation	4,000	4,000			

(Continued)

- Notes: A. Far Eastern New Century (China) Investment Corporation invested US\$30,000 thousand in Far Eastern Industries (Shanghai) Corporation and US\$16,000 thousand in Oriental Petrochemical (Shanghai) Corporation
- 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) Corporation 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) Corporation 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) Corporation increased.
- H. Under the original investment scheme, the investment in Far Eastern Industry (Suzhou) Corporation was made indirectly through Far Eastern Polytex (Holding) Corporation and FEDP (Holding) Corporation 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) Corporation under the MOEA's approval (Letter No. 09900403430).
- I. After obtaining MOEA approval (No. 09900470520), FENC received from FEDP (Holding) Corporation the equity of Yuan Tong Investment Corporation amounting US\$18,224 thousand (MOEA approval No. 09600243260).
- J. After obtaining MOEA approval (No. 10000021360), FENC made its subsidiary, Far Eastern Polytex (Holding) Corporation, indirectly invest US\$166,000 thousand in Far Eastern Yihua Petrochemical (Yangzhou) Corporation. As of March 31, 2016, 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 Corporation amended to make its Oriental Textile (Holding) Corporation indirectly invest US\$43,000 thousand or equivalent RMB in Far Eastern Industries (Suzhou) Corporation. As of March 31, 2016, Yuan Ding Investment Corporation remitted RMB258,000 thousand to this indirect investment.
- L. After modifying MOEA approval from No. 10000446910 to No. 10300091010, FENC made its subsidiary, Yuan Tong Investment Corporation amended to make its Sino Belgium (Holding) Corporation indirectly invest US\$17,500 thousand in Sino Belgium Beer (Suzhou) Corporation and Martens Beers Trading (Shanghai) Corporation
- M. After obtaining MOEA approval (No. 10100115020), FENC made its subsidiary, PET Far Eastern (Holding) Corporation, indirectly invest US\$100,000 thousand in Far Eastern Union Petrochemical (Yangzhou) Corporation. As of March 31, 2016, FENC remitted US\$66,000 thousand to this indirect investment.
- N. After obtaining MOEA approval (No. 10200451570), FENC's subsidiary, Yuan Tong Investment Corporation made its subsidiary, Sino Belgium (Holding) Corporation, indirectly invest US\$1,100 thousand in Martens Beers Trading (Shanghai) Corporation. As of March 31, 2016, Yuan Tong Investment Corporation remitted US\$1,065 thousand to this indirect investment.
- O. After obtaining MOEA approval (No. 10300249370), FENC's subsidiary Yuan Tong Investment Corporation made its subsidiary, Sino Belgium (Holding) Corporation indirectly invest US\$11,000 thousand in Sino Belgium Beer (Suzhou) Corporation and Martens Beers Trading (Shanghai) Corporation. As of March 31, 2016, FENC remitted US\$10,950 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) Corporation indirectly invest Tong Da Air Industry (Yangzhou) Corporation
- R. After obtaining MOEA approval (No. 10200399290), FENC made it subsidiary, Far Eastern Polytex (Holding) Corporation and Far Eastern New Century (China) Investment Corporation, indirectly invest US\$82,340 thousand in Yuan Ding Enterprise (Shanghai) Corporation. As of March 31, 2016, FENC remitted US\$16,625 thousand as its indirect investment.

(Concluded)