Pou Chen Corporation and Subsidiaries

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

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INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Stockholders
Pou Chen Corporation

We have reviewed the accompanying consolidated balance sheets of Pou Chen Corporation (the "Company") and its subsidiaries (collectively, the "Group") as of June 30, 2015 and 2014, and the related consolidated statements of comprehensive income for the three months ended June 30, 2015 and 2014, six months ended June 30, 2015 and 2014, and changes in equity and cash flows for the six months ended June 30, 2015 and 2014. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these consolidated financial statements based on our reviews. The Company's investments in Ruen Chen Investment Holding Co., Ltd. were accounted for by the equity method in the consolidated financial statements based on financial statements reviewed by other auditors. Our report, insofar as it relates to Ruen Chen Investment Holding Co., Ltd., is based solely on the reviewed report of other auditors. As of June 30, 2015 and 2014, the carrying value of the investments was 3.40% ($9,181,506 thousand) and 3.20% ($8,083,354 thousand) of the total assets, respectively. For the three months ended June 30, 2015 and 2014, six months ended June 30, 2015 and 2014, the share of profit of the associate was 17.12% ($1,072,801 thousand), 34.99% ($747,204 thousand), 17.98% ($1,908,926 thousand) and 23.01% ($1,130,926 thousand) of the income before income tax, respectively.

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

Based on our reviews and the review report of the other auditors, we are not aware of any material modifications that should be made to the consolidated financial statements referred above for them to be in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 "Interim Financial Reporting", endorsed by the Financial Supervisory Commission of the Republic of China.

Deloitte & Touche

August 14, 2015

<u>*Notice to Readers*</u>

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

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

POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	June 30, 2015 (Reviewed)		December 31, 2014 (Audited)		June 30, 2014 (Reviewed)	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash and cash equivalents (Notes 4 and 6)	$ 34,686,431	13	$ 34,734,908	13	$ 31,430,565	12
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	286,808	-	227,685	-	420,910	-
Available-for-sale financial assets - current (Notes 4 and 8)	15,210,030	6	13,568,135	5	13,849,693	6
Debt investments with no active market - current (Notes 4 and 9)	2,145,849	1	2,908,384	1	2,565,920	1
Notes receivable (Notes 4 and 10)	11,029	-	18,249	-	26,913	-
Notes receivable from related parties (Notes 4, 10 and 39)	88	-	53	-	114	-
Accounts receivable (Notes 4 and 10)	32,894,180	12	31,231,528	12	31,556,358	12
Accounts receivable from related parties (Notes 4, 10 and 39)	209,709	-	189,500	-	244,629	-
Other receivables (Notes 4 and 10)	3,818,525	1	4,228,115	2	3,466,268	1
Inventories - manufacturing and retailing (Notes 4 and 11)	36,590,419	13	41,899,068	15	35,121,752	14
Inventories - construction (Notes 4 and 11)	4,542,187	2	4,541,642	2	4,052,665	2
Prepayments for lease (Notes 4 and 12)	171,551	-	175,911	-	151,236	-
Non-current assets held for sale (Notes 4 and 13)	-	-	484,910	-	-	-
Other current assets (Notes 4 and 14)	9,757,550	4	9,386,875	3	9,299,777	4
Total current assets	140,324,356	52	143,594,963	53	132,186,800	52
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Notes 4 and 7)	639,823	-	337,449	-	316,719	-
Available-for-sale financial assets - non-current (Notes 4 and 8)	829,090	-	569,519	-	539,342	-
Financial assets measured at cost - non-current (Notes 4 and 15)	631,870	-	741,401	-	760,249	-
Debt investments with no active market - non-current (Notes 4, 9 and 40)	30,380	-	21,542	-	33,830	-
Investments accounted for using equity method (Notes 4 and 17)	40,071,426	15	41,071,544	15	39,063,062	16
Property, plant and equipment (Notes 4 and 18)	63,556,879	24	63,500,454	23	58,527,705	23
Investment properties (Notes 4, 19 and 40)	2,280,958	1	2,254,309	1	2,149,522	1
Goodwill (Notes 4 and 20)	8,948,131	4	9,136,165	4	8,617,490	4
Other intangible assets (Notes 4 and 21)	3,384,072	1	3,590,003	1	3,508,266	1
Deferred tax assets (Notes 4 and 29)	589,388	-	556,638	-	473,358	-
Prepayments for investment	547,765	-	-	-	48,053	-
Long-term prepayments for lease (Notes 4 and 12)	5,333,122	2	5,685,844	2	5,128,234	2
Other non-current assets (Notes 4 and 14)	2,576,928	1	1,982,114	1	1,611,298	1
Total non-current assets	129,419,832	48	129,446,982	47	120,777,128	48
TOTAL	$ 269,744,188	100	$ 273,041,945	100	$ 252,963,928	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 22)	$ 14,683,762	5	$ 18,422,674	7	$ 16,095,976	6
Short-term bills payable (Note 22)	2,524,239	1	1,752,076	1	2,028,586	1
Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	162,967	-	674,234	-	752,758	-
Notes payable (Notes 4 and 23)	31,522	-	38,302	-	45,321	-
Notes payable to related parties (Notes 4, 23 and 39)	24,691	-	36,515	-	34,728	-
Accounts payable (Notes 4 and 23)	13,195,455	5	13,379,025	5	11,668,210	5
Accounts payable to related parties (Notes 4, 23 and 39)	1,764,982	1	1,719,010	-	1,720,470	1
Other payables (Note 24)	27,169,042	10	23,856,859	9	25,847,255	10
Current tax liabilities (Notes 4 and 29)	1,651,029	-	1,350,485	-	996,546	-
Liabilities directly associated with non-current assets held for sale (Notes 4 and 13)	-	-	180,911	-	-	-
Current portion of long-term borrowings (Note 22)	21,437,500	8	8,247,500	3	14,190,356	6
Other current liabilities	4,460,717	2	4,981,142	2	3,849,482	1
Total current liabilities	87,105,906	32	74,638,733	27	77,229,688	30
NON-CURRENT LIABILITIES						
Long-term borrowings (Note 22)	27,677,267	10	41,968,390	15	33,627,525	13
Deferred tax liabilities (Notes 4 and 29)	2,109,639	1	1,882,324	1	1,935,096	1
Long-term payables (Note 24)	619,779	-	671,180	-	667,793	-
Net defined benefit liabilities (Note 4)	1,615,072	1	1,714,985	1	1,543,784	1
Other non-current liabilities	39,451	-	40,738	-	39,099	-
Total non-current liabilities	32,061,208	12	46,277,617	17	37,813,297	15
Total liabilities	119,167,114	44	120,916,350	44	115,042,985	45
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 26)						
Share capital						
Common shares	29,441,372	11	29,441,372	11	29,441,372	12
Capital surplus	4,628,173	2	4,627,549	2	4,584,394	2
Retained earnings						
Legal reserve	10,260,048	4	9,398,498	3	9,398,498	4
Special reserve	5,608,553	2	9,180,047	3	9,180,047	3
Unappropriated earnings	26,748,180	10	23,675,306	9	17,454,707	7
Total retained earnings	42,616,781	16	42,253,851	15	36,033,252	14
Other equity	(6,591,706)	(3)	(5,608,553)	(2)	(6,801,870)	(3)
Total equity attributable to owners of the Company	70,094,620	26	70,714,219	26	63,257,148	25
NON-CONTROLLING INTERESTS	80,482,454	30	81,411,376	30	74,663,795	30
Total equity	150,577,074	56	152,125,595	56	137,920,943	55
TOTAL	$ 269,744,188	100	$ 273,041,945	100	$ 252,963,928	100

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

(With Deloitte & Touche review report dated August 14, 2015)

POU CHEN 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 June 30				For the Six Months Ended June 30			
	2015		2014		2015		2014	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 27 and 39)	$ 70,507,475	100	$ 64,035,305	100	$ 132,759,888	100	$ 119,827,532	100
OPERATING COSTS (Notes 25, 28 and 39)	54,041,793	77	49,636,550	77	102,045,753	77	92,369,919	77
GROSS PROFIT	16,465,682	23	14,398,755	23	30,714,135	23	27,457,613	23
OPERATING EXPENSES (Notes 25 and 28)								
Selling and marketing expenses	6,176,609	9	5,104,616	8	12,000,658	9	9,702,365	8
General and administrative expenses	5,255,832	7	7,022,088	11	9,963,234	8	11,316,406	9
Research and development expenses	1,359,206	2	1,653,963	3	2,850,843	2	3,165,059	3
Total operating expenses	12,791,647	18	13,780,667	22	24,814,735	19	24,183,830	20
PROFIT FROM OPERATIONS	3,674,035	5	618,088	1	5,899,400	4	3,273,783	3
NON-OPERATING INCOME AND EXPENSES								
Other income (Note 28)	942,147	1	527,524	1	1,623,188	1	1,352,884	1
Other gains and losses (Note 28)	253,058	-	(14,177)	-	510,401	1	(1,361,634)	(1)
Finance costs (Note 28)	(300,970)	-	(269,021)	-	(574,529)	-	(536,995)	(1)
Share of the profit of associates and joint ventures (Notes 4 and 17)	1,698,649	3	1,273,350	2	3,159,198	2	2,186,900	2
Total non-operating income and expenses	2,592,884	4	1,517,676	3	4,718,258	4	1,641,155	1
INCOME BEFORE INCOME TAX	6,266,919	9	2,135,764	4	10,617,658	8	4,914,938	4
INCOME TAX EXPENSE (Notes 4 and 29)	(1,452,425)	(2)	(495,983)	(1)	(2,100,067)	(2)	(1,108,396)	(1)
NET INCOME	4,814,494	7	1,639,781	3	8,517,591	6	3,806,542	3

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POU CHEN 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 June 30				For the Six Months Ended June 30			
	2015		2014		2015		2014	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	$ (938,410)	(1)	$ (1,375,607)	(2)	$ (1,454,117)	(1)	$ (792,792)	-
Unrealized gain (loss) on available-for-sale financial assets	930,620	1	648,768	1	1,986,834	2	(14,723)	-
Share of the other comprehensive (loss) income of associates and joint ventures	(2,489,926)	(4)	1,489,039	2	(1,237,586)	(1)	2,620,788	2
Other comprehensive (loss) income for the period, net of income tax	$ (2,497,716)	(4)	$ 762,200	1	$ (704,869)	-	$ 1,813,273	2
TOTAL COMPREHENSIVE INCOME	$ 2,316,778	3	$ 2,401,981	4	$ 7,812,722	6	$ 5,619,815	5
NET INCOME ATTRIBUTABLE TO:								
Owner of the Company	$ 2,682,646	4	$ 1,152,291	2	$ 4,779,136	3	$ 2,205,203	2
Non-controlling interests	2,131,848	3	487,490	1	3,738,455	3	1,601,339	1
	$ 4,814,494	7	$ 1,639,781	3	$ 8,517,591	6	$ 3,806,542	3
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owner of the Company	$ 156,575	-	$ 1,996,863	3	$ 3,795,983	3	$ 4,583,380	4
Non-controlling interests	2,160,203	3	405,118	1	4,016,739	3	1,036,435	1
	$ 2,316,778	3	$ 2,401,981	4	$ 7,812,722	6	$ 5,619,815	5
EARNINGS PER SHARE (Note 30)								
Basic	$0.91		$0.39		$1.62		$0.75	
Diluted	$0.88		$0.38		$1.57		$0.73	

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

(With Deloitte & Touche review report dated August 14, 2015) (Concluded)

POU CHEN CORPORATION AND SUBSIDIARIES

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

	Equity Attributable to Owner of the Company										
			Retained Earnings			Other Equity					
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation Foreign Operations	Unrealized Gain (Loss) on Available-for-sale Financial Assets	Treasury Shares	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2014	$ 29,441,372	$ 4,366,099	$ 8,336,553	$ 4,435,090	$ 24,000,543	$ 20,776	$ (9,200,823)	$ (188,728)	$ 61,210,882	$ 76,409,295	$ 137,620,177
Appropriation of 2013 earnings (Note 26)											
Legal reserve	-	-	1,061,945	-	(1,061,945)	-	-	-	-	-	-
Special reserve	-	-	-	4,744,957	(4,744,957)	-	-	-	-	-	-
Cash dividend	-	-	-	-	(2,944,137)	-	-	-	(2,944,137)	-	(2,944,137)
	-	-	1,061,945	4,744,957	(8,751,039)	-	-	-	(2,944,137)	-	(2,944,137)
Net income for the six months ended June 30, 2014	-	-	-	-	2,205,203	-	-	-	2,205,203	1,601,339	3,806,542
Other comprehensive (loss) income for the six months ended June 30, 2014	-	-	-	-	-	(234,115)	2,612,292	-	2,378,177	(564,904)	1,813,273
Total other comprehensive income (loss) for the six months ended June 30, 2014	-	-	-	-	2,205,203	(234,115)	2,612,292	-	4,583,380	1,036,435	5,619,815
Treasury shares resold by the subsidiaries (Note 26)	-	218,295	-	-	-	-	-	188,728	407,023	7,682	414,705
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	(2,789,617)	(2,789,617)
Change in equity for the six months ended June 30, 2014	-	218,295	1,061,945	4,744,957	(6,545,836)	(234,115)	2,612,292	188,728	2,046,266	(1,745,500)	300,766
BALANCE AT JUNE 30, 2014	$ 29,441,372	$ 4,584,394	$ 9,398,498	$ 9,180,047	$ 17,454,707	$ (213,339)	$ (6,588,531)	$ -	$ 63,257,148	$ 74,663,795	$ 137,920,943
BALANCE AT JANUARY 1, 2015	$ 29,441,372	$ 4,627,549	$ 9,398,498	$ 9,180,047	$ 23,675,306	$ 3,345,749	$ (8,954,302)	$ -	$ 70,714,219	$ 81,411,376	$ 152,125,595
Appropriation of 2014 earnings (Note 26)											
Legal reserve	-	-	861,550	-	(861,550)	-	-	-	-	-	-
Special reserve	-	-	-	(3,571,494)	3,571,494	-	-	-	-	-	-
Cash dividend	-	-	-	-	(4,416,206)	-	-	-	(4,416,206)	-	(4,416,206)
	-	-	861,550	(3,571,494)	(1,706,262)	-	-	-	(4,416,206)	-	(4,416,206)
Net income for the six months ended June 30, 2015	-	-	-	-	4,779,136	-	-	-	4,779,136	3,738,455	8,517,591
Other comprehensive (loss) income for the six months ended June 30, 2015	-	-	-	-	-	(1,586,271)	603,118	-	(983,153)	278,284	(704,869)
Total other comprehensive income (loss) for the six months ended June 30, 2015	-	-	-	-	4,779,136	(1,586,271)	603,118	-	3,795,983	4,016,739	7,812,722
Share of changes in net assets of associates and joint ventures (Notes 4 and 26)	-	624	-	-	-	-	-	-	624	-	624
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	(4,945,661)	(4,945,661)
Change in equity for the six months ended June 30, 2015	-	624	861,550	(3,571,494)	3,072,874	(1,586,271)	603,118	-	(619,599)	(928,922)	(1,548,521)
BALANCE AT JUNE 30, 2015	$ 29,441,372	$ 4,628,173	$ 10,260,048	$ 5,608,553	$ 26,748,180	$ 1,759,478	$ (8,351,184)	$ -	$ 70,094,620	$ 80,482,454	$ 150,577,074

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

(With Deloitte & Touche review report dated August 14, 2015)

POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Six Months Ended June 30	
	2015	**2014**
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 10,617,658	$ 4,914,938
Adjustments for:		
Depreciation expenses	3,906,901	3,532,633
Amortization expenses	221,544	203,304
Impairment loss recognized on accounts receivable	47,772	5,112
Net (gain) loss on fair value change of financial instruments at fair value through profit or loss	(767,468)	887,131
Finance costs	574,529	536,995
Interest income	(243,669)	(224,856)
Dividend income	(8,234)	(22,189)
Compensation cost (income) of employee share options	31,402	(845)
Share of the profit of associates and joint ventures	(3,159,198)	(2,186,900)
Net loss (gain) on disposal of property, plant and equipment	219,795	(106,455)
Net (gain) loss on disposal of investments	(125,902)	97,748
Net (gain) loss on disposal of subsidiaries, associates and joint ventures	(140,772)	3,107
Impairment loss	371,550	80,173
Changes in operating assets and liabilities		
Financial instruments held for trading	202,201	270,880
Notes receivable	7,220	(10,432)
Notes receivable from related parties	(35)	(49)
Accounts receivable	(1,710,424)	(1,602,245)
Accounts receivable from related parties	(20,209)	(29,611)
Other receivables	305,824	628,960
Inventories	5,308,104	1,908,089
Other current assets	(370,675)	292,780
Other operating assets	(262)	68,642
Notes payable	(6,780)	31,955
Notes payable to related parties	(11,824)	(4,076)
Accounts payable	(183,570)	(1,094,756)
Accounts payable to related parties	45,972	206,725
Other payables	(1,091,588)	2,756,362
Other current liabilities	(520,425)	529,333
Net defined benefit liabilities	(99,913)	9,431
Other operating liabilities	(51,401)	(15,337)
Cash generated from operations	13,348,123	11,666,547
Interest paid	(565,226)	(526,669)
Income tax paid	(1,639,261)	(1,935,986)
Net cash generated from operating activities	11,143,636	9,203,892

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POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Six Months Ended June 30	
	2015	**2014**
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets design at FVTPL	$ (314,198)	$ (290,975)
Proceeds on sale of financial assets design at FVTPL	6,701	69,689
Acquisition of available-for-sale financial assets	(56,844)	-
Proceeds on sale of available-for-sale financial assets	209,146	164,880
Acquisition of debt investments with no active market	(1,893,192)	(2,554,009)
Proceeds on sale of debt investments with no active market	2,646,889	1,551,245
Acquisition of financial assets measured at cost	-	(2,688)
Proceeds on sale of financial assets measured at cost	140,850	156,213
Acquisition of associates and joint ventures	-	(96,835)
Proceeds from disposal of associates and joint ventures	1,534,656	8,111
Increase in prepayments for investment	(547,765)	(48,053)
Net cash outflow on acquisition of subsidiaries	(63,572)	(141,590)
Net cash outflow on disposal of subsidiaries	88,007	(46,799)
Acquisition of property, plant and equipment	(5,795,592)	(3,665,327)
Proceeds from disposal of property, plant and equipment	248,962	741,061
Decrease in refundable deposits	44,290	15,363
Acquisition of intangible assets	-	(10)
Acquisition of investment properties	(12,753)	-
Increase in prepayments for equipment	(638,842)	(331,511)
Acquisition of prepayments for lease	-	(17,650)
Proceeds from disposal of prepayments for lease	115,940	-
Interest received	347,435	310,092
Dividend received	413,643	549,384
Net cash used in investing activities	(3,526,239)	(3,629,409)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of short-term borrowings	(3,738,912)	(544,315)
Proceeds from short-term bills payable	773,000	-
Repayments of short-term bills payable	-	(175,000)
Repayments of long-term borrowings	(1,112,800)	(186,412)
Increase in guarantee deposits	-	970
Decrease in guarantee deposits	(1,287)	-
Proceed on sale of treasury shares	-	414,705
Change in non-controlling interests	(4,945,661)	(2,789,617)
Net cash used in financing activities	(9,025,660)	(3,279,669)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	1,299,967	(470,413)

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POU CHEN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Six Months Ended June 30	
	2015	**2014**
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	$ (108,296)	$ 1,824,401
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	34,794,727	29,606,164
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 34,686,431	$ 31,430,565

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

(With Deloitte & Touche review report dated August 14, 2015) (Concluded)

POU CHEN CORPORATION AND SUBSIDIARIES

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

1. GENERAL INFORMATION

Pou Chen Corporation (the "Company"), the business activities include manufacturing and sales of various kinds of shoes, and import and export of related products and materials. The Company also invests significantly in shoes and electronics industries to diversify its business operation. The Company invested in Yue Yuen Industrial (Holdings) Limited ("Yue Yuen") and other footwear - related companies through Wealthplus Holdings Limited ("Wealthplus"). Yue Yuen and Pou Sheng International (Holdings) Limited ("Pou Sheng"), a subsidiary of Yue Yuen, are listed on Hong Kong Exchange and Clearing Limited.

In January 1990, the Company started to trade its stocks on the Taiwan Stock Exchange.

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were reported to the board of directors on August 14, 2015.

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

a. Initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the 2013 version of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) endorsed by the Financial Supervisory Commission (FSC)

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

   Except for the following, whenever applied, the initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the 2013 IFRSs version would not have any material impact on the Group's accounting policies:

   1) Annual Improvements to IFRSs: 2009-2011 Cycle

      Several standards including IAS 16 "Property, Plant and Equipment", IAS 32 "Financial Instruments: Presentation" and IAS 34 "Interim Financial Reporting" were amended in this annual improvement.

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

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

The amendments to IAS 34 clarify that a measure of total liabilities for a reportable segment would be disclosed in interim financial reporting when such amounts are regularly provided to the chief operating decision maker of the Group and there has been a material change from the amounts disclosed in the last annual financial statements for that reportable segment. Refer to Note 44 for related disclosure.

2) Amendments to IFRS 7 “Disclosure - Offsetting Financial Assets and Financial Liabilities”

The amendments to IFRS 7 require disclosure of information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under enforceable master netting arrangements and similar arrangements. Refer to Note 38 for related disclosure.

3) IFRS 10 “Consolidated Financial Statements”

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

The Group concluded that it has had control over the investees which are consolidated into the consolidated financial statements. The adoption of IFRS 10 “Consolidated Financial Statements” had no material impact on the Group’s financial position and financial performance.

4) IFRS 11 “Joint Arrangements”

IFRS 11 replaces IAS 31 “Interests in Joint Ventures” and SIC 13 “Jointly Controlled Entities - Non-monetary Contributions by Venturers”. Joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. Joint ventures are accounted for using the equity method. Under IAS 31, Joint arrangements are classified as jointly controlled entities, jointly controlled assets, and jointly controlled operations, and the Group accounts for its jointly controlled entities using the proportionate consolidation method.

The Group concluded that the investment in each of the joint arrangements was classified as a joint venture under IFRS 11 and should continue to be accounted for using the equity method. The adoption of IFRS 11 “Joint Arrangements” had no material impact on the Group’s financial position and financial performance.

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

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

6) IFRS 13 "Fair Value Measurement"

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

The fair value measurements under IFRS 13 will be applied prospectively from January 1, 2015. Refer to Note 38 for related disclosure.

7) Amendment to IAS 1 "Presentation of Items of Other Comprehensive Income"

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

The Group will retrospectively apply the above amendment starting from 2015. Items not expected to be reclassified to profit or loss are remeasurements of the defined benefit plans. Items expected to be reclassified to profit or loss are the exchange differences on translating foreign operations, unrealized gain (loss) on available-for-sale financial assets, and share of the other comprehensive income (except the share of the remeasurements of the defined benefit plans) of associates and joint ventures accounted for using the equity method. However, the application of the above amendment will not result in any impact on the net profit for the period, other comprehensive income for the period (net of income tax), and total comprehensive income for the period.

8) Amendment to IAS 28 "Investments in Associates and Joint Ventures"

Revised IAS 28 requires when a portion of an investment in an associate meets the criteria to be classified as held for sale, that portion is classified as held for sale. Any retained portion that has not been classified as held for sale is accounted for using the equity method. Under current IAS 28, when a portion of an investment in associates meets the criteria to be classified as held for sale, the entire investment is classified as held for sale and ceases to apply the equity method.

The adoption of IAS 28 "Investments in Associates and Joint Ventures" had no material impact on the Group's financial position and financial performance.

9) Amendment to IAS 32 "Offsetting Financial Assets and Financial Liabilities"

The amendment to IAS 32 clarify the requirements relating to the offset of financial assets and financial liabilities. Specifically, the amendment clarify the meaning of "currently has a legally enforceable right of set-off" and "simultaneous realization and settlement".

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

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

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

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

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

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

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

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) Annual Improvements to IFRSs: 2010-2012 Cycle

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

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

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

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

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

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

2) Annual Improvements to IFRSs: 2011-2013 Cycle

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.

3) Annual Improvements to IFRSs: 2012-2014 Cycle

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

4) IFRS 9 "Financial Instruments"

<u>Recognition and measurement of financial assets</u>

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:

a) 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:

   i. 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;

ii. 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 instrument is derecognized or reclassified the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

b) 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, contract assets arising from IFRS 15 “Revenue from Contracts with Customers” and certain written loan commitments. 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.

5) 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.

6) Amendment to IFRS 11 “Accounting for Acquisitions of Interests in Joint Operations”

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

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

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

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

   An entity should apply the aforementioned amendment prospectively for annual periods beginning on or after the effective date.

7) IFRS 15 “Revenue from Contracts with Customers”

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

   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 contracts; and
   - Recognize revenue when the entity satisfies a performance obligation.

   When IFRS 15 is 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.

8) Amendments to IAS 16 and IAS 38 “Clarification of Acceptable Methods of Depreciation and Amortization”

   The entity should use appropriate depreciation and amortization method to reflect the pattern in which the future economic benefits of the property, plant and equipment and intangible asset are expected to be consumed by the entity.

   The amended IAS 16 “Property, Plant and Equipment” requires that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate. The amended standard does not provide any exception from this requirement.

The amended IAS 38 "Intangible Assets" requires that there is a rebuttable presumption that an amortization method that is based on revenue that is generated by an activity that includes the use of an intangible asset is not appropriate. This presumption can be overcome only in the following limited circumstances:

a) In which the intangible asset is expressed as a measure of revenue (for example, the contract that specifies the entity's use of the intangible asset will expire upon achievement of a revenue threshold); or

b) When it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

An entity should apply the aforementioned amendments prospectively for annual periods beginning on or after the effective date.

9) 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.

Except for the above impact, as of the date the consolidated financial statements were issued, the Group is continuingly 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 complete.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

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

b. Other significant accounting policies

The same accounting policies of these consolidated financial statements have been followed as were applied in the preparation of the Group's consolidated financial statements for the year ended December 31, 2014, except for those described below.

1) Employee benefits

a) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

b) Retirement benefits

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

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

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

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

c) Termination benefits

A liability for a termination benefit is recognized when the Group can no longer withdraw the offer of the termination benefit.

2) Taxation

Income tax expense is the sum of the current tax liabilities and deferred tax liabilities. 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, 2014.

6. CASH AND CASH EQUIVALENTS

	June 30, 2015	**December 31, 2014**	**June 30, 2014**
Cash on hand	$ 41,700	$ 41,134	$ 47,037
Checking accounts and demand deposits	22,083,422	19,103,504	21,173,372
Cash equivalent (investments with original maturities less than three months)			
Time deposits	11,982,671	14,999,586	9,861,722
Repurchase agreements collateralized by bonds	578,638	590,684	348,434
	$ 34,686,431	$ 34,734,908	$ 31,430,565

Cash and cash equivalents at the end of reporting period as shown in the consolidated statement of cash flows can be reconciled to the related items in the balance sheets as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Cash and cash equivalents	$ 34,686,431	$ 34,734,908	$ 31,430,565
Cash and cash equivalents included in a disposal group held for sale	-	59,819	-
	$ 34,686,431	$ 34,794,727	$ 31,430,565

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2015	December 31, 2014	June 30, 2014
Financial assets designated as at FVTPL			
Structured deposit (a)	$ 639,823	$ 337,449	$ 607,305
Financial assets held for trading			
Derivative financial assets (not under hedge accounting)			
Forward exchange contracts (b)	20,557	190	448
Exchange rate option contracts (c)	165,943	5,646	52,583
Exchange rate swap contracts (d)	21,528	1,377	-
Cross-currency swap contracts (e)	3,518	73,148	-
Non-derivative financial assets			
Domestic open-ended mutual funds	75,262	147,324	77,293
	$ 926,631	$ 565,134	$ 737,629
Current	$ 286,808	$ 227,685	$ 420,910
Non-current	639,823	337,449	316,719
	$ 926,631	$ 565,134	$ 737,629
Financial liabilities held for trading			
Derivative financial liabilities (not under hedge accounting)			
Forward exchange contracts (b)	$ 62,664	$ 319,085	$ 582,758
Exchange rate option contracts (c)	57,253	317,110	117,671
Exchange rate swap contracts (d)	1,235	-	6,361
Cross-currency swap contracts (e)	6,766	-	17,731
Interest rate swap contracts (f)	35,049	38,039	28,237
	$ 162,967	$ 674,234	$ 752,758
Current	$ 162,967	$ 674,234	$ 752,758

a. Structured deposits

1) Wealthplus entered into a five years USD structured time deposit contract with a bank in January 2013. The structured time deposit contract includes an embedded derivative instrument which is not closely related to the host contract, recorded under "financial assets at FVTPL - non-current".

2) Wealthplus entered into a three years and six months RMB structured time deposit contract with a bank in March 2015. The structured time deposit contract includes an embedded derivative instrument which is not closely related to the host contract, recorded under "financial assets at FVTPL - non-current".

3) Pou Sheng entered into a RMB structured time deposit contract with a bank in December 2013. The structured time deposit contract includes an embedded derivative instrument which is not closely related to the host contract. The RMB structured time deposit contract can be readily cancelled, and was recorded under "financial assets at FVTPL - current". The RMB structured time deposit contract had been cancelled in March 2014.

4) Pou Sheng entered into a three months RMB structured time deposit contract with a bank in May 2014. The structured time deposit contract includes an embedded derivative instrument which is not closely related to the host contract. The RMB structured time deposit contract was recorded under "financial assets at FVTPL - current", and had been fully matured in August 6, 2014.

b. At the end of the reporting period, outstanding forward exchange contracts not under hedge accounting were as follows:

June 30, 2015

Notional Amount	Forward Exchange Rates
USD 342,000,000	Sell USD/buy RMB at 6.1500 to 6.4465

December 31, 2014

Notional Amount	Forward Exchange Rates
USD 299,000,000	Sell USD/buy RMB at 6.218 to 6.228
USD 22,000,000	Sell USD/buy VND at 21,381 to 21,552

June 30, 2014

Notional Amount	Forward Exchange Rates
HKD915,000,000	Sell HKD/buy USD at 7.7501 to 7.7532
USD 678,442,000	Sell USD/buy RMB at 6.1800 to 6.2350
USD 4,000,000	Sell USD/buy VND at 21,298 to 21,316

The Group entered into forward exchange contracts for the six months ended June 30, 2015 and 2014 to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

c. At the end of the reporting period, outstanding exchange rate option contracts not under hedge accounting were as follows:

June 30, 2015

Item	Type	Buy/Sale	Premium Amount	Notional Amount	Fair Value
Exchange rate option contracts	Put	Sell	$ -	US$ 48,000,000	$ 6,519
"	Put	Sell	-	100,000,000	21,023
"	Put	Sell	-	48,000,000	9,525
"	Put	Sell	-	48,000,000	415
"	Put	Sell	-	24,000,000	3,658
"	Put	Sell	-	48,000,000	7,541
"	Put	Sell	-	14,000,000	440
"	Put	Sell	-	20,000,000	4,339
"	Put	Sell	-	24,000,000	3,806
"	Put	Sell	-	24,000,000	2,009
"	Put	Sell	-	24,000,000	6,692
"	Put	Sell	-	24,000,000	1,305
"	Put	Sell	-	20,000,000	4,232
"	Put	Sell	-	120,000,000	26,405
"	Put	Sell	-	24,000,000	1,194
"	Put	Sell	-	24,000,000	3,982
"	Put	Sell	-	24,000,000	1,863
"	Put	Sell	-	96,000,000	16,894
"	Put	Sell	-	24,000,000	2,212
"	Put	Sell	-	48,000,000	5,435
"	Put	Sell	-	48,000,000	9,335
"	Put	Sell	-	24,000,000	1,767
"	Put	Sell	-	48,000,000	11,337
"	Put	Sell	-	48,000,000	14,015
"	Put	Sell	-	80,000,000	(874)
"	Put	Sell	-	56,000,000	(545)
"	Put	Sell	-	56,000,000	(501)
"	Put	Sell	-	44,000,000	(3,953)
"	Put	Sell	-	24,000,000	(529)
"	Put	Sell	-	22,000,000	(3,326)
"	Put	Sell	-	14,000,000	(267)
"	Put	Sell	-	44,000,000	(4,468)
"	Put	Sell	-	48,000,000	(710)
"	Put	Sell	367	2,000,000	(194)
"	Put	Sell	-	117,000,000	(29,648)
"	Put	Sell	-	42,000,000	(8,936)
"	Put	Sell	493	10,000,000	(509)
"	Put	Sell	1,437	30,000,000	(2,793)
					$ 108,690

December 31, 2014

Item	Type	Buy/Sale	Premium Amount	Notional Amount	Fair Value
Exchange rate option contracts	Put	Sell	$ -	US$ 4,000,000	$ 1,022
"	Put	Sell	-	2,000,000	462
"	Put	Sell	-	4,000,000	965
"	Put	Sell	-	120,000,000	3,022
"	Put	Sell	-	60,000,000	175
"	Put	Sell	150	2,000,000	(127)
"	Put	Sell	-	100,000,000	(1,303)
"	Put	Sell	-	80,000,000	(3,267)
"	Put	Sell	-	20,000,000	(847)
"	Put	Sell	-	100,000,000	(3,952)
"	Put	Sell	-	20,000,000	(958)
"	Put	Sell	-	24,000,000	(3,291)
"	Put	Sell	-	96,000,000	(7,577)
"	Put	Sell	-	80,000,000	(13,094)
"	Put	Sell	-	80,000,000	(10,615)
"	Put	Sell	-	48,000,000	(4,841)
"	Put	Sell	-	24,000,000	(3,254)
"	Put	Sell	-	24,000,000	(3,373)
"	Put	Sell	-	88,000,000	(35,289)
"	Put	Sell	-	64,000,000	(28,400)
"	Put	Sell	-	16,000,000	(6,558)
"	Put	Sell	-	16,000,000	(9,093)
"	Put	Sell	-	48,000,000	(8,104)
"	Put	Sell	-	24,000,000	(5,383)
"	Put	Sell	-	24,000,000	(5,757)
"	Put	Sell	-	24,000,000	(4,777)
"	Put	Sell	-	24,000,000	(6,799)
"	Put	Sell	-	195,000,000	(110,266)
"	Put	Sell	-	39,000,000	(40,185)
					$ (311,464)

June 30, 2014

Item	Type	Buy/Sale	Premium Amount	Notional Amount	Fair Value
Exchange rate option contracts	Put	Sell	$ -	US$ 68,000,000	$ 8,597
"	Put	Sell	-	68,000,000	6,581
"	Put	Sell	-	16,000,000	3,288
"	Put	Sell	-	8,000,000	1,466
"	Put	Sell	-	16,000,000	3,702
"	Put	Sell	-	120,000,000	11,020
"	Put	Sell	-	112,000,000	13,583
"	Put	Sell	-	20,000,000	309
"	Put	Sell	-	120,000,000	4,037
"	Put	Sell	-	88,000,000	(4,527)
"	Put	Sell	-	88,000,000	(32,980)
"	Put	Sell	-	128,000,000	(4,530)
"	Put	Sell	-	66,000,000	(2,559)

(Continued)

Item	Type	Buy/Sale	Premium Amount	Notional Amount	Fair Value
Exchange rate option contracts	Put	Sell	$ -	US$ 80,000,000	$ (12,345)
"	Put	Sell	-	64,000,000	(25,477)
"	Put	Sell	-	100,000,000	(2,754)
"	Put	Sell	-	48,000,000	(3,938)
"	Put	Sell	-	110,000,000	(2,161)
"	Put	Sell	-	80,000,000	(11,845)
"	Put	Sell	-	16,000,000	(5,897)
"	Put	Sell	-	16,000,000	(7,744)
"	Put	Sell	-	20,000,000	(563)
"	Put	Sell	3,330	24,000,000	(351)
"	Put	Sell	300	40,000,000	-
"	Put	Sell	559	10,000,000	-
"	Put	Sell	386	5,000,000	-
"	Put	Sell	204	2,000,000	-
"	Put	Sell	622	6,000,000	-
					$ (65,088)

(Concluded)

The Group entered into exchange rate option contracts for the six months ended June 30, 2015 and 2014 to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

d. At the end of the reporting period, outstanding exchange rate swap contracts not under hedge accounting were as follows:

June 30, 2015

Bank	Notional Amount	Maturity Date	Rate	Fair Value
Standard Chartered Bank	US$ 30,000,000	2015.07.15	30.9019	$ 1,710
Standard Chartered Bank	US$ 20,000,000	2015.07.15	30.9019	1,140
Standard Chartered Bank	US$ 30,000,000	2015.07.31	30.8909	1,991
Mizuho Bank	US$ 33,000,000	2015.07.29	30.9110	4,913
Crédit Agricole CIB	US$ 30,000,000	2015.07.27	30.8758	4,043
Crédit Agricole CIB	US$ 29,600,000	2015.07.29	30.9110	2,940
Bank of Tokyo-Mitsubishi UFJ	US$ 25,000,000	2015.07.31	30.8909	4,374
Citibank Taiwan	US$ 15,000,000	2015.07.15	30.9020	(662)
Citibank Taiwan	US$ 13,000,000	2015.07.15	30.9020	(573)
CTBC Bank	RMB 45,000,000	2015.12.11	4.9400	219
Mizuho Bank	RMB 30,000,000	2015.12.11	4.9400	198
				$ 20,293

December 31, 2014

Bank	Notional Amount	Maturity Date	Rate	Fair Value
Mizuho Bank	RMB 30,000,000	2015.01.09	5.044	$ 1,377

June 30, 2014

Bank	Notional Amount		Maturity Date	Rate	Fair Value
Standard Chartered Bank	US$	10,400,000	2014.07.07	30.000	$ (1,830)
Standard Chartered Bank	US$	15,800,000	2014.07.07	30.000	(1,205)
Mizuho Bank	US$	10,000,000	2014.07.07	30.000	(899)
Mizuho Bank	US$	11,000,000	2014.07.07	30.000	(988)
Crédit Agricole CIB	US$	18,000,000	2014.07.07	29.979	(1,439)
					$ (6,361)

The Group entered into exchange rate swap contracts for the six months ended June 30, 2015 and 2014 to manage exposures to exchange rate fluctuations of foreign currency denominated assets and liabilities.

e. At the end of the reporting period, outstanding cross-currency swap contracts not under hedge accounting were as follows:

June 30, 2015

Bank	Notional Amount		Maturity Date	Rate	Interest %	Fair Value
ANZ Bank	US$	20,000,000	2016.05.18	30.56	1.05	$ 3,518
Citibank Taiwan	US$	10,000,000	2015.09.18	31.50	0.89	(6,491)
Citibank Taiwan	US$	10,000,000	2015.12.01	30.851	0.89	(275)
						$ (3,248)

December 31, 2014

Bank	Notional Amount		Maturity Date	Rate	Interest %	Fair Value
ANZ Bank	US$	50,000,000	2015.05.18	30.18	0.74	$ 73,148

June 30, 2014

Bank	Notional Amount		Maturity Date	Rate	Interest %	Fair Value
ANZ Bank	US$	50,000,000	2015.05.18	30.18	0.74	$ (17,731)

The Group entered into cross-currency swap contracts for the six months ended June 30, 2015 and 2014 to manage exposures to exchange rate and interest rate fluctuations of foreign currency denominated assets and liabilities.

f. At the end of the reporting period, outstanding interest rate swap contracts not under hedge accounting were as follows:

June 30, 2015

Bank	Item	Notional Amount	Maturity Date	Pay Rate (Fixed Rate %)	Received Rate (Floating Rate %)	Fair Value
CTBC Bank	Interest rate swap contracts	$ 600,000	2018.06.01	1.310	0.87522	$ (4,271)
Citibank Taiwan	〃	500,000	2018.06.01	1.340	0.87522	(3,924)
Taipei Fubon Bank	〃	656,250	2016.09.29	1.066	0.87544	(911)
Taipei Fubon Bank	〃	525,000	2016.09.29	1.180	0.87544	(1,249)
Taipei Fubon Bank	〃	375,000	2016.09.29	0.967	0.87544	(198)
Taipei Fubon Bank	〃	525,000	2016.09.29	0.990	0.87544	(384)
Taipei Fubon Bank	〃	900,000	2018.06.01	1.310	0.87522	(6,366)
Taipei Fubon Bank	〃	500,000	2018.06.01	1.278	0.87522	(3,181)
Taipei Fubon Bank	〃	300,000	2018.06.01	1.265	0.87522	(1,822)
E.SUN Bank	〃	525,000	2016.09.29	1.183	0.87544	(1,247)
E.SUN Bank	〃	525,000	2016.09.29	0.990	0.87544	(121)
E.SUN Bank	〃	500,000	2018.06.01	1.290	0.87522	(3,331)
SinoPac Bank	〃	656,250	2016.09.29	1.066	0.87544	(906)
SinoPac Bank	〃	525,000	2016.09.29	1.183	0.87544	(1,255)
SinoPac Bank	〃	450,000	2016.09.29	0.990	0.87544	(326)
Ta Chong Bank	〃	525,000	2016.09.29	1.183	0.87544	(1,177)
ANZ Bank	〃	500,000	2018.06.01	1.280	0.87522	(3,192)
ANZ Bank	〃	200,000	2018.06.01	1.260	0.87522	(1,188)
		$ 9,287,500				$ (35,049)

December 31, 2014

Bank	Item	Notional Amount	Maturity Date	Pay Rate (Fixed Rate %)	Received Rate (Floating Rate %)	Fair Value
CTBC Bank	Interest rate swap contracts	$ 600,000	2018.06.01	1.310	0.891	$ (4,221)
Citibank Taiwan	"	500,000	2018.06.01	1.340	0.891	(3,926)
Taipei Fubon Bank	"	875,000	2016.09.29	1.066	0.888	(1,344)
Taipei Fubon Bank	"	700,000	2016.09.29	1.180	0.888	(1,961)
Taipei Fubon Bank	"	500,000	2016.09.29	0.967	0.888	(219)
Taipei Fubon Bank	"	700,000	2016.09.29	0.990	0.888	(487)
Taipei Fubon Bank	"	900,000	2018.06.01	1.310	0.891	(6,241)
Taipei Fubon Bank	"	500,000	2018.06.01	1.278	0.891	(3,034)
Taipei Fubon Bank	"	300,000	2018.06.01	1.265	0.891	(1,715)
E.SUN Bank	"	700,000	2016.09.29	1.183	0.888	(1,881)
E.SUN Bank	"	700,000	2016.09.29	0.990	0.888	(382)
E.SUN Bank	"	500,000	2018.06.01	1.290	0.891	(3,195)
SinoPac Bank	"	875,000	2016.09.29	1.066	0.888	(1,209)
SinoPac Bank	"	700,000	2016.09.29	1.183	0.888	(1,874)
SinoPac Bank	"	600,000	2016.09.29	0.990	0.888	(324)
Ta Chong Bank	"	700,000	2016.09.29	1.183	0.888	(1,899)
ANZ Bank	"	500,000	2018.06.01	1.280	0.891	(3,026)
ANZ Bank	"	200,000	2018.06.01	1.260	0.891	(1,101)
		$ 11,050,000				$ (38,039)

June 30, 2014

Bank	Item	Notional Amount	Maturity Date	Pay Rate (Fixed Rate %)	Received Rate (Floating Rate %)	Fair Value
CTBC Bank	Interest rate swap contracts	$ 187,500	2014.12.02	1.135	0.877	$ (230)
CTBC Bank	"	125,000	2014.12.02	0.935	0.877	(29)
CTBC Bank	"	600,000	2018.06.01	1.310	-	(2,353)
Citibank Taiwan	"	187,500	2014.12.02	1.135	0.877	(242)
Citibank Taiwan	"	125,000	2014.12.02	0.843	0.877	20
Citibank Taiwan	"	500,000	2018.06.01	1.340	-	(2,341)
Taipei Fubon Bank	"	125,000	2014.12.02	1.140	0.877	(157)
Taipei Fubon Bank	"	875,000	2016.09.29	1.066	0.877	(1,406)
Taipei Fubon Bank	"	700,000	2016.09.29	1.180	0.877	(2,407)
Taipei Fubon Bank	"	500,000	2016.09.29	0.967	0.877	(8)
Taipei Fubon Bank	"	700,000	2016.09.29	0.990	0.877	(273)
Taipei Fubon Bank	"	900,000	2018.06.01	1.310	-	(3,422)
Taipei Fubon Bank	"	500,000	2018.06.01	1.278	-	(1,470)
Taipei Fubon Bank	"	300,000	2018.06.01	1.265	-	(777)
E.SUN Bank	"	125,000	2014.12.02	1.140	0.877	(115)
E.SUN Bank	"	700,000	2016.09.29	1.183	0.877	(2,370)
E.SUN Bank	"	700,000	2016.09.29	0.990	0.877	(201)
E.SUN Bank	"	500,000	2018.06.01	1.290	-	(1,820)
SinoPac Bank	"	875,000	2016.09.29	1.066	0.877	(1,360)
SinoPac Bank	"	700,000	2016.09.29	1.183	0.877	(2,402)
SinoPac Bank	"	600,000	2016.09.29	0.990	0.877	(201)
Ta Chong Bank	"	700,000	2016.09.29	1.183	0.877	(2,381)
ANZ Bank	"	500,000	2018.06.01	1.280	-	(1,714)
ANZ Bank	"	200,000	2018.06.01	1.260	-	(578)
		$ 11,925,000				$ (28,237)

The Group entered into interest rate swap contracts for the six months ended June 30, 2015 and 2014 to manage exposures to interest rate fluctuations.

8. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	June 30, 2015	December 31, 2014	June 30, 2014
Domestic investments			
Listed shares	$ 15,528,747	$ 13,397,793	$ 13,627,743
Foreign investments			
Listed shares	510,373	739,861	761,292
	$ 16,039,120	$ 14,137,654	$ 14,389,035
Current	$ 15,210,030	$ 13,568,135	$ 13,849,693
Non-current	829,090	569,519	539,342
	$ 16,039,120	$ 14,137,654	$ 14,389,035

9. DEBT INVESTMENTS WITH NO ACTIVE MARKET

	June 30, 2015	December 31, 2014	June 30, 2014
Time deposits with original maturity more than three months	$ 2,145,849	$ 2,908,384	$ 2,565,920
Other	30,380	21,542	33,830
	$ 2,176,229	$ 2,929,926	$ 2,599,750
Current	$ 2,145,849	$ 2,908,384	$ 2,565,920
Non-current	30,380	21,542	33,830
	$ 2,176,229	$ 2,929,926	$ 2,599,750

Refer to Note 40 for information relating to debt investments with no active market pledged as security.

10. NOTES RECEIVABLE, ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

	June 30, 2015	December 31, 2014	June 30, 2014
Notes receivable (included related parties)			
Notes receivable - operating	$ 10,103	$ 18,237	$ 15,638
Notes receivable - non-operating	1,014	65	11,389
Less: Allowance for doubtful accounts	-	-	-
	$ 11,117	$ 18,302	$ 27,027
Accounts receivable (included related parties)			
Accounts receivable	$ 33,883,889	$ 32,303,543	$ 32,690,672
Less: Allowance for doubtful accounts	(780,000)	(882,515)	(889,685)
	$ 33,103,889	$ 31,421,028	$ 31,800,987
Other receivables			
Tax refund receivables	$ 1,149,200	$ 1,212,660	$ 907,146
Others	2,670,979	3,017,130	2,560,750
Less: Allowance for doubtful accounts	(1,654)	(1,675)	(1,628)
	$ 3,818,525	$ 4,228,115	$ 3,466,268

In determining the recoverability of accounts receivable, the Group considered any change in the credit quality of the accounts receivable since the date credit was initially granted to the end of the reporting period. Allowance for doubtful account was recognized based on past due of the reporting period and past default experience.

a. Notes receivable

The notes receivable balances at June 30, 2015, December 31, 2014 and June 30, 2014 were not past due.

b. Accounts receivable

1) The aging analysis of the accounts receivable as at June 30, 2015, December 31, 2014 and June 30, 2014 were as follows:

June 30, 2015

	Not Past Due and Not Impaired	Not Past Due but Impaired	Past Due but Not Impaired	Past Due and Impaired	Total
Less than 30 days	$ 22,838,891	$ -	$ -	$ -	$ 22,838,891
31-90 days	8,270,453	-	1,646,258	4,418	9,921,129
More than 91 days	-	-	348,287	775,582	1,123,869
	$ 31,109,344	$ -	$ 1,994,545	$ 780,000	$ 33,883,889

December 31, 2014

	Not Past Due and Not Impaired	Not Past Due but Impaired	Past Due but Not Impaired	Past Due and Impaired	Total
Less than 30 days	$ 21,631,689	$ -	$ -	$ -	$ 21,631,689
31-90 days	7,921,953	-	1,469,573	18,984	9,410,510
More than 91 days	-	-	397,813	863,531	1,261,344
	$ 29,553,642	$ -	$ 1,867,386	$ 882,515	$ 32,303,543

June 30, 2014

	Not Past Due and Not Impaired	Not Past Due but Impaired	Past Due but Not Impaired	Past Due and Impaired	Total
Less than 30 days	$ 22,813,249	$ -	$ -	$ -	$ 22,813,249
31-90 days	7,733,199	-	1,042,229	736	8,776,164
More than 91 days	-	-	212,310	888,949	1,101,259
	$ 30,546,448	$ -	$ 1,254,539	$ 889,685	$ 32,690,672

The above aging schedule was based on the invoice date.

2) Movements of the allowance for accounts receivable were as follows:

	Individually Assessed for Impairment	Collectively Assessed for Impairment	Total
Balance at January 1, 2015	$ 882,515	$ -	$ 882,515
Add: Recognized of impairment losses	47,772	-	47,772
Less: Amounts written off during the period as uncollectible	(132,389)	-	(132,389)
Add: Effect of exchange rate changes	(17,898)	-	(17,898)
Balance at June 30, 2015	$ 780,000	$ -	$ 780,000

(Continued)

	Individually Assessed for Impairment	Collectively Assessed for Impairment	Total
Balance at January 1, 2014	$ 915,610	$ -	$ 915,610
Add: Recognized of impairment losses	5,112	-	5,112
Less: Amounts written off during the period as uncollectible	(20,291)	-	(20,291)
Add: Effect of exchange rate changes	(10,746)	-	(10,746)
Balance at June 30, 2014	$ 889,685	$ -	$ 889,685

(Concluded)

11. INVENTORIES

	June 30, 2015	December 31, 2014	June 30, 2014
Inventories - manufacturing and retailing	$ 36,590,419	$ 41,899,068	$ 35,121,752
Inventories - construction	4,542,187	4,541,642	4,052,665
	$ 41,132,606	$ 46,440,710	$ 39,174,417

a. Inventories - manufacturing and retailing at the end of the reporting period consisted of the following:

	June 30, 2015	December 31, 2014	June 30, 2014
Raw materials	$ 8,006,227	$ 8,869,656	$ 7,970,217
Work in progress	5,318,742	5,037,457	4,840,894
Finished goods and merchandise	23,265,450	27,991,955	22,310,641
	$ 36,590,419	$ 41,899,068	$ 35,121,752

1) The cost of manufacturing and retailing inventories recognized as cost of goods sold for the three months ended June 30, 2015 and 2014, and six months ended June 30, 2015 and 2014 was $54,038,477 thousand, $49,635,959 thousand, $102,039,283 thousand and $92,368,685 thousand, respectively.

2) The cost of manufacturing and retailing inventories recognized as cost of goods sold for the six months ended June 30, 2014 included inventory write-downs of $509,462 thousand.

b. Inventories - construction at the end of the reporting period consisted of the following:

	June 30, 2015	December 31, 2014	June 30, 2014
Land and buildings held for development	$ 4,369,266	$ 4,369,253	$ 3,878,644
Land and buildings held for sale	53,121	52,589	54,221
Land held for construction site	119,800	119,800	119,800
	$ 4,542,187	$ 4,541,642	$ 4,052,665

The cost of construction inventories recognized as cost of goods sold for the three months ended June 30, 2015 and 2014, and six months ended June 30, 2015 and 2014 was $3,316 thousand, $591 thousand, $6,470 thousand and $1,234 thousand, respectively.

12. PREPAYMENTS FOR LEASE

	June 30, 2015	December 31, 2014	June 30, 2014
People's Republic of China ("PRC")	$ 3,066,702	$ 3,264,809	$ 3,225,505
Indonesia	929,040	968,047	918,229
Vietnam	1,062,942	1,163,581	1,135,736
Myanmar	445,989	465,318	-
	$ 5,504,673	$ 5,861,755	$ 5,279,470
Current	$ 171,551	$ 175,911	$ 151,236
Non-current	5,333,122	5,685,844	5,128,234
	$ 5,504,673	$ 5,861,755	$ 5,279,470

13. NON-CURRENT ASSETS AND LIABILITIES HELD FOR SALE

	June 30, 2015	December 31, 2014	June 30, 2014
Assets associated with non-current assets held for sale			
Cash and cash equivalents	$ -	$ 59,819	$ -
Accounts receivable and other receivables	-	185,247	-
Inventories	-	107,294	-
Property, plant and equipment	-	110,047	-
Prepayments for lease	-	22,503	-
	$ -	$ 484,910	$ -
Liabilities directly associated with non-current assets held for sale			
Short-term borrowing	$ -	$ 9,558	$ -
Accounts payable and other payables	-	171,353	-
	$ -	$ 180,911	$ -

Yue Yuen resolved to dispose subsidiaries for total consideration of $303,999 thousand (US$9,605 thousand) as of December 31, 2014. The Group had reclassified the associated assets and liabilities to "non-current assets held for sale" and "liabilities directly associated with non-current assets held for sale". Yue Yuen had decided to dispose subsidiaries in April 2015, refer to Note 33.

14. OTHER ASSETS

	June 30, 2015	December 31, 2014	June 30, 2014
Prepayments	$ 8,080,796	$ 7,851,077	$ 7,735,133
Refundable deposits	132,769	177,059	130,688
Prepaid pension cost	124,351	123,935	110,663
Prepayments for equipment	1,628,823	989,981	692,550
Others	2,367,739	2,226,937	2,242,041
	$ 12,334,478	$ 11,368,989	$ 10,911,075
Current	$ 9,757,550	$ 9,386,875	$ 9,299,777
Non-current	2,576,928	1,982,114	1,611,298
	$ 12,334,478	$ 11,368,989	$ 10,911,075

15. FINANCIAL ASSETS MEASURED AT COST

	June 30, 2015	December 31, 2014	June 30, 2014
Domestic investments			
Unlisted shares	$ 63,225	$ 63,225	$ 62,225
Foreign investments			
Unlisted shares	204,764	273,643	267,517
Mutual funds	363,881	404,533	430,507
	568,645	678,176	698,024
	$ 631,870	$ 741,401	$ 760,249
Classified according to financial asset measurement categories			
Available-for-sale financial assets	$ 631,870	$ 741,401	$ 760,249

Management believed that the above investments 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.

16. SUBSIDIARIES

a. Subsidiaries included in the consolidated financial statements

Name of Subsidiary	Location of Incorporation	Main Business	Proportion of Ownership June 30, 2015	December 31, 2014	June 30, 2014
Wealthplus Holdings Limited	British Virgin Islands	Design and sale of footwear and electronic and peripheral products	100.00%	100.00%	100.00%
Win Fortune Investments Limited	British Virgin Islands	Investing activities	100.00%	100.00%	100.00%
Windsor Entertainment Co., Ltd.	Republic of china (“ROC”)	Entertainment and resort operation	100.00%	100.00%	100.00%
Pou Shine Investments Co., Ltd.	ROC	Investing activities	100.00%	100.00%	100.00%
Pan Asia Insurance Services Co., Ltd.	ROC	Agency of property and casualty insurance	100.00%	100.00%	100.00%
Pro Arch International Development Enterprise Inc.	ROC	Landscape architecture business	100.00%	100.00%	100.00%
Pou Yuen Technology Co., Ltd.	ROC	Tooling design software and information technology software service	99.81%	99.81%	99.81%
Barits Development Corporation	ROC	Import and export of the shoe related materials and investing activities	99.61%	99.60%	99.60%

The information of Wealthplus major subsidiaries is as follows:

Name of Subsidiary	Location of Incorporation	Main Business	Proportion of Ownership June 30, 2015	December 31, 2014	June 30, 2014
Yue Yuen Industrial (Holdings) Limited	Bermuda	Manufacturing and sale of athletic and casual footwear and sports apparel	48.93%	48.93%	48.93%
Pou Sheng International (Holdings) Limited	Bermuda	Retailing of sporting goods and brand licensing business	29.98%	29.98%	29.98%
Crown Master Investments Limited	British Virgin Islands	Investment holding	100.00%	100.00%	100.00%
Tetor Ventures Ltd.	British Virgin Islands	Investment holding	100.00%	100.00%	100.00%
Star Eagle Consultants Limited	British Virgin Islands	Agency of property and casualty insurance	100.00%	100.00%	100.00%
Pou Yu Biotechnology Co., Ltd.	ROC	Manufacturing of medical appliance and sale of related equipment	69.44%	69.44%	69.44%
Dong Guan Pou Yu Precision Ceramics Industrial Co., Ltd.	PRC	Manufacturing medical appliance	69.44%	69.44%	69.44%

The Group holds less than 50% interests in Yue Yuen and Pou Sheng, which listed on the Hong Kong Stock Exchange (HKEx). The directors considered the Group’s absolute amount, relative size and dispersion of voting rights relative to the other stockholders and concluded that the Group has the practical ability to direct the relevant activities of Yue Yuen and Pou Sheng and therefore the Group has control over Yue Yuen and Pou Sheng.

Win Fortune Investments Limited (“Win Fortune”) invests in Yue Yuen (as at June 30, 2015 the ownership percentage was 1.05%) as its primary operation activities.

The information of Pro Arch International Development Enterprise Inc.’s subsidiary is as follows:

Name of Subsidiary	Location of Incorporation	Main Business	Proportion of Ownership June 30, 2015	December 31, 2014	June 30, 2014
Pro Arch Technology BVI Inc.	British Virgin Islands	Investment holdings	-	-	100.00%

Note: Pro Arch Technology BVI Inc. had resolved to liquidate and dissolve in November 2014.

The information of Pou Yuen Technology Co., Ltd.'s subsidiary is as follows:

Name of Subsidiary	Location of Incorporation	Main Business	Proportion of Ownership June 30, 2015	December 31, 2014	June 30, 2014
Vantage Capital Investments Ltd.	British Virgin Islands	Investment holdings	100.00%	100.00%	100.00%

The information of Barits Development Corporation's subsidiaries is as follows:

Name of Subsidiary	Location of Incorporation	Main Business	Proportion of Ownership June 30, 2015	December 31, 2014	June 30, 2014
Song Ming Investments Co., Ltd.	ROC	Investing activities	100.00%	100.00%	100.00%
Pou Chin Development Co., Ltd.	ROC	Agency of land demarcation	100.00%	100.00%	100.00%
Yu Hong Development Co., Ltd.	ROC	Development of real estate	100.00%	100.00%	100.00%
Wang Yi Construction Co., Ltd.	ROC	Construction	89.75%	89.75%	89.75%
Pou Yii Development Co., Ltd.	ROC	Rental and sale of real estate	75.00%	75.00%	75.00%

b. Details of subsidiaries that have material non-controlling interests

Name of Subsidiary	Proportion of Ownership and Voting Rights Held by Non-controlling Interests June 30, 2015	December 31, 2014	June 30, 2014
Yue Yuen Industrial (Holdings) Limited	50.02%	50.02%	50.02%
Pou Sheng International (Holdings) Limited	38.73%	38.73%	38.73%

	Profit (Loss) Allocated to Non-controlling Interests				Accumulated Non-controlling Interests		
	For the Three Months Ended June 30		For the Six Months Ended June 30				
Name of Subsidiary	2015	2014	2015	2014	June 30, 2015	December 31, 2014	June 30, 2014
Yue Yuen Industrial (Holdings) Limited	$ 1,864,299	$ 467,152	$ 3,282,918	$ 1,526,565	$ 68,340,738	$ 69,172,218	$ 63,156,007
Pou Sheng International (Holdings) Limited	207,920	(22,760)	316,769	(21,458)	10,642,133	10,621,234	9,983,750

Pou Sheng is a subsidiary of Yue Yuen, and the summarized financial information in respect of Yue Yuen and its subsidiaries (included Pou Sheng) is set out below:

	June 30, 2015	December 31, 2014	June 30, 2014
Current assets	$ 114,093,605	$ 118,241,535	$ 106,737,225
Non-current assets	106,962,720	107,860,708	99,001,016
Current liabilities	(59,187,440)	(50,988,096)	(55,799,709)
Non-current liabilities	(13,069,765)	(24,548,531)	(12,140,212)
Equity	$ 148,799,120	$ 150,565,616	$ 137,798,320
Equity attributable to:			
Owners of the Company	$ 68,662,487	$ 69,501,290	$ 63,465,337
Non-controlling interests of Yue Yuen	68,340,738	69,172,218	63,156,007
Non-controlling interests of Yue Yuen's subsidiaries	11,795,895	11,892,108	11,176,976
	$ 148,799,120	$ 150,565,616	$ 137,798,320

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Operating revenue	$ 70,256,006	$ 63,752,787	$ 132,263,954	$ 119,264,425
Net income	$ 4,005,417	$ 961,054	$ 7,031,386	$ 3,132,485
Other comprehensive income (loss)	53,468	(132,492)	544,407	(869,506)
Total comprehensive income	$ 4,058,885	$ 828,562	$ 7,575,793	$ 2,262,979
Net income attributable to:				
Owners of the Company	$ 1,871,528	$ 466,777	$ 3,289,046	$ 1,525,369
Non-controlling interests of Yue Yuen	1,864,299	467,152	3,282,918	1,526,565
Non-controlling interests of Yue Yuen's subsidiaries	269,590	27,125	459,422	80,551
	$ 4,005,417	$ 961,054	$ 7,031,386	$ 3,132,485
Total comprehensive income (loss) attributable to:				
Owners of the Company	$ 1,896,664	$ 417,394	$ 3,553,428	$ 1,218,336
Non-controlling interests of Yue Yuen	1,889,455	417,731	3,547,505	1,219,295
Non-controlling interests of Yue Yuen's subsidiaries	272,766	(6,563)	474,860	(174,652)
	$ 4,058,885	$ 828,562	$ 7,575,793	$ 2,262,979
Net cash (outflow) inflow from:				
Operating activities	$ 6,952,954	$ 6,799,825	$ 12,257,091	$ 9,677,336
Investing activities	(1,968,044)	(2,019,052)	(4,261,910)	(3,101,356)
Financing activities	(9,788,910)	(9,002,751)	(7,301,556)	(7,251,047)
Net cash (outflow) inflow	$ (4,804,000)	$ (4,221,978)	$ 693,625	$ (675,067)
Dividends paid to:				
Non-controlling interests of Yue Yuen	$ 2,616,173	$ 2,397,974	$ 2,616,173	$ 2,397,974
Yue Yuen's subsidiaries	$ 65,648	$ 131,589	$ 75,105	$ 217,314

17. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	June 30, 2015	December 31, 2014	June 30, 2014
Investments in associates	$ 27,172,615	$ 25,939,681	$ 25,382,522
Investments in joint ventures	12,898,811	15,131,863	13,680,540
	$ 40,071,426	$ 41,071,544	$ 39,063,062

a. Investments in associates

	June 30, 2015	December 31, 2014	June 30, 2014
Material associates			
Ruen Chen Investment Holding Co., Ltd.	$ 9,181,506	$ 8,471,915	$ 8,083,354
Associates that are not individually material	17,910,993	17,388,674	17,221,635
	27,092,499	25,860,589	25,304,989
Long-term receivable			
Associates that are not individually material	80,116	79,092	77,533
	$ 27,172,615	$ 25,939,681	$ 25,382,522

1) Material associates

Name of Associate	Proportion of Ownership and Voting Rights		
	June 30, 2015	December 31, 2014	June 30, 2014
Ruen Chen Investment Holding Co., Ltd.	20%	20%	20%

The summarised financial information below represents amounts shown in the material associates' financial statements prepared in accordance with IFRSs adjusted by the Group for equity accounting purposes.

Ruen Chen Investment Holding Co., Ltd.

	June 30, 2015	December 31, 2014	June 30, 2014
Assets	$ 2,972,493,402	$ 2,845,485,896	$ 2,644,185,648
Liabilities	(2,913,554,307)	(2,790,298,128)	(2,590,960,342)
Non-controlling interests	(12,735,006)	(12,531,631)	(12,511,974)
Owners of Ruen Chen Investment Holding Co., Ltd.	$ 46,204,089	$ 42,656,137	$ 40,713,332
Proportion of the Group	20%	20%	20%
Equity attributable to the Group	$ 9,240,818	$ 8,531,227	$ 8,142,666
Other adjustments	(59,312)	(59,312)	(59,312)
Carrying amount	$ 9,181,506	$ 8,471,915	$ 8,083,354

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Operating revenue	$ 134,089,017	$ 122,040,828	$ 272,991,817	$ 262,248,043
Net income	$ 5,903,536	$ 4,100,596	$ 10,493,809	$ 6,215,063
Other comprehensive (loss) income	(13,725,578)	8,281,693	(6,772,245)	14,143,837
Total comprehensive (loss) income	$ (7,822,042)	$ 12,382,289	$ 3,721,564	$ 20,358,900

2) Associates that are not individually material

Name of Associates	Proportion of Ownership and Voting Rights June 30, 2015	December 31, 2014	June 30, 2014
Luen Thai Holdings Ltd.	9.74%	9.74%	9.74%
Eagle Nice (International) Holdings Limited	38.42%	38.42%	38.42%
Evermore Chemical Industry Co., Ltd.	29.05%	28.19%	28.19%
San Fang Chemical Industry Co., Ltd.	44.72%	44.72%	44.72%
Elitegroup Computer Systems Co., Ltd.	19.50%	19.51%	19.60%
Ace Top Group Limited	40.00%	40.00%	40.00%
Bigfoot Limited	48.76%	48.76%	48.76%
Enthroned Group Limited	48.76%	48.76%	48.76%
Faith Year Investments Ltd.	30.00%	30.00%	30.00%
Full Pearl International Ltd.	40.04%	40.04%	40.04%
Haicheng Information Technology Co., Ltd.	50.00%	50.00%	50.00%
Hengqin New District of Zhuhai City Baolee Property Management Co., Ltd.	40.00%	40.00%	40.00%
Just Lucky Investments Limited	38.30%	38.30%	38.30%
Kleine Developments Ltd.	33.33%	33.33%	33.33%
Natural Options Limited	38.30%	38.30%	38.30%
Oftenrich Holdings Limited	45.00%	45.00%	45.00%
Original Designs Developments Limited	49.47%	49.47%	49.47%
Pine Wood Industries Limited	37.00%	37.00%	37.00%
Pou Ming Paper Products Manufacturing Co., Ltd.	20.00%	20.00%	20.00%
Prosperlink Limited	38.00%	38.00%	38.00%
Prosperous Industrial (Holdings) Ltd.	30.00%	30.00%	30.00%
Rise Bloom International Limited	38.00%	38.00%	38.00%
Silver Island Trading Ltd.	50.00%	50.00%	50.00%
Supplyline Logistics Ltd.	49.00%	49.00%	49.00%
Talent Pool Management Ltd.	-	-	30.00%
Venture Well Holdings Ltd.	31.55%	31.55%	31.55%
Zhejiang Baohong Sports Goods Company Limited	49.00%	49.00%	49.00%
Zhuhai Poulik Properties Management Co., Ltd.	40.00%	40.00%	40.00%
Nan Pao Resins Chemical Co., Ltd.	21.32%	21.32%	21.32%
Techview International Technology Inc.	50.00%	50.00%	50.00%

a) The summarized financial information below represents amounts shown in the associates that are not individually material which financial statements prepared in accordance with IFRSs adjusted by the Group for equity accounting purposes.

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
The Group's share of:				
Net income	$ 494,349	$ 408,067	$ 876,368	$ 712,020
Other comprehensive (loss) income	(8,176)	(105,830)	137,078	(99,716)
Total comprehensive income	$ 486,173	$ 302,237	$ 1,013,446	$ 612,304

b) Because the Group is able to exercise significant influence over Luen Thai Holdings Ltd., it has the power to appoint the management team of Luen Thai Holdings Ltd. since September 2007.

c) The Group holds less than 20% interest of Elite Computer Systems Co., Ltd. but the Group has the power to appoint three out of the nine directors of Elite Computer Systems Co., Ltd.; therefore, the Group is able to exercise significant influence over Elite Computer Systems Co., Ltd.

d) Fair values (Level 1) of investments in associates that are not individually material with available published price quotation are summarized as follows:

Name of Associate	June 30, 2015	December 31, 2014	June 30, 2014
Luen Thai Holdings Ltd.	$ 685,862	$ 583,810	$ 826,842
Eagle Nice (International) Holdings Limited	$ 1,383,534	$ 1,089,102	$ 843,358
Evermore Chemical Industry Co., Ltd.	$ 333,471	$ 327,437	$ 363,666
San Fang Chemical Industry Co., Ltd.	$ 7,295,933	$ 5,027,686	$ 4,997,460
Elitegroup Computer Systems Co., Ltd.	$ 3,413,346	$ 2,896,996	$ 3,522,758

b. Investments in joint ventures

	June 30, 2015	December 31, 2014	June 30, 2014
Joint ventures that are not individually material	$ 12,318,516	$ 13,798,272	$ 12,650,943
Long-term receivable			
Joint ventures that are not individually material	580,295	1,333,591	1,029,597
	$ 12,898,811	$ 15,131,863	$ 13,680,540

1) At the end of the reporting period, the proportion of ownership and voting rights in joint ventures that are not individually material held by the Group were as follows:

Name of Joint Ventures	Proportion of Ownership and Voting Rights June 30, 2015	December 31, 2014	June 30, 2014
Artesol Limited	50.00%	50.00%	50.00%
Beijing Baojing Kangtai Trading Co., Ltd.	50.00%	50.00%	50.00%
Best Focus Holdings Ltd.	50.00%	50.00%	50.00%
Blessland Enterprises Limited	50.00%	50.00%	50.00%
Cohen Enterprises Inc.	50.00%	50.00%	50.00%
Din Tsun Holding Co., Ltd.	50.00%	50.00%	50.00%
Great Skill Industrial Limited	50.00%	50.00%	50.00%
Guiyang Baoshang Sports Goods Company Limited	50.00%	50.00%	50.00%
Hangzhou Baohong Sports Goods Company Limited	50.00%	50.00%	50.00%
Hefei Tengrei Sports Goods Company Limited	50.00%	50.00%	50.00%
Hua Jian Industrial Holding Co., Limited	50.00%	50.00%	50.00%
Jilin Lingpao Sports Goods Company Limited	50.00%	50.00%	50.00%
Jilin Xinfangwei Sports Goods Company Limited	50.00%	50.00%	50.00%
Jumbo Power Enterprises Limited	50.00%	50.00%	50.00%
Ka Yuen Rubber Factory Limited	50.00%	50.00%	50.00%
Most Honour International Limited	-	-	50.00%
Poulik Properties Management Co., Ltd.	30.00%	30.00%	30.00%
Pygf Co., Ltd.	-	-	50.00%
Shaanxi Jixian Longyue Sports Goods Company Limited	50.00%	50.00%	50.00%
Smart Shine Industries Limited	-	50.00%	50.00%
Texas Clothing Holdings Corp.	49.99%	49.99%	49.99%
Topmost Industries Limited	-	50.00%	50.00%
Twinways Investments Limited	50.00%	50.00%	50.00%
Well Success Investment Limited	-	40.00%	40.00%
Willpower Industries Limited	44.84%	44.84%	44.84%
Zhong Ao Multiplex Management Limited	46.82%	46.82%	46.82%
Hebei Olivier Trading Co., Ltd.	45.00%	45.00%	45.00%

2) The summarized financial information below represents amounts shown in the joint ventures that are not individually material which financial statements prepared in accordance with IFRSs adjusted by the Group for equity accounting purposes:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
The Group's share of:				
Net income	$ 131,499	$ 118,079	$ 373,904	$ 343,954
Other comprehensive income (loss)	6,622	16,783	8,259	(127,530)
Total comprehensive income	$ 138,121	$ 134,862	$ 382,163	$ 216,424

18. PROPERTY, PLANT AND EQUIPMENT

	June 30, 2015	December 31, 2014	June 30, 2014
Land	$ 2,231,822	$ 2,274,190	$ 2,227,980
Buildings and improvements	39,393,072	40,873,305	38,381,589
Machinery and equipment	15,232,972	15,098,413	13,862,763
Transportation equipment	378,996	418,426	396,604
Office equipment	2,081,255	2,060,706	1,856,713
Other equipment	18,360	18,811	20,961
Construction in progress	4,220,402	2,756,603	1,781,095
	$ 63,556,879	$ 63,500,454	$ 58,527,705

a. Except for depreciation expenses recognized, the Group had no significant disposal nor impairment of property, plant and equipment during the three months ended June 30, 2015 and 2014, and six months ended June 30, 2015 and 2014.

b. The above items of property, plant and equipment were depreciated on a straight-line basis over the estimated useful life of the asset:

Items	Estimated Useful Life
Buildings and improvements	
Main buildings	55 years
Elevators	15 years
Machinery and equipment	5-12 years
Transportation equipment	5 years
Office equipment	3-7 years
Other equipment	3-10 years

c. The Group has three parcels of land located in Changhwa County with carrying value of $56,102 thousand. Due to certain restrictions under the land regulations, the ownership for these three parcels of land resides with a trustee through a trust agreement which prohibits the trustee from selling, pledging or hypothecating the property.

19. INVESTMENT PROPERTIES

	June 30, 2015	December 31, 2014	June 30, 2014
Investment properties	$ 2,280,958	$ 2,254,309	$ 2,149,522

a. Except for depreciation expenses recognized, the Group had no significant disposal nor impairment of investment properties during the three months ended June 30, 2015 and 2014, and six months ended June 30, 2015 and 2014.

b. The investment properties were depreciated on a straight-line method over 30-55 years.

c. The fair values of the Group's investment properties as of December 31, 2014 and 2013 was $3,340,521 thousand and $3,072,904 thousand, respectively. The Group's management team evaluated the fair value of investment properties during the six months ended June 30, 2015 and 2014 had not changed significantly.

d. Refer to Note 40 for the carrying amount of investments properties pledged by the Group to secure borrowings.

20. GOODWILL

There is no indication of impairment after the Group's goodwill has been tested at December 31, 2014 and 2013. The Group's management team evaluated goodwill as at June 30, 2015 and 2014 had not changed significantly and impaired.

21. OTHER INTANGIBLE ASSETS

	June 30, 2015	December 31, 2014	June 30, 2014
Patents	$ 559	$ 579	$ 465
Trademark	146	156	37
Customer relationship	96,993	115,048	123,432
Brandnames	2,027,502	2,076,303	1,960,010
Licensing agreements	359,920	393,568	397,175
Non-compete agreements	898,952	1,004,349	1,027,147
	$ 3,384,072	$ 3,590,003	$ 3,508,266

a. Except for amortization recognized, the Group had no significant disposal nor impairment of other intangible assets during the three months ended June 30, 2015 and 2014, and six months ended June 30, 2015 and 2014.

b. The above items of other intangible assets were amortized on a straight-line basis over the estimated useful life of the asset:

Items	Estimated Useful Life
Patents	15-20 years
Trademark	10 years
Customer relationship	8 years
Licensing agreements	10 years
Non-compete agreements	5-20 years

The brandnames are considered by the management of the Group as having indefinite useful life because they are expected to contribute to net cash inflows to the Group indefinitely.

22. BORROWINGS

a. Short-term borrowings

	June 30, 2015	December 31, 2014	June 30, 2014
Unsecured borrowings			
Credit borrowings	$ 14,683,762	$ 18,422,674	$ 16,095,976

The range of effective interest rate on bank borrowings was 0.83%-6.33%, 0.89%-6.33% and 0.87%-6.33%, per annum as of June 30, 2015, December 31, 2014 and June 30, 2014, respectively.

b. Short-term bills payable

June 30, 2015

	Annual Interest Rate %	Amount
Commercial paper	0.58-0.91	$ 2,526,000
Less: Unamortized discount on bills payable		(1,761)
		$ 2,524,239

December 31, 2014

	Annual Interest Rate %	Amount
Commercial paper	0.68-0.91	$ 1,753,000
Less: Unamortized discount on bills payable		(924)
		$ 1,752,076

June 30, 2014

	Annual Interest Rate %	Amount
Commercial paper	0.63-0.91	$ 2,030,000
Less: Unamortized discount on bills payable		(1,414)
		$ 2,028,586

c. Long-term borrowings

	Term	Article	Interest Rate %	June 30, 2015	December 31, 2014	June 30, 2014
Mizuho Bank	2013.03.28-2016.03.28	Facility amount is US$70,000 thousand. The principal will be fully repaid upon maturity. Interest is paid quarterly.	1.13	$ 2,160,200	$ 2,215,500	$ 2,090,550
SMBC	2013.04.16-2016.04.16	Facility amount is US$50,000 thousand. The principal will be fully repaid upon maturity. Interest is paid quarterly.	1.22	1,543,000	1,582,500	1,493,250
Citibank	2013.04.23-2016.04.23	Facility amount is US$40,000 thousand. The principal will be fully repaid upon maturity. Interest is paid quarterly.	1.13	1,234,400	1,266,000	1,194,600
Scotiabank	2013.04.19-2016.04.19	Facility amount is US$70,000 thousand. The principal will be fully repaid upon maturity. Interest is paid quarterly.	1.13	2,160,200	2,215,500	2,090,550
Bank of America	2013.05.10-2016.05.10	Facility amount is US$70,000 thousand. The principal will be fully repaid upon maturity. Interest is paid quarterly.	1.13	2,160,200	2,215,500	2,090,550
HSBC	2013.04.23-2016.04.23	Facility amount is US$50,000 thousand. The principal will be fully repaid upon maturity. Interest is paid quarterly.	1.18	1,543,000	1,582,500	1,493,250
Mizuho Bank	2014.05.27-2019.05.27	Facility amount is US$100,000 thousand. The principal will be fully repaid upon maturity. Interest is paid quarterly.	1.48	3,086,000	3,165,000	-
SMBC	2014.04.25-2019.05.02	Facility amount is US$100,000 thousand. The principal will be fully repaid upon maturity. Interest is paid quarterly.	1.48	3,086,000	3,165,000	-
Scotiabank	2014.05.07-2019.05.14	Facility amount is US$90,000 thousand. The principal will be fully repaid upon maturity. Interest is paid quarterly.	1.48	2,777,400	2,848,500	-
BNP Paribas	2014.05.12-2019.05.14	Facility amount is US$80,000 thousand. The principal will be fully repaid upon maturity. Interest is paid quarterly.	1.48	2,468,800	2,532,000	-
CTBC Bank (lead lender) syndication loan	2011.05.12-2016.06.10	Facility amount is US$300,000 thousand. The principal will be repaid in semiannual installment payments from January 12, 2015. Interest is paid quarterly or semiannually.	0.82	6,943,500	9,495,000	8,959,500
Bank of Taiwan (lead lender) syndication loan	2014.11.12-2020.01.10	Facility amount is US$200,000 thousand. The principal will be repaid in semiannual installment payments from July 12, 2018. Interest is paid monthly, bimonthly, quarterly or semiannually.	1.29	1,543,000	-	-
Mizuho Bank (lead lender) syndication loan	2014.11.12-2020.01.10	Facility amount is US$100,000 thousand. The principal will be repaid in semiannual installment payments from July 12, 2018. Interest is paid bimonthly, quarterly or semiannually.	1.43	771,500	-	-
First Commercial Bank (lead lender) syndication loan	2011.06.29-2016.09.29	Facility amount is $13,000,000 thousand. The principal will be repaid in semiannual installment payments from March 27, 2015. The principal were prepaid $1,250,000 thousand in March 2015. Interest is paid quarterly.	1.45	4,000,000	7,000,000	7,000,000
Bank of Taiwan (lead lender) syndication loan	2013.06.03-2018.06.03	Facility amount is $10,000,000 thousand. The principal will be repaid in semiannual installment payments from December 2, 2016. Interest is paid quarterly.	1.59	10,000,000	10,000,000	10,000,000
Bank of Tokyo-Mistubishi UFJ	2015.03.27-2020.03.27	Facility amount is $1,000,000 thousand. The principal will be repaid in semiannual installment payments from September 27, 2018. Interest is paid quarterly.	1.50	1,000,000	-	-
Mizuho Bank	2015.03.27-2020.03.27	Facility amount is $2,000,000 thousand. The principal will be repaid in semiannual installment payments from September 27, 2018. Interest is paid quarterly.	1.60	2,000,000	-	-
Yuanta Bank	2013.06.13-2016.06.12	Facility amount is $500,000 thousand. The above facility may be used on a revolving basis. The principal will be fully repaid upon maturity. Interest is paid monthly.	1.15-1.17	193,000	500,000	500,000
Chang Hwa Bank	2013.05.07-2019.05.07	Facility amount is $488,000 thousand. The principal will be fully repaid upon maturity. Interest is paid monthly.	2.50	488,000	488,000	488,000
ANZ Bank	2013.02.27-2015.05.09	Facility amount is US$50,000 thousand. The principal will be fully repaid upon maturity. Interest is paid monthly. The principal were fully prepaid in November 2014.	-	-	-	1,441,941
Industrial Bank of Taiwan	2012.12.26-2015.12.25	Facility amount is $400,000 thousand. The above facility may be used on a revolving basis. The principal will be fully repaid upon maturity. Interest is paid monthly. The principal were fully prepaid in October 2014.	-	-	-	250,000
Citibank (lead lender) syndication loan	2011.10.20-2014.10.20	Facility amount is US$350,000 thousand, including HK$2,028,000 thousand and US$90,000 thousand. The principal will be fully repaid upon maturity. Interest is paid semiannually. The principal were fully prepaid in August 2014.	-	-	-	8,377,838
Citic Bank	2012.09.06-2014.09.08	Facility amount is US$14,997 thousand. The principal due in semiannual installments commencing from September 2013. Interest is paid quarterly. The principal were fully repaid in September 2014.	-	-	-	380,702
				49,158,200	50,271,000	47,850,731
Less: Current portion				(21,437,500)	(8,247,500)	(14,190,356)
Less: Long-term expenses for syndication loan				(43,433)	(55,110)	(32,850)
				$ 27,677,267	$ 41,968,390	$ 33,627,525

The Group provided collaterals in accordance with the requirements of the bank, refer to Note 40.

23. NOTES PAYABLE AND ACCOUNTS PAYABLE

	June 30, 2015	December 31, 2014	June 30, 2014
Notes payable (included related parties)			
Operating	$ 50,572	$ 72,550	$ 76,767
Non-operating	5,641	2,267	3,282
	$ 56,213	$ 74,817	$ 80,049
Accounts payable (included related parties)	$ 14,960,437	$ 15,098,035	$ 13,388,680

The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

24. OTHER PAYABLES

	June 30, 2015	December 31, 2014	June 30, 2014
Payable for salaries	$ 10,592,744	$ 11,257,543	$ 9,317,122
Payable for purchase of property, plant and equipment	1,416,860	1,380,791	865,660
Compensation due to directors and supervisors	308,999	323,169	234,371
Employee bonus payable	634,372	536,360	449,064
Interest payable	73,398	121,902	80,320
Payable for acquisition of subsidiary and business	502,524	538,841	542,737
Payable for annual leave	1,335,754	1,248,502	1,224,443
Payable for dividends	4,424,806	-	2,946,867
Others (Note 41)	8,499,364	9,120,931	10,854,464
	$ 27,788,821	$ 24,528,039	$ 26,515,048
Current	$ 27,169,042	$ 23,856,859	$ 25,847,255
Non-current	619,779	671,180	667,793
	$ 27,788,821	$ 24,528,039	$ 26,515,048

25. RETIREMENT BENEFIT PLANS

Employee benefit expenses in respect of the Group’s defined benefit retirement plans were calculated using the actuarially determined pension cost discount rate as of December 31, 2014 and 2013, and recognized in the following line items in their respective periods:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Operating cost	$ 42	$ 127	$ 84	$ 261
Marketing expenses	11	10	21	20

(Continued)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Administration expenses	$ 9,239	$ 8,351	$ 18,177	$ 17,015
Research and development expenses	2,768	2,947	5,629	5,882
	$ 12,060	$ 11,435	$ 23,911	$ 23,178

(Concluded)

26. EQUITY

a. Share capital

	June 30, 2015	December 31, 2014	June 30, 2014
Numbers of shares authorized (in thousands)	4,500,000	4,500,000	4,500,000
Shares authorized	$ 45,000,000	$ 45,000,000	$ 45,000,000
Number of shares issued and fully paid (in thousands)	2,944,137	2,944,137	2,944,137
Shares issued	$ 29,441,372	$ 29,441,372	$ 29,441,372

b. Capital surplus

	June 30, 2015	December 31, 2014	June 30, 2014
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)			
Recognized from issuance of common shares	$ 827,403	$ 827,403	$ 827,403
Recognized from conversion of bonds	1,447,492	1,447,492	1,447,492
Recognized from treasury share transactions	1,824,608	1,824,608	1,824,608
Recognized from the excess of the consideration received over the carrying amount of the subsidiaries' net assets during actual disposal or acquisition	503,573	503,573	465,103
May be used to offset a deficit only (2)			
Recognized from share of changes in equities of subsidiaries	19,788	19,788	19,788
May not be used for any purpose			
Recognized from share of changes in net assets of associates and joint ventures	5,309	4,685	-
	$ 4,628,173	$ 4,627,549	$ 4,584,394

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 (limited to a certain percentage of the Company's capital surplus and once a year).

2) Such capital surplus are recognized from share of changes in equities of subsidiaries that resulted from equity transactions, or from share of changes in capital surplus of subsidiaries accounted by using equity method when there was no actual disposal or acquisition of subsidiaries.

c. Retained earnings and dividend policy

Under the Company Law of the ROC and the Company's Articles of Incorporation, the annual net profits should be appropriated as follows:

1) For paying taxes.

2) For offsetting deficits.

3) For legal reserve at 10% of the profits left over, and according to regulations or a request by the FSC, the special reserve can be reserved and distributed.

4) Bonus to directors and supervisors of the Company of not more than 3%, and bonus to employees of the Company of not more than 5% and not less than 1%, after the items one to three above were appropriated.

5) After adding prior year's accumulated unapproriated earnings and being retained partially, dividends to shareholders as proposed according to stock ownership proportion.

6) For share bonus to qualified employees, including the employees of subsidiaries of the Company meeting specific requirements. Regarding the terms and proportion, the board of directors of the Company is authorized to resolve.

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. As of the date the consolidated financial statements were issued, the Company has not made consequential amendments to the Company's Articles of Incorporation. For information about the accrual basis of the employee remuneration and remuneration to directors and supervisors for the three months ended June 30, 2015 and 2014, and the six months ended June 30, 2015 and 2014, please refer to employee benefits expense in Note 28.

Under Rule No. 1010012865, No. 1010047490 issued by the FSC and the "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs", a special reserve from unappropriated earnings shall be made. The special reserve can be reversed and distributed as retained earnings if such deduction of shareholders' equity reversed.

Appropriation of earnings to legal reserve shall 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 paid-in capital, the excess may be transferred to capital or distributed in cash.

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

The appropriations of earnings for 2014 and 2013 had been approved in the stockholders' meetings on June 12, 2015 and June 17, 2014, respectively, were as follows:

	Appropriation of Earnings		Dividends Per Share (NT$)	
	For Year 2014	For Year 2013	For Year 2014	For Year 2013
Legal reserve	$ 861,550	$ 1,061,945	$ -	$ -
(Reversal) special reserve	(3,571,494)	4,744,957	-	-
Cash dividends	4,416,206	2,944,137	1.50	1.00

d. Other equity item

1) Exchange differences on translation foreign operations

	For the Six Months Ended June 30	
	2015	2014
Balance at January 1	$ 3,345,749	$ 20,776
Exchange differences arising on translation of foreign operations	(1,546,496)	(217,812)
Share of exchange differences of associates and joint ventures accounted for using equity method	(39,775)	(16,303)
Balance at June 30	$ 1,759,478	$ (213,339)

2) Unrealized gain or loss on available-for-sale financial assets

	For the Six Months Ended June 30	
	2015	2014
Balance at January 1	$ (8,954,302)	$ (9,200,823)
Unrealized gain (loss) on available-for-sale financial assets	1,800,929	(24,799)
Unrealized (loss) gain on available-for-sale financial assets of associates and joint ventures accounted for using equity method	(1,197,811)	2,637,091
Balance at June 30	$ (8,351,184)	$ (6,588,531)

e. Non-controlling interests

	For the Six Months Ended June 30	
	2015	2014
Balance at January 1	$ 81,411,376	$ 76,409,295
Share of non-controlling interests		
Net income	3,738,455	1,601,339
Exchange differences arising on translation of foreign operations	92,379	(574,980)
Unrealized gain on available-for-sale financial assets	185,905	10,076
Change in non-controlling interests	(4,945,661)	(2,781,935)
Balance at June 30	$ 80,482,454	$ 74,663,795

f. Treasury shares

The changes in treasury shares were summarized as follows:

	Beginning of Period	Addition	Reduction	End of Period
For the six months ended June 30, 2014				
Shares held by subsidiaries	9,934,059	-	(9,934,059)	-

The Company's shares held by its subsidiaries were deducted total consideration of 9,934,059 shares which were sold by Pou Shine Investments Co., Ltd. and other companies during the six months ended June 30, 2014. And the profit of $218,295 thousand was recognized as capital surplus from treasury shares transactions.

27. REVENUE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Revenue from the products	$ 70,379,364	$ 63,884,894	$ 132,483,630	$ 119,517,892
Revenue from the rendering of services	8,250	30,645	18,860	57,284
Rental income	7,651	7,329	15,459	14,635
Revenue from entertainment and resort	112,210	112,437	241,939	237,721
	$ 70,507,475	$ 64,035,305	$ 132,759,888	$ 119,827,532

28. NET PROFIT FROM CONTINUING OPERATIONS

Net profit from continuing operations consisted of the following:

a. Other income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Rental income				
Rental income from operating lease				
Investment properties	$ 9,040	$ 5,719	$ 18,174	$ 12,360
Others	96,414	82,662	147,172	153,305
	105,454	88,381	165,346	165,665

(Continued)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Interest income				
Cash in bank	$ 108,485	$ 100,371	$ 208,830	$ 183,273
Repurchase agreements collateralized by bonds	2,143	1,470	4,340	1,947
Debt investments with no active market	14,813	20,401	29,162	38,027
Others	987	1,573	1,337	1,609
	126,428	123,815	243,669	224,856
Dividend income	8,234	22,189	8,234	22,189
Others	702,031	293,139	1,205,939	940,174
	$ 942,147	$ 527,524	$ 1,623,188	$ 1,352,884

(Concluded)

b. Other gains and losses

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Net (loss) gain on disposal of property, plant and equipment	$ (176,707)	$ 111,115	$ (219,795)	$ 106,455
Net foreign exchange (loss) gain	(37,007)	(15,742)	136,851	(336,598)
Net gain (loss) on disposal of subsidiaries, associates and joint ventures	138,345	3,522	140,772	(3,107)
Net gain (loss) on disposal of available-for-sale financial assets	77,962	158	77,962	(128,103)
Net gain on disposal of financial assets measured at cost	47,940	19,777	47,940	30,355
Net gain (loss) arising on financial assets designated as at FVTPL	316,022	44,152	334,949	(88,861)
Net gain (loss) arising on financial liabilities designated as at FVTPL	292,705	(63,979)	432,519	(798,270)
Impairment loss	(371,579)	(85,619)	(371,550)	(80,173)
Others	(34,623)	(27,561)	(69,247)	(63,332)
	$ 253,058	$ (14,177)	$ 510,401	$ (1,361,634)

c. Finance costs

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Interest on bank borrowings	$ 289,390	$ 260,610	$ 551,151	$ 518,971
Interest on short-term bills payable	4,496	3,933	8,624	8,810
Other interest expense	7,084	4,478	14,754	9,214
	$ 300,970	$ 269,021	$ 574,529	$ 536,995

d. Depreciation and amortization

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Property, plant and equipment	$ 1,953,426	$ 1,750,143	$ 3,892,838	$ 3,520,916
Investment properties	7,005	5,846	14,063	11,717
Other intangible assets	61,037	59,394	122,899	116,011
Prepayments for lease	48,420	43,903	98,645	87,293
	$ 2,069,888	$ 1,859,286	$ 4,128,445	$ 3,735,937
An analysis of depreciation by function				
Operating costs	$ 1,213,476	$ 1,097,721	$ 2,478,435	$ 2,243,536
Operating expenses	745,043	656,163	1,424,617	1,284,872
Non-operating expenses	1,912	2,105	3,849	4,225
	$ 1,960,431	$ 1,755,989	$ 3,906,901	$ 3,532,633
An analysis of amortization by function				
Operating costs	$ 300	$ 293	$ 607	$ 588
Operating expenses	109,157	103,004	220,937	202,716
	$ 109,457	$ 103,297	$ 221,544	$ 203,304

e. Direct operating expenses from investment properties

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Direct operating expenses from investment properties that generated rental income	$ 12,220	$ 11,649	$ 21,423	$ 19,835

f. Employee benefits expense

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Post-employment benefits				
Defined contribution plans	$ 2,263,037	$ 3,202,832	$ 3,991,385	$ 4,114,013
Defined benefit plans	12,060	11,435	23,911	23,178
	2,275,097	3,214,267	4,015,296	4,137,191
Share-based payments				
Equity-settled	16,712	(421)	31,402	(845)
Termination benefits	6,406	8,712	8,777	9,962
Other employee benefits (Note 41)	15,306,456	15,244,261	30,193,566	29,199,693
Total employee benefits expense	$ 17,604,671	$ 18,466,819	$ 34,249,041	$ 33,346,001
An analysis of employee benefits expense by function				
Operating costs	$ 12,476,389	$ 11,882,896	$ 24,382,505	$ 22,557,077
Operating expenses	5,128,282	6,583,923	9,866,536	10,788,924
	$ 17,604,671	$ 18,466,819	$ 34,249,041	$ 33,346,001

As of June 30, 2015 and 2014, there were 409,628 and 420,669 employees, respectively, in the Group.

Under the Company Act as amended in May 2015, the Company's Articles of Incorporation should stipulate a fixed amount or ratio of annual profit to be distributed as employee remuneration. However, the Company has not made consequential amendments to its policies for distribution of employee remuneration. The bonus to employees and remuneration to directors and supervisors which were accrued (reversal) based on estimated amount of past payment experience according to the articles of incorporation, were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Bonus to employees	$ (1,807)	$ 55,602	$ 99,542	$128,922
Remuneration to directors and supervisors	(1,675)	28,224	49,771	65,442

The appropriations of bonuses to employees and remuneration to directors and supervisors for 2014 and 2013 had been approved in the stockholders' meetings on June 12, 2015 and June 17, 2014, respectively, were as follows:

	2014		2013	
	Cash Dividend	Share Dividend	Cash Dividend	Share Dividend
Bonus to employees	$ 334,667	$ -	$ 142,211	$ -
Remuneration to directors and supervisors	169,882	-	72,188	-

There was no difference between the amounts of the bonus to employees and the remuneration to directors and supervisors approved in the shareholders' meetings on June 12, 2015 and June 17, 2014 and the amounts recognized in the consolidated financial statements for the years ended December 31, 2014 and 2013, respectively.

Information about the bonus to employees, directors and supervisors approved by the Company's shareholder's meeting is available on the Market Observation Post System website of the Taiwan Stock Exchange.

29. INCOME TAXES

a. Income tax recognized in profit or loss

The major components of tax expense (income) were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	**2014**	**2015**	**2014**
Current tax				
In respect of the current period	$ 770,568	$ 298,420	$ 1,417,450	$ 893,824
Income tax expense of unappropriated earnings	671,954	186,848	671,954	186,848
	1,442,522	485,268	2,089,404	1,080,672
Deferred tax	8,209	10,855	8,969	27,864
Adjustments for prior year's income tax	1,694	(140)	1,694	(140)
Income tax expense recognized in profit or loss	$ 1,452,425	$ 495,983	$ 2,100,067	$ 1,108,396

b. Integrated income tax

	June 30, 2015	December 31, 2014	June 30, 2014
Unappropriated earnings			
Generated before January 1, 1998	$ 221,425	$ 221,425	$ 221,425
Generated on and after January 1, 1998	26,526,755	23,453,881	17,233,282
	$ 26,748,180	$ 23,675,306	$ 17,454,707
Imputation credits accounts	$ 2,239,410	$ 1,526,476	$ 1,392,486

	For the Year Ended December 31	
	2014 (Expected)	**2013 (Actual)**
Creditable ratio for distribution of earning	9.22%	9.35%

c. Income tax assessments

The tax returns of the Company through 2011 have been assessed by the tax authorities.

30. EARNINGS PER SHARE

The basic earnings per share and diluted earnings per share for the three months ended June 30, 2015 and 2014, and six months ended June 30, 2015 and 2014 were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Net income (in thousand dollars)				
Earnings used in the computation of earnings per share	$ 2,682,646	$ 1,152,291	$ 4,779,136	$ 2,205,203
Weighted average number of shares outstanding (in thousand shares)				
Weighted average number of common shares used in the computation of basic earnings per share	2,944,137	2,944,137	2,944,137	2,944,137
Effect of potentially dilutive common shares:				
Employee share options	85,921	70,292	85,681	75,381
Bonus to employees	8,887	6,864	9,549	7,192
Weighted average number of common shares used in the computation of diluted earnings per share	3,038,945	3,021,293	3,039,367	3,026,710
Earnings per share (in dollars)				
Basic earnings per share	$0.91	$0.39	$1.62	$0.75
Diluted earnings per share	$0.88	$0.38	$1.57	$0.73

If the Company offered to settle the bonuses paid to employees by cash or shares, the Company assumed the entire amount of the bonus would be settled in shares and the resulting potential shares were be 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 shareholders resolve the number of shares to be distributed to employees at their meeting in the following year.

31. SHARE-BASED PAYMENT ARRANGEMENTS

Information about Pou Chen's Employee Share Options

No share options were issued during the six months ended June 30, 2015 and 2014. Information about outstanding share options was as follows:

	For the Six Months Ended June 30			
	2015		2014	
Employee Share Options	Number of Shares Purchasable (Thousand Shares)	Weighted-average Exercise Price (NT$)	Number of Shares Purchasable (Thousand Shares)	Weighted-average Exercise Price (NT$)
Balance at January 1	148,441	$ 18.70	148,441	$ 19.20
Options exercised	-	-	-	-
Balance at June 30	148,441	18.70	148,441	19.20
Exercisable options at June 30	148,441	18.70	148,441	19.20

Information about outstanding employee share options as of June 30, 2015, December 31, 2014 and June 30, 2014 was as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Exercise price (NT$)	$18.70	$18.70	$19.20
Weighted-average remaining contractual life (years)	2.35 years	2.85 years	3.35 years

Information about Yue Yuen's Employee Share Options

No awarded shares were granted during the six months ended June 30, 2015 and 2014. Information about the awards was as follows:

	For the Six Months Ended June 30, 2015
	Number of Shares (Thousand Shares)
Balance at January 1	1,485
Options cancelled	(45)
Balance at June 30	1,440

Yue Yuen recognized $26,830 thousand compensation cost for the six months ended June 30, 2015.

Information about Pou Sheng's Employee Share Options

a. No share options were issued during the six months ended June 30, 2015 and 2014. Information about outstanding share options was as follows:

	For the Six Months Ended June 30			
	2015		2014	
Employee Share Options	**Number of Shares Purchasable (Thousand Shares)**	**Weighted-average Exercise Price (HK$)**	**Number of Shares Purchasable (Thousand Shares)**	**Weighted-average Exercise Price (HK$)**
Balance at January 1	55,012	$ 1.39	57,067	$ 1.38
Options cancelled	-	-	(1,605)	1.33
Balance at June 30	55,012	1.39	55,462	1.39
Exercisable options at June 30	54,637	1.39	49,462	1.41

Information about outstanding employee share options as of June 30, 2015, December 31, 2014 and June 30, 2014, was as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Range of exercise price (HK$)	$1.05-$1.62	$1.05-$1.62	$1.05-$1.62
Weighted-average remaining contractual life (years)	3.18 years	3.62 years	4.18 years

Pou Sheng recognized $409 thousand and $(845) thousand compensation cost (income) for the six months ended June 30, 2015 and 2014, respectively.

b. During the six months ended June 30, 2015, a total of 8,900 thousand shares were granted to selected participants by Pou Sheng. Information about the awards was as follows:

	For the Six Months Ended June 30, 2015
	Number of Shares (Thousand Shares)
Balance at January 1	11,500
Options granted	8,900
Options cancelled	(1,492)
Balance at June 30	18,908

Pou Sheng recognized $4,163 thousand compensation cost for the six months ended June 30, 2015.

32. BUSINESS COMBINATIONS

a. The Group acquired sports marketing and agency businesses from independent third parties at a consideration of $80,020 thousand (US$2,593 thousand) in second quarter of 2015. The amount of goodwill arising from the acquisition was $47,710 thousand (US$1,546 thousand). Net cash outflow from above transactions was $63,572 thousand (US$2,060 thousand).

b. The Group acquired of subsidiaries in second quarter of 2014 as follows:

	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
Welcome Wealth Group	Retailing of sporting goods	2014.04.07	100	$ 201,887

The Group acquired these subsidiaries in order to continue the expansion of the Group's retailing of sporting goods and brand licensing business.

1) Considerations transferred

Cash and cash equivalents	$ 201,887

2) Assets acquired and liabilities assumed at the date of acquisition

Assets	
Cash and cash equivalents	$ 60,297
Receivables and other receivables	175,397
Inventories	130,660
Property, plant and equipment	3,255
Intangible assets	176,204
Others	20,995
Liabilities	
Bank borrowings	(98,555)
Payables and other payables	(224,465)
Deferred tax liabilities	(41,901)
	$ 201,887

3) Net cash outflow on acquisition of subsidiaries

Consideration paid in cash	$ 201,887
Less: Cash and cash equivalent balances acquired	(60,297)
	$ 141,590

33. DISPOSAL OF SUBSIDIARIES

a. The Group dispose of subsidiaries in second quarter of 2015, the assets and liabilities on the date of disposal were as follows:

Assets	
Cash and cash equivalents	$ 58,325
Receivables and other receivables	258,144
Inventories	104,615
Other current assets	21,941
Property, plant and equipment	107,300
Liabilities	
Bank borrowings	(9,320)
Payables and other payables	(224,414)
	$ 316,591

1) Gain on disposal of subsidiaries

Net assets disposed of	$ 316,591
Less: Non-controlling interests	(175,933)
Net value of net assets disposed of	$ 140,658
Consideration received in cash and cash equivalents	$ 146,332
Net value of net assets disposed of	(140,658)
Gain on disposal	$ 5,674

2) Net cash inflow on disposal of subsidiaries

Consideration received in cash and cash equivalents	$ 146,332
Less: Cash and cash equivalents balance disposed of	(58,325)
	$ 88,007

b. The Group dispose of subsidiaries in second quarter of 2014, the assets and liabilities on the date of disposal were as follows:

Assets	
Cash and cash equivalents	$ 53,578
Receivables and other receivables	247,909
Inventories	152,491
Property, plant and equipment	66,957
Liabilities	
Payables and other payables	(185,730)
	$ 335,205

1) Gain on disposal of subsidiaries

Net assets disposed of	$ 335,205
Less: Non-controlling interests	(162,973)
Cumulative exchange differences reclassified from equity to profit or loss on loss of control of subsidiary	(657)
Net value of net assets disposed of	$ 171,575
Consideration received in investments accounted for using equity method	$ 168,228
Consideration received in cash and cash equivalents	6,779
	175,007
Net value of net assets disposed of	(171,575)
Gain on disposal	$ 3,432

2) Net cash outflow on disposal of subsidiaries

Consideration received in cash and cash equivalents	$ 6,779
Less: Cash and cash equivalents balance disposed of	(53,578)
	$ (46,799)

34. NON-CASH TRANSACTIONS

For the six months ended June 30, 2014, the Group entered into non-cash investing activities which refer to the investments accounted for using equity method received as consideration in the disposal of subsidiaries (see Note 33).

35. OPERATING LEASES ARRANGEMENTS

a. The Group as lessee

The future minimum lease payments of non-cancellable operating leases commitments were as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Not later than 1 year	$ 1,775,376	$ 1,679,096	$ 1,432,236
Later than 1 year and not later than 5 years	2,364,586	2,047,628	1,290,944
Later than 5 years	1,373,887	1,508,281	1,170,589
	$ 5,513,849	$ 5,235,005	$ 3,893,769

b. The Group as lessor

The future minimum lease payments of non-cancellable operating leases commitments were as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Not later than 1 year	$ 414,203	$ 290,294	$ 271,324
Later than 1 year and not later than 5 years	554,554	512,857	455,620
Later than 5 years	958,326	1,073,568	999,522
	$ 1,927,083	$ 1,876,719	$ 1,726,466

36. EXPLANATORY COMMENTS ABOUT THE SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

The Group's industry is not seasonal in nature. Based on historical experience, the sales of the Group do not concentrate on specific season.

37. CAPITAL MANAGEMENT

The Group's capital management policy is to ensure the Group has sufficient financial resources and operating plans to balance the working capital, capital expenditure, research and development expenditure, repayment of debt and dividends paid to shareholders within twelve months.

38. FINANCIAL INSTRUMENTS

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

Financial assets and financial liabilities that are not measured at fair value were as follows:

	June 30, 2015		December 31, 2014		June 30, 2014	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets						
Debt investments with no active market	$ 2,176,229	$ 2,176,229	$ 2,929,926	$ 2,929,926	$ 2,599,750	$ 2,599,750
Other loans and receivables	71,752,731	71,752,731	70,579,412	70,579,412	66,855,535	66,855,535
Financial assets directly associated with non-current assets held for sale	-	-	245,066	245,066	-	-
Financial liabilities						
Bank borrowings	63,798,529	63,798,529	68,638,564	68,638,564	63,913,857	63,913,857
Short-term bills payable	2,524,239	2,524,239	1,752,076	1,752,076	2,028,586	2,028,586
Financial liabilities measured at amortized cost	42,833,510	42,833,510	39,730,216	39,730,216	40,011,464	40,011,464
Financial liabilities directly associated with non-current assets held for sale	-	-	180,911	180,911	-	-

The above fair value measurements are measured at Level 3 fair value.

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

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 and 2 based on the degree to which the fair value is observable:

1) Level 1 fair value measurements are those derived from quoted prices in active market for identical assets or liabilities.

	June 30, 2015	December 31, 2014	June 30, 2014
Financial assets			
Financial assets at FVTPL			
Domestic open-ended mutual funds	$ 75,262	$ 147,324	$ 77,293
Available-for-sale financial assets			
Domestic listed securities			
Equity investment	15,528,747	13,397,793	13,627,743
Foreign listed securities			
Equity investment	510,373	739,861	761,292

2) Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

	June 30, 2015	December 31, 2014	June 30, 2014
Financial assets			
Financial assets at FVTPL			
Derivative financial instruments	$ 211,546	$ 80,361	$ 53,031
Financial assets designated as at FVTPL	639,823	337,449	607,305
Financial liabilities			
Financial liabilities at FVTPL			
Derivative financial instruments	162,967	674,234	752,758

Valuation techniques and assumptions applied for the purpose of measuring fair value

The fair value of financial assets and financial liabilities are determined as follows:

a) The fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices (includes listed bonds). Where such prices were not available, valuation techniques were applied. The estimates and assumptions used by the Group are consistent with those that market participants would use in setting a price for the financial instrument.

b) The fair value of derivative instruments were calculated using quoted prices. When such prices were not available, a valuation method was used and the estimates and assumptions used by the Group are consistent with those that market participants would use in setting a price for the financial instrument.

c. Categories of financial instruments

		June 30, 2015		December 31, 2014		June 30, 2014
Financial assets						
Fair value through profit or loss (FVTPL)						
Held for trading	$	286,808	$	227,685	$	130,324
Designated as at FVTPL		639,823		337,449		607,305
Loans and receivables (Note 1)		73,928,960		73,754,404		69,455,285
Available-for-sale financial assets		16,039,120		14,137,654		14,389,035
Financial assets measured at cost		631,870		741,401		760,249
Investments accounted for using equity method		40,071,426		41,071,544		39,063,062
Financial liabilities						
Fair value through profit or loss (FVTPL)						
Held for trading		162,967		674,234		752,758
Amortized cost (Note 2)		109,156,278		110,301,767		105,953,907

Note 1: The balances included loans and receivables measured at amortized cost, which comprise cash and cash equivalents, debt investments with no active market, notes receivable, accounts receivable, other receivables, refundable deposits and financial assets directly associated with non-current assets held for sale.

Note 2: The balances included financial liabilities measured at amortized cost, which comprise short-term borrowings, short-term bills payable, notes payable, accounts payable, other payables, long-term borrowings, long-term payables, guarantee deposits and financial liabilities directly associated with non-current assets held for sale.

d. Financial risk management objectives and policies

The Group's major financial instruments included equity investments, borrowings, receivables, payables, refundable deposits and guarantee deposits. The Group's treasury function monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include exchange rate risk, interest rate risk, credit risk and liquidity risk.

1) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

a) Foreign currency risk

The Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing forward foreign exchange contracts and other derivate instruments.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities and the carrying amount of the derivatives exposing to foreign currency risk at the end of the reporting period are set out in Note 42.

Sensitivity analysis

The Group was mainly exposed to the USD, RMB, HKD, VND and IDR.

The following table details the Group's sensitivity to 5% increase (decrease) in New Taiwan dollars (the functional currency) against the relevant foreign currencies. A positive (negative) number below indicates an increase (decrease) in pre-tax profit with New Taiwan dollars strengthened (weakened) 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 pre-tax profit and the balances below would be negative.

	For the Six Months Ended June 30	
	2015	**2014**
USD	$ (41,508)	$ 148,012
RMB	(391,898)	(360,782)
HKD	(72,114)	198,870
VND	18,659	3,169
IDR	(30,161)	(6,048)

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. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings, and using interest rate swap contracts and forward interest rate contracts.

The carrying amounts of the Group's financial liabilities with exposure to interest rates at the end of the reporting periods were as follows.

	June 30, 2015	**December 31, 2014**	**June 30, 2014**
Cash flow interest rate risk			
Financial liabilities	$ 66,322,768	$ 70,390,640	$ 65,942,443

Sensitivity analysis

The sensitivity analyses below were based on the Group's floating rate liabilities. The analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole period. If 1% increase in interest rate would cause the Group to increase its cash-out by $331,614 thousand and $329,712 thousand during the six months ended June 30, 2015 and 2014, respectively.

c) Other price risk

The Group was exposed to equity price risk through its investments in listed equity securities and mutual funds. The investments are held for strategic rather than trading purposes. The Group does not actively trade these investments.

Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period. If equity price declined by 1%, the fair value of the investments at June 30, 2015, December 31, 2014 and June 30, 2014 would have decrease by $291,750 thousand, $242,130 thousand and $250,213 thousand, respectively.

2) Credit risk

Financial instruments are evaluated for credit risk which represents the potential loss that would be incurred by the Company if the counter-parties or third-parties breached the contracts. The risk includes centralization of credit risk, components, contracts figure, and its accounts receivable. Besides, the Company requires significant clients to provide guarantees or other rights to reduce credit risk of the Company effectively.

3) Liquidity risk

The Group manages liquidity risk by monitoring and 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 utilization of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As of June 30, 2015, December 31, 2014 and June 30, 2014, the Group had available unutilized short-term bank borrowing facilities set out in (c) below.

a) Liquidity and interest rate risk tables for non-derivative financial liabilities

The tables had been drawn up based on the undiscounted cash flows of financial liabilities included both interest and principal from the earliest date on which the Group can be required to pay.

June 30, 2015

	Weighted Average Effective Interest Rate (%)	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities						
Non-interest bearing	-	$ 17,641,058	$ 15,342,415	$ 8,734,022	$ 773,198	$ 3,577
Variable interest rate liabilities	1.29	2,198,262	2,773,944	25,534,489	27,527,417	-
Fixed interest rate liabilities	1.13	4,280,960	1,817,200	-	3,000,000	-
Financial guarantee contracts	-	3,571,027	-	-	-	-
		$ 27,691,307	$ 19,933,559	$ 34,268,511	$ 31,300,615	$ 3,577

December 31, 2014

	Weighted Average Effective Interest Rate (%)	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities						
Non-interest bearing	-	$ 18,306,516	$ 12,807,620	$ 7,350,336	$ 809,894	$ 12,923
Variable interest rate liabilities	1.24	8,411,897	3,817,616	14,500,122	42,137,257	-
Fixed interest rate liabilities	0.99	2,483,105	-	-	-	-
Financial guarantee contracts	-	3,184,022	-	-	-	-
		$ 32,385,540	$ 16,625,236	$ 21,850,458	$ 42,947,151	$ 12,923

June 30, 2014

	Weighted Average Effective Interest Rate (%)	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Non-derivative financial liabilities						
Non-interest bearing	-	$ 21,970,010	$ 11,487,964	$ 4,947,836	$ 695,857	$ 140,503
Variable interest rate liabilities	1.55	6,830,936	1,903,972	23,104,234	32,967,477	-
Fixed interest rate liabilities	1.11	1,471,425	-	-	-	-
Financial guarantee contracts	-	3,008,033	-	-	-	-
		$ 33,280,404	$ 13,391,936	$ 28,052,070	$ 33,663,334	$ 140,503

The amounts included above for variable interest rate instruments for both non-derivative financial liabilities was subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

b) Liquidity and interest rate risk tables for derivative financial liabilities

The following table detailed the Group's liquidity analysis for its derivative financial instruments. The table was based on the undiscounted contractual net cash inflows and outflows on derivative instruments. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting period.

June 30, 2015

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Interest rate swaps contracts	$ -	$ -	$ -	$ 35,049	$ -
Forward exchange contracts	62,664	-	-	-	-
Exchange rate option contracts	41,886	1,507	13,860	-	-
Cross-currency swap contracts	-	6,491	275	-	-
Exchange rate swaps contracts	1,235	-	-	-	-
	$ 105,785	$ 7,998	$ 14,135	$ 35,049	$ -

December 31, 2014

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Interest rate swaps contracts	$ -	$ -	$ -	$ 38,039	$ -
Forward exchange contracts	319,085	-	-	-	-
Exchange rate option contracts	150,452	-	63,695	102,963	-
	$ 469,537	$ -	$ 63,695	$ 141,002	$ -

June 30, 2014

	On Demand or Less than 1 Month	1-3 Months	3 Months to 1 Year	1-5 Years	5+ Years
Interest rate swaps contracts	$ -	$ -	$ 753	$ 27,484	$ -
Forward exchange contracts	582,758	-	-	-	-
Cross-currency swap contracts	-	-	17,731	-	-
Exchange rate option contracts	-	1	350	117,320	-
Exchange rate swaps contracts	6,361	-	-	-	-
	$ 589,119	$ 1	$ 18,834	$ 144,804	$ -

c) Financing facilities

	June 30, 2015	December 31, 2014	June 30, 2014
Unsecured bank facility, reviewed annually:			
Amount used	$ 66,097,729	$ 70,130,128	$ 65,687,198
Amount unused	30,881,640	33,097,962	33,663,890
	$ 96,979,369	$ 103,228,090	$ 99,351,088
Secured bank facility:			
Amount used	$ 488,000	$ 488,000	$ 488,000
Amount unused	-	-	-
	$ 488,000	$ 488,000	$ 488,000

e. Offsetting financial assets and financial liabilities

The Group is eligible to present certain derivative assets and derivative liabilities on a net basis on the balance sheet since the offsetting criteria are met.

The tables below present the quantitative information on financial assets and financial liabilities that have been offset in the balance sheet or that are covered by enforceable master netting arrangements or similar agreements.

June 30, 2015

Financial Assets	Gross Amounts of Recognized Financial Assets	Gross Amounts of Recognized Financial Assets Set Off in the Balance Sheet	Net Amounts of Financial Assets Presented in the Balance Sheet	Related Amounts Not Set Off in the Balance Sheet		Net Amount
				Financial Instruments	Cash Collateral Received	
Derivatives	$ 211,546	$ -	$ 211,546	$ -	$ -	$ 211,546

Financial Liabilities	Gross Amounts of Recognized Financial Liabilities	Gross Amounts of Recognized Financial Assets Set Off in the Balance Sheet	Net Amounts of Financial Liabilities Presented in the Balance Sheet	Related Amounts Not Set Off in the Balance Sheet		Net Amount
				Financial Instruments	Cash Collateral Pledged	
Derivatives	$ 162,967	$ -	$ 162,967	$ -	$ -	$ 162,967

December 31, 2014

Financial Assets	Gross Amounts of Recognized Financial Assets	Gross Amounts of Recognized Financial Assets Set Off in the Balance Sheet	Net Amounts of Financial Assets Presented in the Balance Sheet	Related Amounts Not Set Off in the Balance Sheet		Net Amount
				Financial Instruments	Cash Collateral Received	
Derivatives	$ 80,361	$ -	$ 80,361	$ -	$ -	$ 80,361

Financial Liabilities	Gross Amounts of Recognized Financial Liabilities	Gross Amounts of Recognized Financial Assets Set Off in the Balance Sheet	Net Amounts of Financial Liabilities Presented in the Balance Sheet	Related Amounts Not Set Off in the Balance Sheet		Net Amount
				Financial Instruments	Cash Collateral Pledged	
Derivatives	$ 674,234	$ -	$ 674,234	$ -	$ -	$ 674,234

June 30, 2014

Financial Assets	Gross Amounts of Recognized Financial Assets	Gross Amounts of Recognized Financial Assets Set Off in the Balance Sheet	Net Amounts of Financial Assets Presented in the Balance Sheet	Related Amounts Not Set Off in the Balance Sheet		Net Amount
				Financial Instruments	Cash Collateral Received	
Derivatives	$ 53,051	$ (20)	$ 53,031	$ -	$ -	$ 53,031

Financial Liabilities	Gross Amounts of Recognized Financial Liabilities	Gross Amounts of Recognized Financial Assets Set Off in the Balance Sheet	Net Amounts of Financial Liabilities Presented in the Balance Sheet	Related Amounts Not Set Off in the Balance Sheet		Net Amount
				Financial Instruments	Cash Collateral Pledged	
Derivatives	$ 752,778	$ (20)	$ 752,758	$ -	$ -	$ 752,758

39. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

a. Operating revenue

Account Items	Related Party Categories	For the Three Months Ended June 30		For the Six Months Ended June 30	
		2015	2014	2015	2014
Sales	Associates and joint ventures	$ 261,851	$ 354,951	$ 523,581	$ 409,085
	Others	-	6,745	-	6,869
		$ 261,851	$ 361,696	$ 523,581	$ 415,954

Sales to related parties have prices and receivable terms that have no significant differences with non-related parties.

b. Purchases

Related Party Categories	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Associates and joint ventures	$ 1,734,203	$ 1,444,023	$ 3,362,247	$ 2,831,416

Purchases from related parties have prices and payment terms that have no significant differences with non-related parties.

c. Receivables from related parties

Account Items	Related Party Categories	June 30, 2015	December 31, 2014	June 30, 2014
Notes receivable, accounts receivable	Associates and joint ventures	$ 209,797	$ 189,553	$ 237,660
	Others	-	-	7,083
		$ 209,797	$ 189,553	$ 244,743

No expense was recognized for the six months ended June 30, 2015 and 2014 for allowance for impaired accounts receivable with respect to the amounts owed by related parties.

d. Payables to related parties

Account Items	Related Party Categories	June 30, 2015	December 31, 2014	June 30, 2014
Notes payable, accounts payable	Associates and joint ventures	$ 1,789,673	$ 1,755,525	$ 1,755,198

e. Compensation of key management personnel

The amounts of the remuneration of directors and other members of key management personnel were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Short-term employee benefits	$ 21,774	$ 64,039	$ 101,688	$ 132,755
Post-employment benefits	386	499	856	988
	$ 22,160	$ 64,538	$ 102,544	$ 133,743

The remuneration of directors and key management personnel was determined by the remuneration committee having regard to the performance of individuals and market trends.

40. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings and operation:

	June 30, 2015	December 31, 2014	June 30, 2014
Debt investmtnets with no active market	$ 30,380	$ 21,542	$ 33,830
Investment properties	664,614	657,296	657,296
	$ 694,994	$ 678,838	$ 691,126

41. SIGNIFICANT COMMITMENTS AND UNRECOGNIZED LIABILITIES

a. Outstanding letters of credit of the Group at the end of reporting period were as follows:

(Units: In Thousands of Foreign Currencies)

Currencies	June 30, 2015	December 31, 2014	June 30, 2014
USD	$ 5,157	$ 3,571	$ 5,265
EUR	547	555	487
HKD	100	100	100
IDR	14,191,494	12,901,016	8,365,375

b. The Company invests in Nan Shan Life Insurance Co., Ltd. through Ruen Chen Investment Holding Co., Ltd. According to a request by the FSC, the Company provides shares of Yue Yuen in the custody during the period from June 27, 2011 to June 27, 2021. The Company will not disposal or do encumbrance to the shares of Wealthplus which is equal to the shares of Yue Yuen during the trust period.

c. Because of the Company's investment in Nan Shan Life Insurance Co., Ltd. through Ruen Chen Investment Holding Co., Ltd., the Company received a request by the FSC for the Company to provide 490,000 thousand ordinary shares of Ruen Chen in the custody of the trust department of First Bank, and the trust period is ten years.

d. Yue Yuen's factory in China, Gaobu Factory, took a big strike on April 14, 2014 to strive for adjustments of social insurance benefit and housing provident fund (collectively, the "Employee Benefit Payments"). Yue Yuen had reviewed its employee benefits policy in China following the Gaobu Factory incident. After such review, Yue Yuen's board of directors also decided to raise contributions to the Employee Benefit Payments for employees of Yue Yuen's other factories in China, in additions to the Gaobu Factory (the "Other Factories"). The main reasons for making the Employee Benefit Contributions are to assist Yue Yuen in staff retention and recruitment under the increasingly competitive labor market conditions in China so as to ensure Yue Yuen's normal business operation and production in the Other Factories.

   Set out below is a summary of the provisions for contributions to and adjustments of Employee Benefit Payments for Gaobu Factory and the Other Factories:

   1) Provision for additional Employee Benefit Payments of Gaobu Factory and the Other Factories is estimated to be US$37,000 thousand and US$53,000 thousand, respectively. This provision had been reflected in the consolidated financial results for the year ended December 31, 2014. As of June 30, 2015, the increased contribution for Employee Benefit Payments in the amount of US$66,600 thousand had been paid.

   2) Adjustment of Employee Benefit Payments and monthly living allowance of Gaobu Factory and the Other Factories is estimated to be US$31,000 thousand and US$46,000 thousand, respectively. This provision had been reflected in the consolidated financial results for the year ended December 31, 2014.

42. 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:

Unit: In Thousands of Foreign Currencies/ In Thousands of New Taiwan Dollars

June 30, 2015

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 78,223	30.860	$ 2,413,981
NTD	173,711	1	173,711
RMB	1,786,382	4.973	8,883,675
HKD	403,522	3.980	1,606,019
VND	275,227,737	0.00137	377,062
IDR	365,843,348	0.00233	852,415
Non-monetary items			
NTD	829,085	1	829,085
HKD	64,131	3.980	255,243

(Continued)

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial liabilities			
Monetary items			
USD	$ 51,325	30.860	$ 1,583,904
NTD	1,139,635	1	1,139,635
RMB	212,482	4.973	1,056,673
HKD	41,153	3.980	163,788
VND	541,784,672	0.00137	742,245
IDR	114,500,000	0.00233	266,785

(Concluded)

December 31, 2014

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 101,265	31.650	$ 3,205,044
NTD	62,610	1	62,610
RMB	2,048,491	5.092	10,430,916
HKD	53,787	4.080	219,449
VND	556,619,580	0.00143	795,966
IDR	181,448,062	0.00258	468,136
Non-monetary items			
NTD	407,551	1	407,551
HKD	110,526	4.080	450,946
Financial liabilities			
Monetary items			
USD	109,551	31.650	3,467,293
NTD	1,061,495	1	1,061,495
RMB	248,957	5.092	1,267,689
HKD	50,850	4.080	207,466
VND	505,404,196	0.00143	722,728
IDR	114,786,434	0.00258	296,149

June 30, 2014

	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
USD	$ 81,415	29.865	$ 2,431,444
NTD	172,769	1	172,769
RMB	1,782,477	4.811	8,575,499
HKD	666,927	3.853	2,569,668
VND	345,078,676	0.00136	469,307
IDR	130,461,660	0.00253	330,068
Non-monetary items			
NTD	405,835	1	405,835
HKD	116,118	3.853	447,402
Financial liabilities			
Monetary items			
USD	180,551	29.865	5,392,167
NTD	1,127,109	1	1,127,109
RMB	285,457	4.811	1,373,333
HKD	1,697,339	3.853	6,539,848
VND	390,352,941	0.00136	530,880
IDR	83,940,711	0.00253	212,370

For the three months ended June 30, 2015 and 2014, and six months ended June 30, 2015 and 2014, net foreign exchange (losses) gains were $(37,007) thousand, $(15,742) thousand, $136,851 thousand and $(336,598) 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.

43. SEGMENT INFORMATION

a. Information about reportable segments

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. Specifically, the Group's reportable segments were as follows:

1) Manufacturing of shoes and apparel;
2) Retailing of sporting goods and brand licensing business;
3) Others.

b. Segment revenues and results

The Group's revenue and results by reportable segment were as follows:

For the six months ended June 30, 2015

	Manufacturing of Shoes and Apparel	Retailing of Sporting Goods and Brand Licensing Business	Others	Total
Revenues from external customers	$ 95,453,204	$ 36,978,879	$ 327,805	$ 132,759,888
Segment income	$ 12,649,669	$ 3,006,159	$ 206,806	$ 15,862,634
Administrative cost, remuneration to directors and supervisors				(9,963,234)
Rental income				165,346
Interest income				243,669
Dividend income				8,234
Other income				1,205,939
Net loss on disposal of property, plant and equipment				(219,795)
Net foreign exchange gain				136,851
Net gain on disposal of subsidiaries, associates and joint ventures				140,772
Net gain on disposal of available-for-sale financial assets				77,962
Net gain on disposal of financial assets measured at cost				47,940
Net gain arising on financial assets designated as at FVTPL				334,949
Net gain arising on financial liabilities designated as at FVTPL				432,519
Impairment loss				(371,550)
Other loss				(69,247)
Finance costs				(574,529)
Share of the profit of associates and joint ventures				3,159,198
Profit before income tax				$ 10,617,658

For the six months ended June 30, 2014

	Manufacturing of Shoes and Apparel	Retailing of Sporting Goods and Brand Licensing Business	Others	Total
Revenues from external customers	$ 90,340,887	$ 29,073,131	$ 413,514	$ 119,827,532
Segment income	$ 12,586,273	$ 1,761,298	$ 242,618	$ 14,590,189
Administrative cost, remuneration to directors and supervisors				(11,316,406)
Rental income				165,665
Interest income				224,856
Dividend income				22,189
Other income				940,174
Net gain on disposal of property, plant and equipment				106,455
Net foreign exchange loss				(336,598)
Net loss on disposal of subsidiaries and associates				(3,107)
Net loss on disposal of available-for-sale financial assets				(128,103)
Net gain on disposal of financial assets measured at cost				30,355
Net loss arising on financial assets designated as at FVTPL				(88,861)
Net loss arising on financial liabilities designated as at FVTPL				(798,270)
Impairment loss				(80,173)
Other loss				(63,332)
Finance costs				(536,995)
Share of the profit of associates and joint ventures				2,186,900
Profit before income tax				$ 4,914,938

1) Sales between segments were made at market price.

2) Segment profit represented the profit before income tax earned by each segment without allocation of administration costs, remuneration to directors and supervisors, rental income, interest income, dividend income, other income, net loss or gain on disposal of property, plant and equipment, net foreign exchange gain or loss, net gain or loss on disposal of subsidiaries, associates and joint ventures, net gain or loss on disposal of available-for-sale financial assets, net gain on disposal of financial assets measured at cost, gain or loss on financial instruments, impairment loss, other loss, finance costs and share of the profit of associates and joint ventures. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.