

Sinyi Realty Inc. and Subsidiaries

**Consolidated Financial Statements for the
Nine Months Ended September 30, 2013 and 2012 and
Independent Accountants' Review Report**

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors and Stockholders
Sinyi Realty Inc.

We have reviewed the accompanying consolidated balance sheets of Sinyi Realty Inc. (the "Company") and its subsidiaries (collectively referred to as the "Group") as of September 30, 2013, December 31, 2012, September 30, 2012 and January 1, 2012 and the related consolidated statements of comprehensive income for the three months ended September 30, 2013 and 2012, nine months ended September 30, 2013 and 2012, and changes in equity and cash flows for the nine months ended September 30, 2013 and 2012. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these financial statements based on our reviews.

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

As stated in Note 4 to the consolidated financial statements, some non-major subsidiaries' financial statements and related information mentioned in Note 37 were unreviewed. As of September 30, 2013 and 2012, such subsidiaries' total assets were 20% (\$3,431,739 thousand) and 28% (\$2,896,813 thousand) of the consolidated assets, and their total liabilities were 10% (\$790,223 thousand) and 14% (\$445,760 thousand) of the consolidated liabilities. The total comprehensive income of these subsidiaries were 12% (\$77,359 thousand), (6%) (\$18,355 thousand), 10% (\$228,111 thousand) and (6%) (\$65,427 thousand) of consolidated comprehensive income for the three months ended September 30, 2013 and 2012 and for the nine months ended September 30, 2013 and 2012, respectively.

Based on our reviews, except for the effects on the consolidated financial statements as of and for the three months and the nine months ended September 30, 2013 and 2012 of such adjustments and disclosures, if any, as might have been required had the financial statements of consolidated subsidiaries in the third paragraph above been reviewed, we are not aware of any material modifications that should be made to the consolidated financial statements referred to above for them to be in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers issued by the Financial Supervisory Commission of the Republic of China, and International Financial Reporting Standard 1 “First-time Adoption of International Financial Reporting Standards” and International Accounting Standard 34 “Interim Financial Reporting” endorsed by the Financial Supervisory Commission of the Republic of China.

November 12, 2013

Notice to Readers

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

For the convenience of readers, the independent accountants’ 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 accountants’ review report and consolidated financial statements shall prevail.

SINYI REALTY INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

ASSETS	September 30, 2013		December 31, 2012		September 30, 2012		January 1, 2012		LIABILITIES AND EQUITY	September 30, 2013		December 31, 2012		September 30, 2012		January 1, 2012			
	Amount	%	Amount	%	Amount	%	Amount	%		Amount	%	Amount	%	Amount	%	Amount	%		
CURRENT ASSETS									CURRENT LIABILITIES										
Cash and cash equivalents (Note 6)	\$ 1,985,673	12	\$ 2,194,434	19	\$ 1,381,533	13	\$ 1,270,145	12	Short-term borrowings (Notes 19 and 33)	\$ 553,116	3	\$ 69,302	1	\$ 69,299	1	\$ 72,073	1		
Financial assets at fair value through profit or loss - current (Note 7)	214,849	1	75,534	1	335,473	3	510,756	5	Notes payable	9,941	-	3,405	-	1,636	-	4,576	-		
Available-for-sale financial assets - current (Note 8)	813,996	5	609,407	5	578,967	6	476,263	5	Other payables (Note 20)	2,412,687	14	1,958,129	17	1,607,490	16	1,649,975	16		
Notes receivable (Note 10)	60,014	-	55,517	-	48,576	-	43,904	-	Other payables to related parties (Notes 19, 20 and 32)	90,312	1	79,711	1	75,707	1	70,311	1		
Trade receivables (Note 10)	1,326,109	8	830,751	7	658,782	6	615,549	6	Current tax liabilities	296,089	2	162,583	1	207,712	2	67,540	1		
Other receivables (Notes 10 and 32)	107,991	1	350,739	3	73,537	1	55,799	1	Provisions - current (Note 21)	62,683	-	58,352	1	45,740	-	41,075	-		
Inventories (Notes 11 and 33)	4,064,249	24	467,980	4	-	-	-	-	Other current financial liabilities (Note 20)	152,963	1	174,797	1	130,770	1	146,842	1		
Other financial assets - current (Notes 12 and 33)	989,052	6	356,661	3	358,825	4	336,718	3	Other current liabilities (Note 20)	111,870	1	120,310	1	86,352	1	99,117	1		
Other current assets (Note 18)	79,541	-	57,480	1	62,357	1	68,800	1	Total current liabilities	3,689,661	22	2,626,589	23	2,224,706	22	2,151,509	21		
Total current assets	9,641,474	57	4,998,503	43	3,498,050	34	3,377,934	33	NON-CURRENT LIABILITIES										
NON-CURRENT ASSETS									Long-term borrowings (Notes 19 and 33)	3,195,044	19	700,000	6	-	-	-	-	-	-
Financial assets measured at cost - non-current (Note 9)	292,139	2	128,640	1	150,791	1	154,084	2	Provisions - non-current (Note 21)	2,617	-	3,537	-	3,813	-	2,313	-		
Investment accounted for using equity method (Note 13)	11,190	-	3,528	-	3,596	-	2,913	-	Guarantee deposits received (Note 29)	47,670	-	50,892	-	50,411	-	41,940	1		
Property, plant and equipment (Notes 14 and 33)	3,528,764	21	3,282,920	28	3,304,428	32	3,364,620	33	Other non-current liabilities (Note 20)	905,506	6	890,252	8	982,589	10	1,041,914	10		
Investment properties (Notes 15 and 33)	2,827,781	17	2,860,617	24	2,867,178	28	2,930,161	29	Deferred tax liabilities	31,894	-	28,302	-	27,824	-	22,389	-		
Intangible assets (Notes 16 and 35)	86,499	1	89,436	1	92,625	1	90,423	1	Total non-current liabilities	4,182,731	25	1,672,983	14	1,064,637	10	1,108,556	11		
Deferred tax assets	12,471	-	15,108	-	12,035	-	33,896	-	Total liabilities	7,872,392	47	4,299,572	37	3,289,343	32	3,260,065	32		
Refundable deposits (Note 29)	123,285	1	122,452	1	118,626	1	152,839	2	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 23)										
Long-term accounts receivable (Note 17)	229,196	1	214,237	2	209,196	2	-	-	Share capital										
Prepaid pension cost - non-current (Note 22)	44,713	-	33,628	-	56,552	1	44,820	-	Ordinary shares	5,028,170	30	4,655,713	40	4,655,713	45	4,392,182	43		
Other non-current assets (Note 18)	4,506	-	5,427	-	5,703	-	4,203	-	Capital surplus	68,597	-	63,896	-	63,896	1	63,896	1		
Total non-current assets	7,160,544	43	6,755,993	57	6,820,730	66	6,777,959	67	Retained earnings										
TOTAL	\$ 16,802,018	100	\$ 11,754,496	100	\$ 10,318,780	100	\$ 10,155,893	100	Legal reserve	1,290,290	8	1,155,179	10	1,155,179	11	1,024,230	10		
									Special reserve	120,693	1	120,693	1	120,693	1	120,693	1		
									Unappropriated earnings	2,053,040	12	1,345,279	11	946,356	9	1,287,949	13		
									Total retained earnings	3,464,023	21	2,621,151	22	2,222,228	21	2,432,872	24		
									Other equity										
									Exchange differences on translating foreign operations	(35,534)	-	(68,465)	(1)	(51,406)	-	-	-		
									Unrealized gain or loss from available-for-sale financial assets	283,030	1	63,048	1	29,566	-	(97,712)	(1)		
									Total other equity	247,496	1	(5,417)	-	(21,840)	-	(97,712)	(1)		
									Total equity attributable to owners of the Company	8,808,286	52	7,335,343	62	6,919,997	67	6,791,238	67		
									NON-CONTROLLING INTERESTS										
										121,340	1	119,581	1	109,440	1	104,590	1		
									Total equity	8,929,626	53	7,454,924	63	7,029,437	68	6,895,828	68		
									TOTAL	\$ 16,802,018	100	\$ 11,754,496	100	\$ 10,318,780	100	\$ 10,155,893	100		

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

(With Deloitte & Touche review report dated November 12, 2013)

SINYI REALTY INC. 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 September 30				For the Nine Months Ended September 30			
	2013		2012		2013		2012	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE								
Service revenue	\$ 3,040,973	100	\$ 1,984,189	100	\$ 9,003,281	100	\$ 6,263,470	100
OPERATING COSTS (Notes 24 and 32)	<u>2,011,119</u>	<u>66</u>	<u>1,416,844</u>	<u>71</u>	<u>5,923,456</u>	<u>66</u>	<u>4,474,680</u>	<u>72</u>
GROSS PROFIT	1,029,854	34	567,345	29	3,079,825	34	1,788,790	28
OPERATING EXPENSES (Notes 24 and 32)	<u>313,074</u>	<u>10</u>	<u>249,231</u>	<u>13</u>	<u>913,302</u>	<u>10</u>	<u>753,599</u>	<u>12</u>
OPERATING INCOME	<u>716,780</u>	<u>24</u>	<u>318,114</u>	<u>16</u>	<u>2,166,523</u>	<u>24</u>	<u>1,035,191</u>	<u>16</u>
NON-OPERATING INCOME AND EXPENSES								
Rental income (Note 32)	31,524	1	26,107	1	89,684	1	89,065	2
Dividend income	5,036	-	3,818	-	17,763	-	20,894	-
Interest income (Notes 17 and 24)	14,475	1	8,916	1	40,569	-	16,775	-
Other gains and losses (Notes 24 and 32)	8,131	-	15,974	1	127,776	1	41,493	1
Finance costs (Notes 24 and 32)	<u>(19,823)</u>	<u>(1)</u>	<u>(2,338)</u>	<u>-</u>	<u>(39,548)</u>	<u>-</u>	<u>(6,931)</u>	<u>-</u>
Total non-operating income and expenses	<u>39,343</u>	<u>1</u>	<u>52,477</u>	<u>3</u>	<u>236,244</u>	<u>2</u>	<u>161,296</u>	<u>3</u>
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	756,123	25	370,591	19	2,402,767	26	1,196,487	19
INCOME TAX EXPENSE (Note 25)	<u>(154,982)</u>	<u>(5)</u>	<u>(69,646)</u>	<u>(4)</u>	<u>(457,438)</u>	<u>(5)</u>	<u>(244,608)</u>	<u>(4)</u>
NET PROFIT FOR THE PERIOD	<u>601,141</u>	<u>20</u>	<u>300,945</u>	<u>15</u>	<u>1,945,329</u>	<u>21</u>	<u>951,879</u>	<u>15</u>
OTHER COMPREHENSIVE INCOME								
Exchange differences on translating foreign operations	(54,237)	(2)	(30,745)	(1)	33,099	-	(51,641)	(1)
Unrealized gain on available-for-sale financial assets	<u>99,882</u>	<u>3</u>	<u>57,987</u>	<u>3</u>	<u>219,982</u>	<u>3</u>	<u>127,278</u>	<u>2</u>
Other comprehensive income for the period, net of income tax	<u>45,645</u>	<u>1</u>	<u>27,242</u>	<u>2</u>	<u>253,081</u>	<u>3</u>	<u>75,637</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 646,786</u>	<u>21</u>	<u>\$ 328,187</u>	<u>17</u>	<u>\$ 2,198,410</u>	<u>24</u>	<u>\$ 1,027,516</u>	<u>16</u>
NET PROFIT ATTRIBUTABLE TO:								
Owner of the Company	\$ 589,683	20	\$ 291,593	15	\$ 1,913,686	21	\$ 931,323	15
Non-controlling interests	<u>11,458</u>	<u>-</u>	<u>9,352</u>	<u>-</u>	<u>31,643</u>	<u>1</u>	<u>20,556</u>	<u>-</u>
	<u>\$ 601,141</u>	<u>20</u>	<u>\$ 300,945</u>	<u>15</u>	<u>\$ 1,945,329</u>	<u>22</u>	<u>\$ 951,879</u>	<u>15</u>

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SINYI REALTY INC. 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 September 30				For the Nine Months Ended September 30			
	2013		2012		2013		2012	
	Amount	%	Amount	%	Amount	%	Amount	%
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owner of the Company	\$ 635,351	21	\$ 318,933	16	\$ 2,166,599	24	\$ 1,007,195	16
Non-controlling interests	<u>11,435</u>	<u>-</u>	<u>9,254</u>	<u>1</u>	<u>31,811</u>	<u>-</u>	<u>20,321</u>	<u>-</u>
	<u>\$ 646,786</u>	<u>21</u>	<u>\$ 328,187</u>	<u>17</u>	<u>\$ 2,198,410</u>	<u>24</u>	<u>\$ 1,027,516</u>	<u>16</u>
EARNINGS PER SHARE (Note 26)								
From continuing operations								
Basic	<u>\$ 1.17</u>		<u>\$ 0.58</u>		<u>\$ 3.81</u>		<u>\$ 1.85</u>	
Diluted	<u>\$ 1.17</u>		<u>\$ 0.58</u>		<u>\$ 3.80</u>		<u>\$ 1.85</u>	

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

(With Deloitte & Touche review report dated November 12, 2013)

(Concluded)

SINYI REALTY INC. AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company					Other Equity		Total	Non-controlling Interests	Total Equity
	Share Capital	Capital Surplus	Retained Earnings			Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Available-for-sale Financial Assets			
			Legal Reserve	Special Reserve	Unappropriated Earnings					
BALANCE AT JANUARY 1, 2012	\$ 4,392,182	\$ 63,896	\$ 1,024,230	\$ 120,693	\$ 1,287,949	\$ -	\$ (97,712)	\$ 6,791,238	\$ 104,590	\$ 6,895,828
Appropriation of 2011 earnings										
Legal reserve	-	-	130,949	-	(130,949)	-	-	-	-	-
Cash dividends	-	-	-	-	(878,436)	-	-	(878,436)	-	(878,436)
Stock dividends	263,531	-	-	-	(263,531)	-	-	-	-	-
Net profit for the nine months ended September 30, 2012	-	-	-	-	931,323	-	-	931,323	20,556	951,879
Other comprehensive income (loss) for the nine months ended September 30, 2012, net of income tax	-	-	-	-	-	(51,406)	127,278	75,872	(235)	75,637
Total comprehensive income (loss) for the nine months ended September 30, 2012	-	-	-	-	931,323	(51,406)	127,278	1,007,195	20,321	1,027,516
Change in non-controlling interest	-	-	-	-	-	-	-	-	(15,471)	(15,471)
BALANCE AT SEPTEMBER 30, 2012	<u>\$ 4,655,713</u>	<u>\$ 63,896</u>	<u>\$ 1,155,179</u>	<u>\$ 120,693</u>	<u>\$ 946,356</u>	<u>\$ (51,406)</u>	<u>\$ 29,566</u>	<u>\$ 6,919,997</u>	<u>\$ 109,440</u>	<u>\$ 7,029,437</u>
BALANCE AT JANUARY 1, 2013	\$ 4,655,713	\$ 63,896	\$ 1,155,179	\$ 120,693	\$ 1,345,279	\$ (68,465)	\$ 63,048	\$ 7,335,343	\$ 119,581	\$ 7,454,924
Appropriation of 2012 earnings										
Legal reserve	-	-	135,111	-	(135,111)	-	-	-	-	-
Cash dividends	-	-	-	-	(698,357)	-	-	(698,357)	-	(698,357)
Stock dividends	372,457	-	-	-	(372,457)	-	-	-	-	-
Changes in capital surplus										
Adjustments arising from changes in the interest in subsidiaries	-	4,701	-	-	-	-	-	4,701	-	4,701
Net profit for the nine months ended September 30, 2013	-	-	-	-	1,913,686	-	-	1,913,686	31,643	1,945,329
Other comprehensive income for the nine months ended September 30, 2013, net of income tax	-	-	-	-	-	32,931	219,982	252,913	168	253,081
Total comprehensive income for the nine months ended September 30, 2013	-	-	-	-	1,913,686	32,931	219,982	2,166,599	31,811	2,198,410
Change in non-controlling interest	-	-	-	-	-	-	-	-	(30,052)	(30,052)
BALANCE AT SEPTEMBER 30, 2013	<u>\$ 5,028,170</u>	<u>\$ 68,597</u>	<u>\$ 1,290,290</u>	<u>\$ 120,693</u>	<u>\$ 2,053,040</u>	<u>\$ (35,534)</u>	<u>\$ 283,030</u>	<u>\$ 8,808,286</u>	<u>\$ 121,340</u>	<u>\$ 8,929,626</u>

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

(With Deloitte & Touche review report dated November 12, 2013)

SINYI REALTY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 2,402,767	\$ 1,196,487
Adjustments for:		
Depreciation expenses	102,699	137,164
Amortization expenses	13,082	12,852
Net gain on fair value change of financial assets held for trading	(2,243)	(5,613)
Finance costs	39,548	6,931
Interest income	(40,569)	(16,775)
Dividend income	(17,763)	(20,894)
Share of profit of associates and joint ventures	(242)	(274)
Loss on disposal of property, plant and equipment	610	749
Loss on disposal of investment properties	123	657
Gain on disposal of investments	(84,915)	(3,772)
Reversal of impairment loss on non-financial assets	(10,152)	(445)
Changes in operating assets and liabilities		
(Increase) decrease in financial assets held for trading	(136,120)	183,392
Increase in notes receivable	(4,497)	(4,672)
Increase in trade receivables	(495,358)	(43,233)
Decrease (increase) in other receivables	242,748	(17,738)
Increase in inventories	(3,596,269)	-
(Increase) decrease in other current assets	(22,061)	6,814
Increase in other operating assets	(11,085)	(11,732)
Increase (decrease) in notes payable	6,536	(2,940)
Increase (decrease) in other payables	454,159	(42,485)
Increase (decrease) in other payables to related parties	5,379	(810)
Increase in provisions	3,411	6,165
Decrease in other financial liabilities	(21,834)	(16,072)
Decrease in other current liabilities	(8,440)	(12,765)
Increase (decrease) in other operating liabilities	15,254	(59,325)
Cash used in operations	(1,165,232)	1,291,666
Interest received	24,866	7,043
Interest paid	(36,742)	(5,436)
Income taxes paid	(317,703)	(77,140)
Net cash (used in) generated from operating activities	(1,494,811)	1,216,133
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of available-for-sale financial assets	17,380	13,027
Purchase of financial assets measured at cost	(168,555)	-
Proceeds from disposal of financial assets measured at cost	73,235	-
Refund on capital of financial assets measured at cost	7,433	1,689

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SINYI REALTY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2013	2012
Net cash outflow on acquisition of subsidiaries	\$ -	\$ (10,002)
Net cash inflow on partial disposal of interests in subsidiaries without losing control	5,763	-
Payments for property, plant and equipment	(336,623)	(42,825)
Proceeds of disposal of property, plant and equipment	3,700	296
Increase in refundable deposits	(833)	-
Decrease in refundable deposits	-	34,223
Payment for intangible assets	(9,052)	(7,489)
Payment for investment properties	-	(17,317)
Proceeds of disposal of investment properties	48,909	18,698
Increase in long-term accounts receivable	-	(200,000)
Increase in other financial assets	(631,647)	(21,571)
Increase in other non-current assets	-	(1,500)
Decrease in other non-current assets	921	-
Dividends received	<u>18,001</u>	<u>21,179</u>
Net cash used in investing activities	<u>(971,368)</u>	<u>(211,592)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds of short-term borrowings	480,970	-
Proceeds of long-term borrowings	6,860,044	-
Repayment of long-term borrowings	(4,365,000)	-
Proceeds of guarantee deposits	-	8,471
Refund of guarantee deposits	(3,222)	-
Increase in other payables to related parties	-	4,711
Dividends paid to owners of the Company	(698,357)	(878,436)
Change in non-controlling interest	<u>(30,052)</u>	<u>(15,471)</u>
Net cash generated from (used in) financing activities	<u>2,244,383</u>	<u>(880,725)</u>
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>13,035</u>	<u>(12,428)</u>
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(208,761)	111,388
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>2,194,434</u>	<u>1,270,145</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 1,985,673</u>	<u>\$ 1,381,533</u>

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

(With Deloitte & Touche review report dated November 12, 2013)

(Concluded)

SINYI REALTY INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS NINE MONTHS ENDED SEPTEMBER 30, 2013 AND 2012 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise) (Reviewed, Not Audited)

1. GENERAL INFORMATION

Sinyi Realty Inc. (the “Company”) was incorporated in January 1987 and engaged in the operation of a full-service real-estate brokerage business. The head office is situated in Taipei City, Taiwan, Republic of China (ROC). The Company continues to expand by establishing branches in Taiwan and highly focuses on promoting its brand value.

In August 1999, the Securities and Futures Bureau (“SFB”) approved the trading of the Company’s common shares on the over-the-counter (“OTC”) securities exchange in the ROC. In September 2001, the SFB approved the listing of the Company’s shares on Taiwan Stock Exchange (“TSE”).

On July 8, 2012, the Company’s board of directors approved a plan for a short-form merger with Han-Chiang Development & Construction Co., Ltd. (Han-Chiang Construction) for developing construction business and integrating the Company’s resources. The Company operated as the survivor entity and the record date of this merger was July 13, 2012.

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

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements had been approved by the board of directors and authorized for issue on November 12, 2013.

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

a. New and revised standards, amendments and interpretations in issue but not yet effective

In addition to the disclosure in Note 3 to the consolidated financial statements as of March 31, 2013, the Company and its entire controlled subsidiaries (the “Group”) have not applied the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), International Financial Reporting Interpretations (IFRIC), and Standing Interpretations (SIC) that have been issued by the IASB. As of the date that the consolidated financial statements were approved and authorized for issue, the Financial Supervisory Commission (“FSC”) has not announced the effective dates for the following new and revised standards, amendments and interpretations:

<u>New, Revised Standards, Amendments and Interpretations</u>		<u>Effective Date Announced by IASB (Note)</u>
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: Unless otherwise noted, the above new and revised standards, amendments and interpretations are effective for annual periods beginning on or after the respective effective dates.

- b. Significant changes in accounting policy resulted from new and revised standards, amendments and interpretations in issue but not yet effective

In addition to the disclosure in Note 3 to the consolidated financial statements as of March 31, 2013, and except for the following, there is no significant changes in accounting policies resulted from new and revised standards, amendments and interpretations.

IFRS 9 “Financial Instruments”

With regards to financial assets, all recognized financial assets that are within the scope of IAS 39 “Financial Instruments: Recognition and Measurement” to be subsequently measured at amortized cost or fair value. Specifically, financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of subsequent accounting periods. All other financial assets are measured at their fair values at the balance sheet date. 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.

- c. Material impact on consolidated financial statements resulted from new and revised standards, amendments and interpretations in issue but not yet effective

The Group is in the process of evaluating the impact of the initial application of the above-mentioned Standards, amendments and interpretations on its financial position and results of operations, and disclose the impact upon the completion of evaluation.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICY

On May 14, 2009, the FSC announced the “Framework for the Adoption of IFRSs by Companies in the ROC.” In this framework, starting 2013, companies with shares listed on the Taiwan Stock Exchange or traded on the Taiwan GreTai Securities Market or Emerging Stock Market should prepare their consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, and Interpretations approved by the FSC. The date of transition to IFRSs was January 1, 2012. Refer to Note 39 for the impact of IFRS conversion on the consolidated financial statements.

Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, IFRS 1 “First-time Adoption of International Financial Reporting Standards” and IAS 34 “Interim Financial Reporting” as endorsed by the FSC. Disclosure information included in the interim consolidated financial reports is less than disclosures required in a full set of annual financial reports.

Basis of Consolidation

a. Principles for preparing consolidated financial statements

The consolidated financial statements have been prepared on the same basis as the consolidated financial statements as of March 31, 2013. Refer to the Note 4 to the consolidated financial statements as of March 31, 2013 for details except for the changes in the Group's ownership interests in existing subsidiaries stated below.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

b. Subsidiaries included in consolidated financial statements

All of the Company's subsidiaries have been included in the consolidated financial statements. Those subsidiaries included in the consolidated entities as of September 30, 2013, December 31, 2012, September 30, 2012 and January 1, 2012 were as follows:

Investor	Investee	Main Businesses	% of Ownership				Remark
			September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012	
Sinyi Realty Inc.	Sinyi International Limited (Sinyi International)	Investment holding	100	100	100	100	
	Da-Chia Construction Co., Ltd. (Da-Chia Construction)	Construction	100	100	100	100	
	Sinyi Limited	Investment holding	100	100	100	100	
	Han-Chiang Development & Construction Co., Ltd. (Han-Chiang Construction)	Real estate development and construction	-	-	-	-	Note 1
	Global Asset Management Co., Ltd. (Global)	Real estate brokerage	100	100	100	100	
	Heng-Yi Real Estate Consulting Inc. (Heng-Yi)	Development, construction, rental and sale of residential building and factories	100	-	-	-	Note 2
	Jui-Inn Consultants Co., Ltd. (Jui-Inn)	Management consulting	100	100	100	100	
	Shin Cheng Property Insurance Agency Co., Ltd. (Shin Cheng)	Property insurance agency	100	100	100	100	
	Sinyi Culture Publishing Inc. (Sinyi Culture)	Publication	99	99	99	99	
	An-Sin Real Estate Management Ltd. (An-Sin)	Real estate management	51	51	51	51	
Sinyi Limited	Ke Wei HK Realty Limited (Ke Wei HK)	Investment holding	95	95	95	95	
	Inane International Limited (Inane)	Investment holding	100	100	100	100	
Inane	Shanghai Sinyi Real Estate Inc. (Shanghai Sinyi Real Estate)	Real estate brokerage	100	100	100	100	
	Beijing Sinyi Real Estate Ltd. (Beijing Sinyi)	Real estate brokerage and management consulting	100	100	100	100	
	Shanghai Sinyi Limited Corporation of Land Administration and Real Estate Counseling (Shanghai Sinyi of Land Administration and Real Estate Counseling)	Real estate brokerage	100	100	100	100	
	Chengdu Sinyi Real Estate Co., Ltd. (Chengdu Sinyi)	Real estate brokerage and management consulting	80	80	80	80	
	Qingdao Chengjian & Sinyi Real Estate Co., Ltd. (Qingdao Sinyi)	Real estate brokerage and management consulting	65	80	80	80	Note 3
Shanghai Sinyi Real Estate	Max Success International Limited (Max Success)	Investment holding	100	100	100	100	
	Zhejiang Sinyi Real Estate Co., Ltd. (Zhejiang Sinyi)	Real estate brokerage and management consulting	38	38	38	38	
	Suzhou Sinyi Real Estate Inc. (Suzhou Sinyi)	Real estate brokerage and management consulting	2	2	2	19	Note 4
Max Success	Zhejiang Sinyi	Real estate brokerage and management consulting	62	62	62	62	
	Suzhou Sinyi	Real estate brokerage and management consulting	98	98	98	81	Note 4
Ke Wei HK	Ke Wei Shanghai Real Estate Management Consulting Inc. (Ke Wei Shanghai)	Real estate brokerage and management consulting	100	100	100	100	

(Continued)

Investor	Investee	Main Businesses	% of Ownership				Remark
			September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012	
Ke Wei Shanghai	Shanghai Shin Cheng Real Estate Brokerage Inc. (Shanghai Shin Cheng)	Real estate brokerage	99	99	99	99	
Sinyi International	Forever Success International Limited (Forever Success)	Investment holding	100	100	100	100	
	Sinyi Realty Inc. Japan (Japan Sinyi)	Real estate brokerage, management and identification	100	100	100	100	
Forever Success	Sinyi Development Limited (Sinyi Development)	Investment holding	100	100	-	-	Note 5
	Shanghai Shang Tuo Investment Management Consulting Inc. (Shanghai Shang Tuo)	Real estate brokerage and management consulting	100	100	100	100	
An-Sin	An-Shin Real Estate Management Ltd. (An-Shin)	Real estate management	100	100	100	100	
Japan Sinyi	Richesse Management Co., Ltd. (Richesse Management)	Real estate brokerage	100	100	100	100	
Sinyi Development	Sinyi Real Estate (Hong Kong) Limited (Hong Kong Real Estate)	Investment holding	100	100	-	-	Note 5
Hong Kong Real Estate	Sinyi Real Estate (Shanghai) Limited (Shanghai Real Estate)	Development of commercial and residential building and auxiliary facilities; and construction, rental, sale and property management	100	-	-	-	Note 6

(Concluded)

Note 1: The Company acquired 100% equity interest in Han-Chiang Construction with the price \$34,267 thousand in June 2012, and merged with Han-Chiang Construction by short-form merger in July 2012.

Note 2: Heng-Yi was incorporated in September 2013, with a capital of \$20,000 thousand.

Note 3: In May 2013, the Group disposed 15% of its interest in Qingdao Sinyi by RMB1,200 thousand. Therefore, the ownership decreased from 80% to 65%.

Note 4: In August 2012, the Group increased investment in Suzhou Sinyi by RMB60,000 thousand through Max Success. Therefore, stock ownership of Suzhou Sinyi by Shanghai Sinyi Real Estate decreased from 19% to 2%, and stock ownership of Suzhou Sinyi by Max Success increased from 81% to 98%.

Note 5: Sinyi Development and Hong Kong Real Estate were incorporated in November 2012, with capital collected in advance US\$26,496 thousand. For the nine months ended September 30, 2013, the capital were increased by US\$104,504 thousand and as of September 30, 2013, total capital collected in advance were increased to US\$131,000 thousand.

Note 6: Shanghai Real Estate was incorporated in May 2013, with a capital of RMB802,513 thousand.

Note 7: The financial statements of the consolidated entities had not been reviewed by the independent accountants, except for those of Sinyi International, Sinyi Development, Hong Kong Real Estate and Shanghai Real Estate as of and for the nine months ended September 30, 2013.

c. Classification of current and non-current assets and liabilities

Current assets include cash and cash equivalents and those assets held primarily for trading purposes or to be realized within twelve months after the reporting period, unless the asset is to be used for an exchange or to settle a liability, or otherwise remains restricted, at more than twelve months after the reporting period. Property, plant and equipment, intangible assets, other than assets classified as current are classified as non-current. Current liabilities are obligations incurred for trading purposes or to be settled within twelve months after the reporting period and liabilities that do not have an unconditional right to defer settlement for at least twelve months after the reporting period. Liabilities that are not classified as current are classified as non-current.

The Group engages in the construction business, whose operating circle is longer than one year. The normal operating circle is used for classification of current and non-current for related assets and liabilities under construction business.

d. Other significant accounting policies

The same accounting policies have been followed in these consolidated financial statements as were applied in the preparation of the consolidated financial statements for the three months ended March 31, 2013. Refer to Note 4 to the consolidated financial statements as of March 31, 2013 for the details of summary of significant accounting policies.

5. CRITICAL ACCOUNTING JUDGEMENTS 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 three months ended March 31, 2013. Refer to Note 5 to the consolidated financial statements as of March 31, 2013 for the details of critical accounting judgments and key sources of estimation uncertainty.

6. CASH AND CASH EQUIVALENTS

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Cash on hand	\$ 26,479	\$ 38,248	\$ 27,200	\$ 32,986
Checking accounts and demand deposits	1,840,194	1,780,468	1,059,966	510,628
Cash equivalents	<u>119,000</u>	<u>375,718</u>	<u>294,367</u>	<u>726,531</u>
	<u>\$ 1,985,673</u>	<u>\$ 2,194,434</u>	<u>\$ 1,381,533</u>	<u>\$ 1,270,145</u>

Cash equivalents include time deposits that have a maturity of three months or less from the date of acquisition, are readily convertible to a known amount of cash, and are subject to an insignificant risk of change in value; these were held for the purpose of meeting short-term cash commitments.

The interest rates of cash in bank at the end of the reporting period were as follows:

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Interest rates range	0.02%-3.05%	0.17%-3.50%	0.05%-2.85%	0.17%-3.10%

As of September 30, 2013, December 31, 2012, September 30, 2012 and January 1, 2012, the carrying amounts of time deposits with original maturities more than three months were \$385,331 thousand, \$248,700 thousand, \$250,948 thousand and \$229,000 thousand, respectively, which were classified as other financial assets - current (Note 12).

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
<u>Financial assets held for trading</u>				
Non-derivative financial assets				
Domestic quoted shares	\$ 25,217	\$ 23,298	\$ 28,098	\$ 23,235
Mutual funds	<u>189,632</u>	<u>52,236</u>	<u>307,375</u>	<u>487,521</u>
	<u>\$ 214,849</u>	<u>\$ 75,534</u>	<u>\$ 335,473</u>	<u>\$ 510,756</u>

The Group entered into foreign exchange forward contracts in March 2013, to manage exposures due to exchange rate fluctuations of foreign currency denominated assets. As of September 30, 2013, December 31, 2012, September 30, 2012 and January 1, 2012, the Group did not have outstanding foreign exchange forward contracts.

8. AVAILABLE-FOR-SALE FINANCIAL ASSETS - CURRENT

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
<u>Domestic investments</u>				
Quoted shares	<u>\$ 243,931</u>	<u>\$ 223,241</u>	<u>\$ 349,651</u>	<u>\$ 178,572</u>
<u>Foreign investments</u>				
Quoted shares	568,786	384,910	228,049	293,354
Mutual funds	<u>1,279</u>	<u>1,256</u>	<u>1,267</u>	<u>4,337</u>
	<u>570,065</u>	<u>386,166</u>	<u>229,316</u>	<u>297,691</u>
Available-for-sale financial assets	<u>\$ 813,996</u>	<u>\$ 609,407</u>	<u>\$ 578,967</u>	<u>\$ 476,263</u>

9. FINANCIAL ASSETS MEASURED AT COST - NON-CURRENT

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Domestic unlisted common shares	\$ 134,336	\$ 79,801	\$ 101,954	\$ 103,487
Overseas unlisted common shares	<u>157,803</u>	<u>48,839</u>	<u>48,837</u>	<u>50,597</u>
	<u>\$ 292,139</u>	<u>\$ 128,640</u>	<u>\$ 150,791</u>	<u>\$ 154,084</u>

Management believed that the fair value of the above unlisted equity investments held by the Group cannot be reliably measured due to the wide range of reasonable fair value estimates; therefore, they were measured at cost less impairment at the end of reporting period.

During the nine months ended September 30, 2013, the Group disposed of certain financial assets measured at cost with carrying amounts of \$0 thousand and recognized a gain on disposal of \$73,235 thousand.

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
<u>Notes receivable and trade receivables</u>				
Notes receivable - operating	\$ 60,014	\$ 55,517	\$ 48,576	\$ 43,904
Trade receivables	1,358,760	862,350	691,120	654,199
Less: Allowance for doubtful accounts	<u>(32,651)</u>	<u>(31,599)</u>	<u>(32,338)</u>	<u>(38,650)</u>
	<u>\$ 1,386,123</u>	<u>\$ 886,268</u>	<u>\$ 707,358</u>	<u>\$ 659,453</u>
<u>Other receivables</u>				
Receivable - tender deposit	\$ -	\$ 301,475	\$ -	\$ -
Others	112,215	55,826	78,358	60,620
Less: Allowance for doubtful accounts	<u>(4,224)</u>	<u>(6,562)</u>	<u>(4,821)</u>	<u>(4,821)</u>
	<u>\$ 107,991</u>	<u>\$ 350,739</u>	<u>\$ 73,537</u>	<u>\$ 55,799</u>

a. Trade receivables

The average credit period on rendering of services was 30 to 60 days. No interest was charged on trade receivables. Allowance for impairment loss was recognized against trade receivables based on aging analysis, historical experience and an analysis of clients' current financial position.

The concentration of credit risk was limited due to the fact that the customer base was large and unrelated.

For some of the trade receivables (see below for aged analysis) that are past due at the end of the reporting period, the Group had not recognized an allowance because there had not been a significant change in credit quality and the amounts were still considered recoverable.

Aging analysis of receivables that were past due but not impaired was as follow:

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
61-90 days	\$ 119,887	\$ 4,130	\$ 9,998	\$ 5,389
91-180 days	45,840	13,164	25,676	25,149
181-360 days	5,407	2,692	9,177	12,851
Over 360 days	<u>3,614</u>	<u>11,733</u>	<u>18,895</u>	<u>-</u>
	<u>\$ 174,748</u>	<u>\$ 31,719</u>	<u>\$ 63,746</u>	<u>\$ 43,389</u>

The above analysis was based on the billing date.

Movements of the allowance for impairment loss recognized on notes receivable and trade receivables were as follows:

	2013		2012	
	Trade Receivables	Other Receivables	Trade Receivables	Other Receivables
Balance at January 1	\$ 31,599	\$ 6,562	\$ 38,650	\$ 4,821
Add (less): Impairment losses recognized (reversed) on receivables	698	-	(6,048)	-
Less: Amounts written off	-	(2,338)	-	-
Foreign exchange translation gains and losses	<u>354</u>	<u>-</u>	<u>(264)</u>	<u>-</u>
Balance at September 30	<u>\$ 32,651</u>	<u>\$ 4,224</u>	<u>\$ 32,338</u>	<u>\$ 4,821</u>

b. Other receivables

Other receivables were mainly land tender deposit, which resulted from failure to bid on another land purchase at Jiading District, Shanghai.

The others were the payment on behalf of others and rental receivable.

11. INVENTORIES

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Prepayment for land purchase				
Malu Town, Jiading District, Shanghai	\$ 3,763,826	\$ 467,980	\$ -	\$ -
Tianmu, Shilin District, Taipei City	<u>300,423</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 4,064,249</u>	<u>\$ 467,980</u>	<u>\$ -</u>	<u>\$ -</u>

Inventories were the land located in Malu Town, Jiading District, Shanghai, China which the Group acquired through public auction by RMB780,080 thousand (tax excluded) in 2012. As of September 30, 2013, the above amount had been paid fully.

Refer to Note 33 for the carrying amount of inventories pledged as security for bank borrowings by the Group.

12. OTHER FINANCIAL ASSETS - CURRENT

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Time deposits with original maturity more than three months				
(a)	\$ 385,331	\$ 248,700	\$ 250,948	\$ 229,000
Restricted assets - current (b)	<u>603,721</u>	<u>107,961</u>	<u>107,877</u>	<u>107,718</u>
	<u>\$ 989,052</u>	<u>\$ 356,661</u>	<u>\$ 358,825</u>	<u>\$ 336,718</u>

- a. The ranges of interest rates of time deposits with original maturities more than three months were as follows:

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Time deposits with original maturity more than three months	0.22%-3.30%	0.935%-3.5%	1.08%-3.50%	0.88%-3.05%

- b. Restricted assets - current were time deposits provided as guarantee for the loan of Shanghai Sinyi Real Estate and Suzhou Sinyi Real Estate and as operating guarantee for real-estate brokerage. Please refer to Note 33.

13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Investments in associates	<u>\$ 11,190</u>	<u>\$ 3,528</u>	<u>\$ 3,596</u>	<u>\$ 2,913</u>

- a. Investments in associates

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Unlisted company Sinyi Interior Design Co., Ltd.	<u>\$ 11,190</u>	<u>\$ 3,528</u>	<u>\$ 3,596</u>	<u>\$ 2,913</u>

As of the end of the reporting period, the proportion of ownership and voting rights in associates held by the Group were as follows:

Name of Associate	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Sinyi Interior Design Co., Ltd.	19%	19%	19%	19%

The investments accounted for using the equity method and the share of net income from investments are accounted for based on unreviewed financial statements. The Group's management considered the use of unreviewed financial statements of Sinyi Interior Design Co., Ltd. did not have material impact on its consolidated financial statements.

The additional information for investment in associates refer to Note 13 to the consolidated financial statements as of March 31, 2013.

14. PROPERTY, PLANT AND EQUIPMENT

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
<u>Carrying amounts</u>				
Freehold land	\$ 2,670,039	\$ 2,670,039	\$ 2,670,039	\$ 2,648,984
Buildings	345,713	353,718	356,386	359,956
Transportation equipment	3,629	4,055	4,375	2,652
Office equipment	87,709	101,473	109,906	126,886
Leased assets	-	-	-	-
Leasehold improvements	116,202	117,683	128,721	164,657
Other equipment	25,599	25,215	31,741	56,765
Prepayments for equipment	<u>279,873</u>	<u>10,737</u>	<u>3,260</u>	<u>4,720</u>
	<u>\$ 3,528,764</u>	<u>\$ 3,282,920</u>	<u>\$ 3,304,428</u>	<u>\$ 3,364,620</u>

Nine Months Ended September 30, 2013

	Freehold land	Buildings	Transportation Equipment	Office Equipment	Leased Assets	Leasehold Improvements	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
<u>Cost</u>									
Balance, beginning of period	\$ 2,670,039	\$ 418,777	\$ 8,016	\$ 267,163	\$ 4,671	\$ 372,907	\$ 166,762	\$ 10,737	\$ 3,919,072
Additions	-	-	2,620	15,593	-	40,866	8,598	268,946	336,623
Disposals	-	-	(3,407)	(2,248)	-	(6,895)	(118,470)	-	(131,020)
Effect of foreign currency exchange differences	-	-	176	1,274	-	2,959	-	190	4,599
Balance, end of period	<u>2,670,039</u>	<u>418,777</u>	<u>7,405</u>	<u>281,782</u>	<u>4,671</u>	<u>409,837</u>	<u>56,890</u>	<u>279,873</u>	<u>4,129,274</u>
<u>Accumulated depreciation</u>									
Balance, beginning of period	-	65,059	3,961	165,690	4,671	255,224	141,547	-	636,152
Depreciation expense	-	8,005	946	29,262	-	41,300	8,155	-	87,668
Disposals	-	-	(1,193)	(1,719)	-	(5,387)	(118,411)	-	(126,710)
Effect of foreign currency exchange differences	-	-	62	840	-	2,498	-	-	3,400
Balance, end of period	<u>-</u>	<u>73,064</u>	<u>3,776</u>	<u>194,073</u>	<u>4,671</u>	<u>293,635</u>	<u>31,291</u>	<u>-</u>	<u>600,510</u>
Net book value, end of period	<u>\$ 2,670,039</u>	<u>\$ 345,713</u>	<u>\$ 3,629</u>	<u>\$ 87,709</u>	<u>\$ -</u>	<u>\$ 116,202</u>	<u>\$ 25,599</u>	<u>\$ 279,873</u>	<u>\$ 3,528,764</u>

Nine Months Ended September 30, 2012

	Freehold land	Buildings	Transportation Equipment	Office Equipment	Leased Assets	Leasehold Improvements	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
<u>Cost</u>									
Balance, beginning of period	\$ 2,648,984	\$ 414,158	\$ 6,907	\$ 259,735	\$ 4,671	\$ 354,863	\$ 165,543	\$ 4,720	\$ 3,859,581
Additions	-	-	2,591	13,792	-	22,709	1,218	2,515	42,825
Reclassifications	21,055	4,619	-	242	-	(9)	-	(3,975)	21,932
Disposals	-	-	(1,360)	(2,300)	-	(5,212)	-	-	(8,872)
Effect of foreign currency exchange differences	-	-	(122)	(1,436)	-	(3,076)	-	-	(4,634)
Balance, end of period	<u>2,670,039</u>	<u>418,777</u>	<u>8,016</u>	<u>270,033</u>	<u>4,671</u>	<u>369,275</u>	<u>166,761</u>	<u>3,260</u>	<u>3,910,832</u>
<u>Accumulated depreciation</u>									
Balance, beginning of period	-	54,202	4,255	132,849	4,671	190,206	108,778	-	494,961
Depreciation expense	-	7,969	778	30,337	-	56,807	26,242	-	122,133
Reclassifications	-	220	-	(59)	-	(8)	-	-	153
Disposals	-	-	(1,294)	(2,170)	-	(4,363)	-	-	(7,827)
Effect of foreign currency exchange differences	-	-	(98)	(830)	-	(2,088)	-	-	(3,016)
Balance, end of period	<u>-</u>	<u>62,391</u>	<u>3,641</u>	<u>160,127</u>	<u>4,671</u>	<u>240,554</u>	<u>135,020</u>	<u>-</u>	<u>606,404</u>
Net book value, end of period	<u>\$ 2,670,039</u>	<u>\$ 356,386</u>	<u>\$ 4,375</u>	<u>\$ 109,906</u>	<u>\$ -</u>	<u>\$ 128,721</u>	<u>\$ 31,741</u>	<u>\$ 3,260</u>	<u>\$ 3,304,428</u>

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

Buildings - main buildings	21-55 years
Transportation equipment	5 years
Office equipment	3-5 years
Leased assets	3 years
Leasehold improvements	3-5 years
Other equipment	3-5 years

- As of September 30, 2013, construction in progress and prepayments for equipment were mainly the Group's purchase of the pre-sold property which was still in construction located in Suzhou City. The transaction price had been paid fully according to the real estate transaction contract.
- There was no interest capitalized during the nine months ended September 30, 2013 and 2012.
- Refer to Note 33 for the details of properties, plant and equipment pledged as collaterals.

15. INVESTMENT PROPERTIES

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Land	\$ 2,026,210	\$ 2,062,510	\$ 2,064,109	\$ 2,085,251
Buildings	<u>801,571</u>	<u>798,107</u>	<u>803,069</u>	<u>844,910</u>
	<u>\$ 2,827,781</u>	<u>\$ 2,860,617</u>	<u>\$ 2,867,178</u>	<u>\$ 2,930,161</u>

	Nine Months Ended September 30					
	2013			2012		
	Land	Buildings	Total	Land	Buildings	Total
<u>Cost</u>						
Balance, beginning of period	\$ 2,081,392	\$ 890,089	\$ 2,971,481	\$ 2,104,156	\$ 918,759	\$ 3,022,915
Additions	-	-	-	16,807	510	17,317
Disposals	(45,775)	(3,565)	(49,340)	(16,917)	(2,623)	(19,540)
Reclassifications	-	-	-	(21,055)	(4,619)	(25,674)
Effect of foreign currency exchange differences	-	22,464	22,464	-	(21,914)	(21,914)
Balance, end of period	<u>2,035,617</u>	<u>908,988</u>	<u>2,944,605</u>	<u>2,082,991</u>	<u>890,113</u>	<u>2,973,104</u>
<u>Accumulated depreciation</u>						
Balance, beginning of period	-	90,983	90,983	-	72,428	72,428
Depreciation expense	-	15,031	15,031	-	15,031	15,031
Disposals	-	(308)	(308)	-	(185)	(185)
Reclassifications	-	-	-	-	(220)	(220)
Effect of foreign currency exchange differences	-	1,389	1,389	-	(1,009)	(1,009)
Balance, end of period	<u>-</u>	<u>107,095</u>	<u>107,095</u>	<u>-</u>	<u>86,045</u>	<u>86,045</u>
<u>Accumulated impairment</u>						
Balance, beginning of period	18,882	999	19,881	18,905	1,421	20,326
Reversal of impairment losses	(9,475)	(677)	(10,152)	(23)	(422)	(445)
Balance, end of period	<u>9,407</u>	<u>322</u>	<u>9,729</u>	<u>18,882</u>	<u>999</u>	<u>19,881</u>
Net book value, end of period, net	<u>\$ 2,026,210</u>	<u>\$ 801,571</u>	<u>\$ 2,827,781</u>	<u>\$ 2,064,109</u>	<u>\$ 803,069</u>	<u>\$ 2,867,178</u>

The above investment properties were depreciated on a straight-line basis over the following estimated useful lives:

Buildings - main buildings 8-55 years

The total fair value of the Group's investment properties and property, plant and equipment as of September 30, 2013, December 31, 2012, September 30, 2012 and January 1, 2012 was \$9,763,184 thousand, \$8,760,693 thousand, \$8,913,247 thousand and \$8,539,110 thousand, respectively. The fair value valuation had not been performed by independent qualified professional valuers; however, the management of the Group used the valuation model that market participants generally use in determining the fair value. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

All of the Group's investment property was held under freehold interests. The carrying amount of the investment properties that had been pledged by the Group to secure borrowings was disclosed in Note 33.

16. OTHER INTANGIBLE ASSETS

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Franchise (Note 35)	\$ 58,789	\$ 59,399	\$ 60,480	\$ 64,238
Goodwill	9,621	9,621	9,621	-
System software costs	<u>18,089</u>	<u>20,416</u>	<u>22,524</u>	<u>26,185</u>
	<u>\$ 86,499</u>	<u>\$ 89,436</u>	<u>\$ 92,625</u>	<u>\$ 90,423</u>
Nine Months Ended September 30, 2013				
	Franchise	Goodwill	System Software Costs	Total
<u>Cost</u>				
Balance, beginning of period	\$ 88,733	\$ 9,621	\$ 70,302	\$ 168,656
Additions				
Acquisitions	-	-	9,052	9,052
Reductions				
Disposals	-	-	(34,178)	(34,178)
Effect of foreign currency exchange differences	<u>1,619</u>	<u>-</u>	<u>-</u>	<u>1,619</u>
Balance, end of period	<u>90,352</u>	<u>9,621</u>	<u>45,176</u>	<u>145,149</u>
<u>Accumulated amortization</u>				
Balance, beginning of period	29,334	-	49,886	79,220
Amortization expense	1,703	-	11,379	13,082
Disposals	-	-	(34,178)	(34,178)
Effect of foreign currency exchange differences	<u>526</u>	<u>-</u>	<u>-</u>	<u>526</u>
Balance, end of period	<u>31,563</u>	<u>-</u>	<u>27,087</u>	<u>58,650</u>
Net book value, end of period, net	<u>\$ 58,789</u>	<u>\$ 9,621</u>	<u>\$ 18,089</u>	<u>\$ 86,499</u>

Nine Months Ended September 30, 2012

	Franchise	Goodwill	System Software Costs	Total
<u>Cost</u>				
Balance, beginning of period	\$ 92,507	\$ -	\$ 62,271	\$ 154,778
Additions				
Acquisitions	-	9,621	7,489	17,110
Effect of foreign currency exchange differences	<u>(2,994)</u>	<u>-</u>	<u>-</u>	<u>(2,994)</u>
Balance, end of period	<u>89,513</u>	<u>9,621</u>	<u>69,760</u>	<u>168,894</u>
<u>Accumulated amortization</u>				
Balance, beginning of period	28,269	-	36,086	64,355
Amortization expense	1,702	-	11,150	12,852
Effect of foreign currency exchange differences	<u>(938)</u>	<u>-</u>	<u>-</u>	<u>(938)</u>
Balance, end of period	<u>29,033</u>	<u>-</u>	<u>47,236</u>	<u>76,269</u>
Net book value, end of period, net	<u>\$ 60,480</u>	<u>\$ 9,621</u>	<u>\$ 22,524</u>	<u>\$ 92,625</u>

The recoverable amount of the Group's goodwill had been tested for impairment using the forecast carrying amount at the end of the annual reporting period. For the nine months ended September 30, 2013, the Group did not recognize any impairment loss on goodwill.

17. LONG-TERM ACCOUNTS RECEIVABLE

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Shin Hau Real Estate Co., Ltd.	<u>\$ 229,196</u>	<u>\$ 214,237</u>	<u>\$ 209,196</u>	<u>\$ -</u>

Long-term accounts receivable from Shin Hau Real Estate Co., Ltd. are financing for business activities. Under the loan agreement, Shin Hau Real Estate Co., Ltd. provided the land located in Da-an District, Taipei City as collateral; the loan and interests should be fully paid before April 30, 2015. Information on the financing for the nine months ended September 30, 2013 and 2012 was as follows:

	Nine Months Ended September 30, 2013				
	Highest Balance During the Period	Amount	Interest Rate %	Interest Income	Interest Receivable
Shin Hau Real Estate Co., Ltd.	<u>\$ 200,000</u>	<u>\$ 200,000</u>	10%	<u>\$ 14,959</u>	<u>\$ 29,196</u>
	Nine Months Ended September 30, 2012				
	Highest Balance During the Period	Amount	Interest Rate %	Interest Income	Interest Receivable
Shin Hau Real Estate Co., Ltd.	<u>\$ 200,000</u>	<u>\$ 200,000</u>	10%	<u>\$ 9,196</u>	<u>\$ 9,196</u>

18. OTHER ASSETS

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Prepaid expenses	\$ 68,740	\$ 53,728	\$ 49,222	\$ 64,901
Temporary payments	9,641	2,094	11,473	2,237
Overdue receivables	2,616	3,537	3,813	2,313
Income tax refund receivable	1,160	-	1,653	-
Others	<u>1,890</u>	<u>3,548</u>	<u>1,899</u>	<u>3,552</u>
	<u>\$ 84,047</u>	<u>\$ 62,907</u>	<u>\$ 68,060</u>	<u>\$ 73,003</u>
Current	\$ 79,541	\$ 57,480	\$ 62,357	\$ 68,800
Non-current	<u>4,506</u>	<u>5,427</u>	<u>5,703</u>	<u>4,203</u>
	<u>\$ 84,047</u>	<u>\$ 62,907</u>	<u>\$ 68,060</u>	<u>\$ 73,003</u>

19. BORROWINGS

a. Short-term borrowings

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
<u>Secured borrowings</u>				
Bank loans (1)	\$ 553,116	\$ 69,302	\$ 69,299	\$ 72,073
<u>Unsecured borrowings</u>				
Loans from related parties (2) (Note 32)	<u>63,969</u>	<u>62,372</u>	<u>62,369</u>	<u>57,658</u>
	<u>\$ 617,085</u>	<u>\$ 131,674</u>	<u>\$ 131,668</u>	<u>\$ 129,731</u>

- 1) The interest rates on the bank loans for the nine months ended September 30, 2013 and 2012 were 5.7%-7.4% and 7.257% per annum, respectively.
- 2) Loans from related parties were accounted for other payables to related parties with interest rates of 3.75%-6.10% and 4.68%-6.10% for the nine months ended September 30, 2013 and 2012, respectively.
- 3) Refer to Note 33 for the details of assets pledged as collaterals for short-term borrowings.

b. Long-term borrowings

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
<u>Secured borrowings</u>				
Bank loans	\$ 2,723,000	\$ 700,000	\$ -	\$ -

(Continued)

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
<u>Unsecured borrowings</u>				
Loans unsecured	\$ 472,044	\$ -	\$ -	\$ -
Long-term borrowings	<u>\$ 3,195,044</u>	<u>\$ 700,000</u>	<u>\$ -</u>	<u>\$ -</u>
				(Concluded)

The long-term borrowings of the Group were as follows:

	Content of Borrowings	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
E.Sun Bank	Long-term borrowings: \$190,000 thousand; period: September 10, 2013 to September 10, 2016; fixed interest rate of 2.5%; interest is paid monthly and principal is repaid at maturity.	\$ 163,000	\$ -	\$ -	\$ -
E.Sun Bank	Long-term borrowings: \$2,420,000 thousand; period: December 27, 2012 to September 30, 2015; fixed interest rate of 1.6%; interest is paid monthly and principal is repaid at maturity.	2,110,000	700,000	-	-
East Asia Bank	Long-term borrowings: \$1,300,000 thousand; period: June 28, 2013 to February 4, 2016; floating interest rate of 2.48%-2.57%; Total 7 quarterly installments beginning 18 months after June 28, 2013; 5% of principal for each of the first six installments, while the rest will be paid at maturity.	450,000	-	-	-
Shanghai Commercial & Savings Bank	Long-term borrowings: \$200,000 thousand; period: March 29, 2013 to March 29, 2016; floating interest rate of 1.8%; interest is paid monthly and principal is repaid at maturity.	200,000	-	-	-
Ultra Success Offshore Ltd.	Long-term borrowings: US\$9,200 thousand; period: September 12, 2013 to September 11, 2015; fixed interest rate of 5.0%; interest and principle will be paid at maturity	272,044	-	-	-
Total long-term borrowings		<u>\$ 3,195,044</u>	<u>\$ 700,000</u>	<u>\$ -</u>	<u>\$ -</u>

Refer to Note 33 for the details of assets pledged as collaterals for long-term borrowings.

20. OTHER LIABILITIES

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Accrued expenses	\$ 2,412,687	\$ 1,958,129	\$ 1,607,490	\$ 1,649,975
Loans from related parties (Note 32)				
Loans	63,969	62,372	62,369	57,658
Interest payable	8,915	6,252	4,313	2,818
Other payables to related parties	17,428	11,087	9,025	9,835
				(Continued)

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Other financial liabilities	\$ 152,963	\$ 174,797	\$ 130,770	\$ 146,842
Performance bonus	905,506	890,252	982,589	1,041,914
Others	<u>111,870</u>	<u>120,310</u>	<u>86,352</u>	<u>99,117</u>
	<u>\$ 3,673,338</u>	<u>\$ 3,223,199</u>	<u>\$ 2,882,908</u>	<u>\$ 3,008,159</u>

Current

Other payables	<u>\$ 2,412,687</u>	<u>\$ 1,958,129</u>	<u>\$ 1,607,490</u>	<u>\$ 1,649,975</u>
Other payables to related parties	<u>\$ 90,312</u>	<u>\$ 79,711</u>	<u>\$ 75,707</u>	<u>\$ 70,311</u>
Other financial liabilities	<u>\$ 152,963</u>	<u>\$ 174,797</u>	<u>\$ 130,770</u>	<u>\$ 146,842</u>
Other liabilities	<u>\$ 111,870</u>	<u>\$ 120,310</u>	<u>\$ 86,352</u>	<u>\$ 99,117</u>

Non-current

Other liabilities	<u>\$ 905,506</u>	<u>\$ 890,252</u>	<u>\$ 982,589</u>	<u>\$ 1,041,914</u> (Concluded)
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a. Accrued expenses were as follows:

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Performance bonus and salaries	\$ 2,035,916	\$ 1,609,238	\$ 1,303,270	\$ 1,336,405
Advertisement	101,995	105,017	79,620	81,654
Labor and health insurance	56,048	63,060	43,964	44,627
Payable for annual leave	67,788	52,246	64,295	57,363
Professional fees	19,654	15,816	15,393	21,696
Employees bonuses and compensation to directors	29,351	23,652	16,443	21,517
Others	<u>101,935</u>	<u>89,100</u>	<u>84,505</u>	<u>86,713</u>
	<u>\$ 2,412,687</u>	<u>\$ 1,958,129</u>	<u>\$ 1,607,490</u>	<u>\$ 1,649,975</u>

Employees and senior management who meet the performance standards under the bonus rules are eligible for performance bonuses. Performance bonuses to be paid one year later are recorded as other liabilities - others. The performance bonuses payable under other liabilities - others amounted to \$905,506 thousand, \$890,252 thousand, \$982,589 thousand and \$1,041,914 thousand as of September 30, 2013, December 31, 2012, September 30, 2012 and January 1, 2012.

b. Other financial liabilities

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Receipts under custody from real estate transactions	\$ 90,372	\$ 90,519	\$ 82,830	\$ 61,025
Other receipts under custody	37,222	58,291	25,594	39,648
Compensation payable	-	-	-	20,000
Payable on equipment	5,914	3,326	3,483	7,926

(Continued)

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Receipts under custody - escrow service	\$ 263	\$ 1,720	\$ 1,402	\$ 1,188
Others	<u>19,192</u>	<u>20,941</u>	<u>17,461</u>	<u>17,055</u>
	<u>\$ 152,963</u>	<u>\$ 174,797</u>	<u>\$ 130,770</u>	<u>\$ 146,842</u> (Concluded)

- 1) Receipts under custody from real estate transactions were the money received by real estate brokers - Shanghai Sinyi Real Estate, Zhejiang Sinyi, Suzhou Sinyi, Beijing Sinyi, Chengdo Sinyi and Qingdao Sinyi from buyers that had concluded transactions, but not yet transferred to the sellers.
- 2) The Group was involved in claims and legal proceedings that arise in the ordinary course of business. Based on an unfavorable judgment of the Taipei District Court, the Group recognized compensation loss of \$20,000 thousand in 2009. The Group had placed a total of \$20,000 thousand as guarantee deposits, classified as refundable deposit on January 1, 2012. The Group appealed to the Taiwan High Court and won the lawsuit in July 2012; the plaintiff gave up appeal.
- 3) Receipts under custody from escrow service were the money received by An-Sin from buyers of real estate transactions but not yet transferred to the sellers. Composition was as follows:

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Receipts under custody - escrow service	\$ 17,018,705	\$ 11,069,385	\$ 10,839,572	\$ 7,491,033
Interest payable	18,911	17,238	17,205	7,442
Deposit accounts	(17,036,370)	(11,084,172)	(10,854,747)	(7,496,498)
Interest receivable	<u>(983)</u>	<u>(731)</u>	<u>(628)</u>	<u>(789)</u>
	<u>\$ 263</u>	<u>\$ 1,720</u>	<u>\$ 1,402</u>	<u>\$ 1,188</u>

- a) Receipts under custody - performance guarantee were receipts under custody from sellers of real estate transactions with interest rate of 0.17%-0.26% for the nine months ended September 30, 2013, December 31, 2012, September 30, 2012 and January 1, 2012.
- b) Deposit accounts were receipts which had been paid by buyers of real estate transactions but not delivered to the sellers yet. The Group deposited these receipts in bank accounts according to the escrow contracts.

21. PROVISIONS

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Service revenue allowances	<u>\$ 65,300</u>	<u>\$ 61,889</u>	<u>\$ 49,553</u>	<u>\$ 43,388</u>
Current	\$ 62,683	\$ 58,352	\$ 45,740	\$ 41,075
Non-current	<u>2,617</u>	<u>3,537</u>	<u>3,813</u>	<u>2,313</u>
	<u>\$ 65,300</u>	<u>\$ 61,889</u>	<u>\$ 49,553</u>	<u>\$ 43,388</u>

	Service Allowances
Balance, January 1, 2013	\$ 61,889
Additional provisions recognized	4,571
Reversal of unused balances	(1,088)
Effect of foreign currency exchange differences	<u>(72)</u>
Balance, September 30, 2013	<u>\$ 65,300</u>
Balance, January 1, 2012	\$ 43,388
Additional provisions recognized	6,203
Reclassifications	(11)
Effect of foreign currency exchange differences	<u>(27)</u>
Balance, September 30, 2012	<u>\$ 49,553</u>

The provision for service revenue allowances was estimated based on historical experience. The provision was recognized as a reduction of operating revenue in the period the related services were provided.

22. RETIREMENT BENEFIT PLANS

The Group's retirement benefit plans include defined contribution plan and defined benefit plan. For defined benefit plans, employee benefit expenses were calculated using the actuarially determined pension cost discount rate as of December 31, 2012 and January 1, 2012, and recognized in their respective periods. Refer to Note 22 to the consolidated financial statements as of March 31, 2013 for information on the Group's retirement benefit plans.

Employee benefit expenses were included in the following line items:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2013	2012	2013	2012
Operating cost	<u>\$ 508</u>	<u>\$ 285</u>	<u>\$ 1,526</u>	<u>\$ 857</u>
Operating expenses	<u>\$ 62</u>	<u>\$ 70</u>	<u>\$ 183</u>	<u>\$ 184</u>

23. EQUITY

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Share capital - ordinary shares	\$ 5,028,170	\$ 4,655,713	\$ 4,655,713	\$ 4,392,182
Capital surplus	68,597	63,896	63,896	63,896
Retained earnings	3,464,023	2,621,151	2,222,228	2,432,872
Other equity	247,496	(5,417)	(21,840)	(97,712)
Non-controlling interest	<u>121,340</u>	<u>119,581</u>	<u>109,440</u>	<u>104,590</u>
	<u>\$ 8,929,626</u>	<u>\$ 7,454,924</u>	<u>\$ 7,029,437</u>	<u>\$ 6,895,828</u>

Share Capital

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Numbers of shares authorized (in thousands)	<u>1,000,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Shares authorized	<u>\$ 10,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>502,817</u>	<u>465,571</u>	<u>465,571</u>	<u>439,218</u>
Share capital issued	<u>\$ 5,028,170</u>	<u>\$ 4,655,713</u>	<u>\$ 4,655,713</u>	<u>\$ 4,392,182</u>

The issued ordinary shares, which have par value of \$10, carry one vote and one right to dividends per share.

Capital Surplus

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Employee stock options	\$ 63,896	\$ 63,896	\$ 63,896	\$ 63,896
Differences between selling price and carrying amount arising from disposal of subsidiaries	<u>4,701</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 68,597</u>	<u>\$ 63,896</u>	<u>\$ 63,896</u>	<u>\$ 63,896</u>

The capital surplus from shares issued in excess of par (additional paid-in capital from issuance of common shares, conversion of bonds, treasury stock transactions and arising from the excess of the consideration received over the carrying amount of the subsidiaries' net assets during disposal or acquisition) and donations 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 capital (limited to a certain percentage of the Company's paid-in capital and once a year).

The capital surplus from long-term investments, employee stock options and conversion options may not be used for any purpose.

Retained Earnings and Dividend Policy

- a. Under the Company's Articles of Incorporation, 10% of the Company's annual earnings, after paying tax and offsetting deficit, if any, should first be appropriated to legal reserve and to special reserve in accordance with Securities and Exchange Act. Then, the appropriation of remaining amount is proposed by the Board of Directors and approved by the shareholders in their annual meeting.
- b. To ensure that the Company has enough fund for present and future expansion plans, the Company follows a residual dividend policy which however requires no less than 50% of retained earnings shall be distributed. The distribution of retained earnings includes the following:
 - 1) Bonus to employees not less than 1%;
 - 2) Bonus to directors not more than 1%;
 - 3) In consideration of future fund needs, the remaining earnings can be paid out as dividends to the shareholders, preferably stock dividends. But, in principle, cash dividends shall not be less than 10% of total dividends distributed.

- c. For the nine months ended September 30, 2013 and 2012, the accrued bonus to employees was \$18,355 thousand and \$10,107 thousand, respectively, and the accrued remuneration to directors was \$9,177 thousand and \$5,053 thousand, respectively. The above accrued bonus to employees and remuneration to directors represented 1.0% and 0.5%, respectively, of distributable retained earnings (net of the bonus and remuneration). Material differences between such estimated amounts and the amounts proposed by the Board of Directors in the following year are adjusted for in the current year. If the actual amounts subsequently resolved by the shareholders differ from the proposed amounts, the differences are recorded in the year of shareholders' resolution as a change in accounting estimate. If a share bonus is resolved to be distributed to employees, the number of shares is determined by dividing the amount of the share bonus by the closing price (after considering the effect of cash and stock dividends) of the shares of the day immediately preceding the shareholders' meeting.
- d. Under Rule No. 100116 and Rule No. 0950000507 issued by the FSC, certain amounts shall be transferred from unappropriated earnings to a special reserve before any appropriation of earnings generated before January 1, 2012. Any special reserve appropriated may be reversed to retained earnings to the extent of the decrease in the net debit balance in shareholders' equity.
- e. The Company appropriate and reverse a special reserve based on Rule No. 1010012865 issued by the FSC on April 6, 2012 and the directive titled "Questions and Answers for appropriation and reversal of Special Reserves Following Adoption of IFRSs".
- f. 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.
- g. Except for non-ROC resident shareholders, all shareholders receiving dividends are allowed a tax credit equal to their proportionate share of the income tax paid by the Company.
- h. The appropriations of earnings for 2012 and 2011 had been approved in the shareholders' meeting held on June 14, 2013 and June 15, 2012, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	For Year 2012	For Year 2011	For Year 2012	For Year 2011
Legal reserve	\$ 135,111	\$ 130,949	\$ -	\$ -
Cash dividends	698,357	878,436	1.5	2.0
Stock dividends	372,457	263,531	0.8	0.6

- i. The bonus to employees and the remuneration to directors for 2012 and 2011 approved in the shareholders' meeting on June 14, 2013 and June 15, 2012, respectively, were as follows:

	For the Year Ended 2012		For the Year Ended 2011	
	Bonus to Employees	Remuneration to Directors	Bonus to Employees	Remuneration of Directors
Amounts approved in shareholders' meeting	\$ 12,544	\$ 6,272	\$ 11,803	\$ 5,902
Deduct: Amounts recognized in respective financial statements	<u>(14,347)</u>	<u>(7,174)</u>	<u>(12,620)</u>	<u>(7,572)</u>
Difference	<u>\$ (1,803)</u>	<u>\$ (902)</u>	<u>\$ (817)</u>	<u>\$ (1,670)</u>

The differences between the amounts approved by shareholders' meeting of the bonus to employees and the remuneration to directors and supervisors and the accrual amounts recognized in the financial statements for the years ended December 31, 2012 and 2011 were resulted from changes in estimates, and adjusted to profit and loss for the nine months ended September 30, 2013 and 2012.

- j. The appropriations of earnings for 2012 were proposed according to the Company's financial statements for the year ended December 31, 2012, which were prepared in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, and by reference to the balance sheet for the year ended December 31, 2012, which was prepared in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards.
- k. Information about the bonus to employees and remuneration to directors is available on the Market Observation Post System website of the Taiwan Stock Exchange.

Special Reserves Appropriated Following First-time Adoption of IFRSs

The Company had a decrease in retained earnings due to the first adoption of IFRSs; therefore, no special reserve was appropriated.

Others Equity Items

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Exchange differences on translating foreign operations	\$ (35,534)	\$ (68,465)	\$ (51,406)	\$ -
Unrealized gains or losses from available-for-sale financial assets	<u>283,030</u>	<u>63,048</u>	<u>29,566</u>	<u>(97,712)</u>
	<u>\$ 247,496</u>	<u>\$ (5,417)</u>	<u>\$ (21,840)</u>	<u>\$ (97,712)</u>

- a. Exchange differences on translating foreign operations

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. New Taiwan dollars) were recognized directly in other comprehensive income and accumulated in the exchange differences on translation of foreign operations. Gains and losses on hedging instruments that were designated as hedging instruments for hedges of net investments in foreign operations were included in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve were reclassified to profit or loss on the disposal of the foreign operation.

- b. Unrealized gains or losses from available-for-sale financial assets

Unrealized gains or losses from available-for-sale financial assets represents the cumulative gains and losses arising on the revaluation of available-for-sale financial assets, that have been recognized in other comprehensive income, net of amounts reclassified to profit or loss when those assets have been disposed of or are determined to be impaired.

Non-controlling Interests

	Nine Months Ended September 30	
	2013	2012
Balance, beginning of period	\$ 119,581	\$ 104,590
Attributed to non-controlling interests:		
Net income	31,643	20,556
Exchange differences on translating foreign operations	168	(235)
Additional non-controlling interests arising from partial disposal of subsidiaries	1,053	-
Acquisition of non-controlling interests in subsidiaries	-	(65)
Payment of cash dividends to non-controlling interests	<u>(31,105)</u>	<u>(15,406)</u>
Balance, end of period	<u>\$ 121,340</u>	<u>\$ 109,440</u>

24. NET PROFIT FROM CONTINUING OPERATIONS

Net profit from continuing operations had been arrived at after charging or crediting:

Interest Income

	Three Months Ended September 30		Nine Months Ended September 30	
	2013	2012	2013	2012
Interest income				
Cash in bank	\$ 9,431	\$ 3,402	\$ 24,866	\$ 7,043
Long-term accounts receivable	5,041	5,041	14,959	9,196
Others	<u>3</u>	<u>473</u>	<u>744</u>	<u>536</u>
	<u>\$ 14,475</u>	<u>\$ 8,916</u>	<u>\$ 40,569</u>	<u>\$ 16,775</u>

Other Gains and Losses

	Three Months Ended September 30		Nine Months Ended September 30	
	2013	2012	2013	2012
Reversal of impairment loss of investment properties	\$ -	\$ 445	\$ 10,152	\$ 445
Gain on disposal of investments	1,018	2,668	84,915	3,772
Net (loss) gain on fair value change of financial assets held for trading	(418)	3,827	2,243	5,613
Losses on disposal of property, plant and equipment	(514)	(84)	(610)	(749)
Losses on disposal of investment properties	-	(657)	(123)	(657)
Net foreign exchange gains	(2,710)	(5,379)	(1,248)	(2,985)
Share of loss of associates and joint ventures	243	277	242	274
Gain on reversal of bad debts	-	(2,856)	-	6,048
Others	<u>10,512</u>	<u>17,733</u>	<u>32,205</u>	<u>29,732</u>
	<u>\$ 8,131</u>	<u>\$ 15,974</u>	<u>\$ 127,776</u>	<u>\$ 41,493</u>

Finance Costs

	Three Months Ended September 30		Nine Months Ended September 30	
	2013	2012	2013	2012
Interest on bank loans	\$ 17,666	\$ 1,536	\$ 35,801	\$ 4,442
Interest on loans from related parties	803	802	2,393	2,489
Others	<u>1,354</u>	<u>-</u>	<u>1,354</u>	<u>-</u>
	<u>\$ 19,823</u>	<u>\$ 2,338</u>	<u>\$ 39,548</u>	<u>\$ 6,931</u>

Depreciation and Amortization

	Three Months Ended September 30		Nine Months Ended September 30	
	2013	2012	2013	2012
Property, plant and equipment	\$ 27,684	\$ 39,889	\$ 87,668	\$ 122,133
Investment property	5,035	4,994	15,031	15,031
Intangible assets	<u>4,187</u>	<u>4,365</u>	<u>13,082</u>	<u>12,852</u>
	<u>\$ 36,906</u>	<u>\$ 49,248</u>	<u>\$ 115,781</u>	<u>\$ 150,016</u>
An analysis of depreciation by function				
Operating costs	\$ 17,243	\$ 33,798	\$ 67,710	\$ 103,824
Operating expenses	<u>15,476</u>	<u>11,085</u>	<u>34,989</u>	<u>33,340</u>
	<u>\$ 32,719</u>	<u>\$ 44,883</u>	<u>\$ 102,699</u>	<u>\$ 137,164</u>
An analysis of amortization by function				
Operating costs	\$ 3,383	\$ 3,288	\$ 10,718	\$ 9,728
Operating expenses	<u>804</u>	<u>1,077</u>	<u>2,364</u>	<u>3,124</u>
	<u>\$ 4,187</u>	<u>\$ 4,365</u>	<u>\$ 13,082</u>	<u>\$ 12,852</u>

Operating Expenses Directly Related to Investment Properties

	Three Months Ended September 30		Nine Months Ended September 30	
	2013	2012	2013	2012
Direct operating expenses from investment property that generated rental income	\$ 9,594	\$ 12,466	\$ 29,308	\$ 35,348
Direct operating expenses from investment property that did not generate rental income	<u>23</u>	<u>47</u>	<u>91</u>	<u>157</u>
	<u>\$ 9,617</u>	<u>\$ 12,513</u>	<u>\$ 29,399</u>	<u>\$ 35,505</u>

Employee Benefits Expense

	Three Months Ended September 30		Nine Months Ended September 30	
	2013	2012	2013	2012
Short-term employee benefits	<u>\$ 1,530,893</u>	<u>\$ 1,037,956</u>	<u>\$ 4,629,770</u>	<u>\$ 3,361,328</u>
Post-employment benefits (Note 22)				
Defined contribution plans	42,477	31,875	121,651	104,432
Defined benefit plans	<u>570</u>	<u>355</u>	<u>1,709</u>	<u>1,041</u>
	43,047	32,230	123,360	105,473
Other employee benefits	<u>55,504</u>	<u>45,398</u>	<u>150,409</u>	<u>128,689</u>
Total employee benefits expense	<u>\$ 1,629,444</u>	<u>\$ 1,115,584</u>	<u>\$ 4,903,539</u>	<u>\$ 3,595,490</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 1,454,166	\$ 995,878	\$ 4,388,119	\$ 3,219,014
Operating expenses	<u>175,278</u>	<u>119,706</u>	<u>515,420</u>	<u>376,476</u>
	<u>\$ 1,629,444</u>	<u>\$ 1,115,584</u>	<u>\$ 4,903,539</u>	<u>\$ 3,595,490</u>

25. INCOME TAXES RELATING TO CONTINUING OPERATIONS

Income Tax Recognized in Profit or Loss

The major components of tax expense were as follows:

	Three Months Ended September 30		Nine Months Ended September 30	
	2013	2012	2013	2012
Current tax				
In respect of the current period	\$ 146,487	\$ 65,241	\$ 435,851	\$ 205,590
Income tax expense of unappropriated earnings	-	-	15,761	-
In respect of the prior periods	3,665	363	(403)	11,723
Deferred tax				
In respect of the current period	<u>4,830</u>	<u>4,042</u>	<u>6,229</u>	<u>27,295</u>
Income tax expense recognized in profit or loss	<u>\$ 154,982</u>	<u>\$ 69,646</u>	<u>\$ 457,438</u>	<u>\$ 244,608</u>

Income tax expense was recognized in each interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year. Since there are significant difference on non-deductible expense between the annually expected and the interim period, the income tax expense differs from that calculated using current taxable income, the applicable tax rate and the movement of deferred income taxes. Hence, a numerical reconciliation between accounting profit and taxable income was impractical for the nine months ended September 30, 2013.

The accounting profit for the nine months ended September 30, 2012 was reconciled to the income tax as follows:

	For the Nine Months Ended September 30, 2012
Profit before income tax	<u>\$ 1,196,487</u>
Income tax calculated at 17%	203,403
Effect of temporary differences	27,295
Effect of different tax rates of subsidiaries operating in other jurisdictions	2,187
Adjustments for prior years' tax	<u>11,723</u>
Income tax recognized in profit or loss	<u>\$ 244,608</u>

Integrated Income Tax

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Unappropriated earnings generated on and after January 1, 1998	<u>\$ 2,053,040</u>	<u>\$ 1,345,279</u>	<u>\$ 946,356</u>	<u>\$ 1,287,949</u>
Imputation credits account	<u>\$ 124,448</u>	<u>\$ 226,411</u>	<u>\$ 90,296</u>	<u>\$ 266,830</u>

The creditable ratio for distribution of earnings of 2012 and 2011 was 20.51% (expected ratio) and 20.52%, respectively.

Under the Income Tax Law, for distribution of earnings generated after January 1, 1998, the imputation credits allocated to ROC resident shareholders of the Company was calculated based on the creditable ratio as of the date of dividend distribution.

According to Interpretation Letter No. 10204562810 announced by the Ministry of Finance, when calculating imputation credits in the year of first-time adoption of IFRSs, the cumulative retained earnings include the net increase or net decrease in retained earnings arising from first-time adoption of IFRSs.

Income Tax Assessments

Except for year 2009, the Company's tax returns through 2011 have been assessed by the tax authorities. The Company disagreed with the tax authorities' assessment of its 2011 tax return and was ready to apply for a re-examination. Global, Shin Cheng and Sinyi Culture's tax returns through 2012 had been assessed by the tax authorities. An-Sin, Da-Chia and Jui-Inn's tax returns through 2011 had been assessed by the tax authorities.

26. EARNINGS PER SHARE

	Three Months Ended September 30		Nine Months Ended September 30	
	2013	2012	2013	2012
Basic EPS	<u>\$ 1.17</u>	<u>\$ 0.58</u>	<u>\$ 3.81</u>	<u>\$ 1.85</u>
Diluted EPS	<u>\$ 1.17</u>	<u>\$ 0.58</u>	<u>\$ 3.80</u>	<u>\$ 1.85</u>

The earnings per share computation for the three months ended September 30, 2012 and for the nine months ended September 30, 2012 was retrospectively adjusted for the effects of adjustments resulting from bonus stock issued on July 20, 2013. The basic and diluted after-tax earnings per share were adjusted retrospectively as followings:

Unit: NT\$ Per Share

	Before Adjusted Retrospectively		After Adjusted Retrospectively	
	For the Three Months Ended September 30, 2012	For the Nine Months Ended September 30, 2012	For the Three Months Ended September 30, 2012	For the Nine Months Ended September 30, 2012
Basic earnings per share	<u>\$ 0.63</u>	<u>\$ 2.00</u>	<u>\$ 0.58</u>	<u>\$ 1.85</u>
Diluted earnings per share	<u>\$ 0.63</u>	<u>\$ 2.00</u>	<u>\$ 0.58</u>	<u>\$ 1.85</u>

The earnings and weighted average number of ordinary shares outstanding in the computation of earnings per share from continuing operations were as follows:

Net Profit for the Period

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2013	2012	2013	2012
Profit for the period attributable to owners of the Company	<u>\$ 589,683</u>	<u>\$ 291,593</u>	<u>\$ 1,913,686</u>	<u>\$ 931,323</u>

Weighted average number of ordinary shares outstanding (in thousand shares):

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2013	2012	2013	2012
Weighted average number of ordinary shares in computation of basic earnings per share	502,817	502,817	502,817	502,817
Effect of dilutive potential ordinary shares:				
Bonus issue to employee	<u>358</u>	<u>89</u>	<u>493</u>	<u>254</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>503,175</u>	<u>502,906</u>	<u>503,310</u>	<u>503,071</u>

These bonuses were previously recorded as appropriations from earnings. If the Group may settle the bonus to employees by cash or shares, the Group should presume that the entire amount of the bonus will be settled in shares and the resulting potential shares should be included in the weighted average number of outstanding shares used in the calculation of diluted earnings per share, if the shares have a dilutive effect. The number of shares is estimated by dividing the entire amount of the bonus by the closing price of the shares at the balance sheet date. The dilutive effect of the potential shares should be included in the calculation of diluted earnings per share until the stockholders resolve the number of shares to be distributed to employees at their meeting in the following year.

27. BUSINESS COMBINATIONS

a. Subsidiaries acquired

	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
Han-Chiang Construction	Real estate development and construction	July 13, 2012	100	<u>\$ 34,269</u>

Han-Chiang Construction was acquired in order to develop construction business of the Group and integrate the Group's resources; considerations transferred were paid in cash.

b. Assets acquired and liabilities assumed at the date of acquisition

	Han-Chiang Construction
Current assets	
Cash	\$ 24,267
Other current assets	371
Non-current assets	
Refundable deposits	<u>10</u>
Net assets	<u>\$ 24,648</u>

c. Goodwill arising on acquisition

	Han-Chiang Construction
Consideration transferred	\$ 34,269
Less: Fair value of identifiable net assets acquired	<u>(24,648)</u>
Goodwill arising on acquisition	<u>\$ 9,621</u>

The total goodwill amount from acquisition was not deductible for tax purposes.

d. Net cash outflow on acquisition of subsidiaries

	For the Nine Months Ended September 30	
	2013	2012
Consideration paid in cash	\$ -	\$ 34,269
Less: Cash and cash equivalent balances acquired	<u>-</u>	<u>(24,267)</u>
	<u>\$ -</u>	<u>\$ 10,002</u>

e. Impact on the results of the Group from acquisitions

The results of acquires since the acquisition date included in the consolidated statements of comprehensive income were as follows:

	For the Three Months Ended September 30, 2012	For the Nine Months Ended September 30, 2012
Revenue		
Han-Chiang Construction	\$ <u> -</u>	\$ <u> -</u>
Profit		
Han-Chiang Construction	\$ <u> 180</u>	\$ <u> 180</u>

Had these business combinations been in effect at the beginning of the annual reporting period, the Group's results from continuing operations would have been \$6,273,470 thousand, and the profit from continuing operations would have been \$954,817 thousand for the nine months ended September 30, 2012. This pro-forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on January 1, 2012, nor is it intended to be a projection of future results.

28. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

In February 2012, the Group acquired five thousand and one thousand shares of Da-Chia Construction from the Company's president, Mr. Chou Chun-Chi and vice president, Ms. Chou Wang Mei-Wen with the price of \$54 thousand and \$11 thousand, respectively.

In May 2013, the Group disposed 15% of its interest in Qingdao Sinyi, reducing its continuing interest from 80% to 65%.

The above transactions were accounted for as equity transactions, since the Group did not cease to have control over these subsidiaries.

	Qingdao Sinyi	Da-Chia Construction
Cash consideration received (paid)	\$ 5,763	\$ (65)
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to (from) non-controlling interests	(1,053)	65
Reattribution of other equity to (from) non-controlling interests		
Exchange differences arising on the translation of the financial statements of foreign operations	<u> (9)</u>	<u> -</u>
Differences arising from equity transaction	<u>\$ 4,701</u>	<u>\$ -</u>
<u>Line items adjusted for equity transaction</u>		
Capital surplus - difference between consideration and carrying amounts adjusted arising from changes in percentage of ownership in subsidiaries	<u>\$ 4,701</u>	<u>\$ -</u>

29. OPERATING LEASE ARRANGEMENTS

The Group as Lessee

Operating leases relate to leases of office with lease terms between 5 and 10 years. All operating lease contracts over 5 years contain clauses for 5-yearly market rental reviews. The Group does not have a bargain purchase option to acquire the leased office at the expiry of the lease periods.

As of September 30, 2013, December 31, 2012, September 30, 2012 and January 1, 2012, refundable deposits paid under operating lease amounted to \$100,109 thousand, \$89,428 thousand, \$89,087 thousand and \$87,769 thousand, respectively.

Method of Calculation and Payment of Rentals	Year	Amount
Settlement on monthly basis	4th quarter of 2013	\$ 126,959
	2014	431,630
	2015	294,186
	2016	163,498
	2017	98,413
	1st to 3rd quarter of 2018	<u>97,481</u>
		<u>\$ 1,212,167</u>

The Group as Lessor

Operating leases relate to the investment property owned by the Group with lease terms between 1 to 5 years.

As of September 30, 2013, December 31, 2012, September 30, 2012 and January 1, 2012, deposits received under operating leases amounted to \$32,782 thousand, \$33,934 thousand, \$34,697 thousand and \$28,629 thousand, respectively.

As of September 30, 2013, future rentals receivable were summarized as follows:

Method of Calculation and Collection of Rentals	Year	Amount
Settlement on monthly basis	4th quarter of 2013	\$ 28,893
	2014	121,401
	2015	124,732
	2016	127,081
	2017	104,475
	1st to 3rd quarter of 2018	<u>331</u>
		<u>\$ 506,913</u>

30. CAPITAL RISK MANAGEMENT

The objectives, policies and process for managing capital, and capital structures is as same as that stated in the consolidated financial statements for the three months ended March 31, 2013. Refer to Note 28 to the consolidated financial statements as of March 31, 2013 for details.

31. FINANCIAL INSTRUMENTS

Fair Value of Financial Instruments

a. Fair value of financial instruments not carried at fair value

The management consider that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values or their fair values cannot be reliably measured.

b. Fair value measurements recognized in the consolidated balance sheet

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 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 (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

September 30, 2013

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Non-derivative financial assets				
held for trading				
Domestic listed stocks - equity				
investments	\$ 25,217	\$ -	\$ -	\$ 25,217
Mutual funds	<u>189,632</u>	<u>-</u>	<u>-</u>	<u>189,632</u>
	<u>\$ 214,849</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 214,849</u>
Available-for-sale financial assets				
Domestic listed stocks - equity				
investments	\$ 243,931	\$ -	\$ -	\$ 243,931
Foreign listed stocks - equity				
investments	568,786	-	-	568,786
Mutual funds	<u>1,279</u>	<u>-</u>	<u>-</u>	<u>1,279</u>
	<u>\$ 813,996</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 813,996</u>

December 31, 2012

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic listed stocks - equity investments	\$ 23,298	\$ -	\$ -	\$ 23,298
Mutual funds	<u>52,236</u>	<u>-</u>	<u>-</u>	<u>52,236</u>
	<u>\$ 75,534</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,534</u>
Available-for-sale financial assets				
Domestic listed stocks - equity investments	\$ 223,241	\$ -	\$ -	\$ 223,241
Foreign listed stocks - equity investments	384,910	-	-	384,910
Mutual funds	<u>1,256</u>	<u>-</u>	<u>-</u>	<u>1,256</u>
	<u>\$ 609,407</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 609,407</u>

September 30, 2012

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic listed stocks - equity investments	\$ 28,098	\$ -	\$ -	\$ 28,098
Mutual funds	<u>307,375</u>	<u>-</u>	<u>-</u>	<u>307,375</u>
	<u>\$ 335,473</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 335,473</u>
Available-for-sale financial assets				
Domestic listed stocks - equity investments	\$ 349,651	\$ -	\$ -	\$ 349,651
Foreign listed stocks - equity investments	228,049	-	-	228,049
Mutual funds	<u>1,267</u>	<u>-</u>	<u>-</u>	<u>1,267</u>
	<u>\$ 578,967</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 578,967</u>

January 1, 2012

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Non-derivative financial assets				
held for trading				
Domestic listed stocks - equity investments	\$ 23,235	\$ -	\$ -	\$ 23,235
Mutual funds	<u>487,521</u>	<u>-</u>	<u>-</u>	<u>487,521</u>
	<u>\$ 510,756</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 510,756</u>
Available-for-sale financial assets				
Domestic listed stocks - equity investments	\$ 178,572	\$ -	\$ -	\$ 178,572
Foreign listed stocks - equity investments	293,354	-	-	293,354
Mutual funds	<u>4,337</u>	<u>-</u>	<u>-</u>	<u>4,337</u>
	<u>\$ 476,263</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 476,263</u>

There were no transfers between Level 1 and Level 2 in the current and prior periods.

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

The fair values of financial assets and financial liabilities were determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded in active markets are determined with reference to quoted market prices.
- Except those described above, the fair values of financial instruments were determined in accordance with generally accepted pricing models using discounted cash flow analysis.

Categories of Financial Instruments

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
<u>Financial assets</u>				
FVTPL				
Held for trading	\$ 214,849	\$ 75,534	\$ 335,473	\$ 510,756
Loans and receivables (Note 1)	4,821,320	4,124,791	2,849,075	2,474,954
Available-for-sale financial assets (Note 2)	1,106,135	738,047	729,758	630,347
<u>Financial liabilities</u>				
Amortized cost (Note 3)	7,367,239	3,926,488	2,917,902	3,027,631

Note 1: The balance included loans and receivables measured at amortized cost, which comprise cash and cash equivalents, notes receivable and trade receivables, other receivables, other current financial assets, refundable deposits and long-term accounts receivable.

Note 2: The balance included the carrying amount of available-for-sale financial assets and financial assets measured at cost.

Note 3: The balance included financial liabilities measured at amortized cost, which comprise short-term borrowings, notes payables, other payable, other payables to related parties, other financial liabilities, long-term borrowings, guarantee deposits received and other non-current liabilities.

Financial Risk Management Objectives and Policies

The Group's major financial instruments included equity, mutual funds, trade receivables other payables and borrowings. The Group's Corporate Treasury function provides services to the business 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 market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group seeks to ensure sufficient funding readily available when needed with the objective to reduce the potentially adverse effects the market uncertainties may have on its financial performance.

The plans for material treasury activities are reviewed by Audit Committees and/or Board of Directors in accordance with procedures required by relevant regulations or internal controls. During the implementation of such plans, Corporate Treasury function must comply with certain treasury procedures that provide guiding principles for overall financial risk management and segregation of duties. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis.

a. Market risk

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

1) Foreign currency risk

Most of the Group's operating activities are in Taiwan, denominated in New Taiwan dollars. Therefore, the operating activities in Taiwan are not exposed to foreign currency risk. The Group took foreign operations as strategic investments, and did not hedge the risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period please refer to Note 36.

Foreign currency sensitivity analysis

The Group's sensitivity analysis of foreign currency risk mainly focuses on the foreign currency monetary items at the end of the reporting period.

The following table details the Group's sensitivity to a 1% increase and decrease in the New Taiwan dollars ("NTD", the functional currency) against the relevant foreign currencies. A negative number below indicates an increase in profit before income tax or equity where the NTD strengthens 1% against the relevant currency. For a 1% weakening of the NTD against the relevant currency, the balances below would be positive as the other factors remain unchanged.

	Nine Months Ended September 30					
	2013			2012		
	RMB	JPY	USD	RMB	JPY	USD
Equity	\$ 328	\$ 1,604	\$ 694	\$ 4,239	\$ 812	\$ 386
Profit or loss	-	-	-	-	-	-

2) Interest rate risk

The Group is exposed to interest rate risk on investments and borrowings; interest rates could be fixed or floating. The investments and part of borrowings are fixed-interest rates and measured at amortized cost, and changes in interest will not affect future cash flows. Another part of borrowings are floating-interest rates, and changes in interest will affect future cash flows, but will not affect fair value.

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

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Fair value interest rate risk				
Financial assets	\$ 1,308,052	\$ 932,379	\$ 853,192	\$ 1,063,249
Financial liabilities	3,026,015	700,000	-	-
Cash flow interest rate risk				
Financial liabilities	786,114	131,674	131,668	129,731

Interest rate sensitivity analysis

The Group's sensitivity to interest rate is analyzed by measuring the effect of a 0.5% increase or decrease in interest rate on the asset or liability. If interest rates rised by 0.5%, with other conditions held constant and capitalized interest not considered, the Group's profit for the nine months ended September 30, 2013 and 2012 would have been lower by \$2,948 thousand and \$494 thousand, respectively.

b. Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from operating activities, primarily trade receivables, and from investing activities, primarily the fixed-income investments and other financial instruments.

Business related credit risk

The Group is mainly engaged in the operation of real-estate brokerage business and the customers of the Group are the people who buy house and people who sell house. The revenue of agency service is also received through the housing performance guarantee, so the concentration credit risk of trade receivable is not material.

Financial credit risk

The credit risk of bank deposits, fixed-income investments and other financial instruments are regularly controlled and monitored by the Group's Corporate Treasury function. The counterparties to the foregoing financial instruments are reputable financial institutions and business organizations. Management does not expect the Group's exposure to default by those parties to be material.

c. 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 has sufficient working capital to pay all debts; thus, there is no liquidity risk.

32. TRANSACTIONS WITH RELATED PARTIES

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

Loans from Related Parties

Other payables to related parties

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Other related parties - related parties in substance	\$ 44,615	\$ 36,349	\$ 34,330	\$ 27,521
Other related parties - the person in charge of other related parties is the president of the Company	10,481	9,443	8,624	9,185
Other - vice president of the Company	<u>35,216</u>	<u>33,919</u>	<u>32,753</u>	<u>33,605</u>
	<u>\$ 90,312</u>	<u>\$ 79,711</u>	<u>\$ 75,707</u>	<u>\$ 70,311</u>

Other payables to related parties were financing. Information on the financing for the nine months ended September 30, 2013 and 2012 were as follows:

	<u>Nine Months Ended September 30, 2013</u>				
	Highest Balance During the Period	Amount	Interest Rate %	Interest Expense	Interest Payable
Other related parties - related parties in substance	\$ 33,988	\$ 33,668	6.10%	\$ 1,531	\$ 4,000
Other - vice president of the Company	<u>31,074</u>	<u>30,301</u>	3.75%	<u>862</u>	<u>4,915</u>
	<u>\$ 65,062</u>	<u>\$ 63,969</u>		<u>\$ 2,393</u>	<u>\$ 8,915</u>
	<u>Nine Months Ended September 30, 2012</u>				
	Highest Balance During the Period	Amount	Rate %	Interest Expense	Interest Payable
Other related parties - related parties in substance	\$ 33,069	\$ 32,340	6.10%	\$ 1,183	\$ 1,589
Other - vice president of the Company	<u>30,707</u>	<u>30,029</u>	4.68%-5.88%	<u>1,306</u>	<u>2,724</u>
	<u>\$ 63,776</u>	<u>\$ 62,369</u>		<u>\$ 2,489</u>	<u>\$ 4,313</u>

The financing from related parties was unsecured and has no fixed terms of repayment.

Compensation of Key Management Personnel

The remuneration of directors and other members of key management personnel for the nine months ended September 30, 2013 and 2012 included the following:

	Three Months Ended September 30		Nine Months Ended September 30	
	2013	2012	2013	2012
Short-term benefits	\$ 35,426	\$ 26,597	\$ 100,929	\$ 80,767
Other long-term benefits	<u>2,841</u>	<u>1,969</u>	<u>8,524</u>	<u>6,593</u>
	<u>\$ 38,267</u>	<u>\$ 28,566</u>	<u>\$ 109,453</u>	<u>\$ 87,360</u>

Other long-term benefits included a long-term incentive plan approved by the Company's board of directors to encourage senior management to contribute further to the sustainable growth of the Company. Senior managers will be entitled to such incentive as continue to serve for three years starting the following year while obtaining the qualification and the bonus is calculated by the Company's share price increase. The Company's board of directors revised the incentive plan that since January 1, 2013, the bonus is calculated on the basis of Company's operating performance instead of the Company's share price increase.

Other Transactions with Related Parties

a. Rental income

	Three Months Ended September 30		Nine Months Ended September 30	
	2013	2012	2013	2012
Other related parties				
The person in charge of other related parties is the president of the Company	\$ 1,304	\$ 1,455	\$ 3,987	\$ 4,360
Related parties in substance	2,547	2,871	6,645	8,712
Associates	<u>9</u>	<u>10</u>	<u>26</u>	<u>26</u>
	<u>\$ 3,860</u>	<u>\$ 4,336</u>	<u>\$ 10,658</u>	<u>\$ 13,098</u>

The rental rates are based on the prevailing rates in the surrounding area. The Group collects rentals from related parties on a monthly basis.

b. Other benefit

	Three Months Ended September 30		Nine Months Ended September 30	
	2013	2012	2013	2012
Other related parties				
The person in charge of other related parties is the president of the Company	\$ 770	\$ 833	\$ 2,462	\$ 2,299
Related parties in substance	<u>3,202</u>	<u>2,183</u>	<u>8,664</u>	<u>6,660</u>
	<u>\$ 3,972</u>	<u>\$ 3,016</u>	<u>\$ 11,126</u>	<u>\$ 8,959</u>

Other benefit is mainly derived from management consulting services provided to the related parties.

c. Professional fee

	Three Months Ended September 30		Nine Months Ended September 30	
	2013	2012	2013	2012
Other related parties				
The person in charge of other related parties is the president of the Company	\$ 30,004	\$ 25,400	\$ 83,414	\$ 71,755
Related parties in substance	<u>950</u>	<u>819</u>	<u>3,058</u>	<u>2,492</u>
	<u>\$ 30,954</u>	<u>\$ 26,219</u>	<u>\$ 86,472</u>	<u>\$ 74,247</u>

Professional fee is mainly payment for services related to instructions of real estate, real estate registration and cadaster access service, etc.

d. Other receivables

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Other related parties				
The person in charge of other related parties is the president of the Company	\$ 1,334	\$ 1,383	\$ 1,417	\$ 2,350
Related parties in substance	<u>11,600</u>	<u>5,115</u>	<u>11,632</u>	<u>6,296</u>
	<u>\$ 12,934</u>	<u>\$ 6,498</u>	<u>\$ 13,049</u>	<u>\$ 8,646</u>

e. Property transaction

The Group acquired five thousand and one thousand shares of Da-Chia Construction Co., Ltd. from the Company's president, Mr. Chou Chun-Chi, and vice president, Ms. Chou Wang Mei-Wen, at the price of \$54 thousand and \$11 thousand, respectively, during the nine months ended September 30, 2012. The price of the above transaction was based on the book value of Da-Chia Construction Co., Ltd.

33. MORTGAGED OR PLEDGED ASSETS

The Group's assets mortgaged or pledged as collateral for bank loans, other financial institutions or other contracts were as follows:

	September 30, 2013	December 31, 2012	September 30, 2012	January 1, 2012
Property, plant and equipment (including investment properties)				
Land	\$ 3,256,722	\$ 3,290,251	\$ 2,004,088	\$ 2,004,088
Building	424,025	436,194	274,830	280,983
Other financial assets - current				
Pledged time deposits	603,721	107,961	107,877	107,718
Inventories	<u>300,423</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 4,584,891</u>	<u>\$ 3,834,406</u>	<u>\$ 2,386,795</u>	<u>\$ 2,392,789</u>

34. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED COMMITMENTS

- a. The Group is involved in claims that arise in the ordinary course of business; the Group is a defendant in legal proceedings. Management of the Group believe, based on legal advice, that the Group has strong and likely successful defense and the ultimate outcome of these unresolved matters will not have a material adverse impact on the Group's financial results.
- b. Guarantee notes submitted as guarantees for real-estate brokerage business amounted to \$5,000 thousand.
- c. The Group has endorsed Shanghai Sinyi Real Estate and Suzhou Sinyi Real Estate in obtaining financing limit for \$336,680 thousand (RMB70,000 thousand) and \$524,258 thousand (RMB109,000 thousand), respectively. Refer to Note 37 Table 2 for the details.

35. SIGNIFICANT FRANCHISE CONTRACTS

Sinyi Limited entered into a subfranchise agreement with Cendent Global Services B.V. ("GLOBAL") and Coldwell Banker Real Estate Corporation ("Coldwell"). Sinyi Limited obtained from the counterparty a license granting the right to use the plans, manuals, system and forms developed by Coldwell and the exclusive right to itself sublicense and/or to sublicense other franchisees and territorial subfranchisors in China, Hong Kong and Macau. The term of this contract is for forty years from October 12, 1999 and is automatically renewed for another period of forty years to October 11, 2079 unless the two sides agree to terminate the contract in three months prior to the expiration of the contract. Thereafter, because Sinyi Limited transferred this agreement right to Ke Wei Shanghai on August 1, 1990 and GLOBAL was renamed to Realogy Corporation ("Realogy") due to its organizational adjustment, Ke Wei Shanghai and Realogy entered into a supplemental subfranchise agreement in 2008.

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

The significant financial assets and liabilities, denominated in foreign currencies were as follows:

September 30, 2013 and 2012

	September 30, 2013			September 30, 2012		
	Foreign Currencies (In Thousands)	Exchange Rate	New Taiwan Dollars (In Thousands)	Foreign Currencies (In Thousands)	Exchange Rate	New Taiwan Dollars (In Thousands)
<u>Financial assets</u>						
Monetary items						
RMB	\$ 300,388	4.81	\$ 1,444,781	\$ 162,204	4.62	\$ 749,371
JPY	669,184	0.30	202,152	240,345	0.38	90,778
USD	11,603	29.57	343,107	1,353	29.30	39,623
Non-monetary items						
RMB	31,796	4.81	152,929	9,516	4.62	43,963
JPY	1,882,854	0.30	568,786	925,737	0.38	349,651
USD	43	29.57	1,279	43	29.30	1,267
<u>Financial liabilities</u>						
Monetary items						
RMB	293,570	4.81	1,411,984	70,451	4.62	325,479
JPY	138,139	0.30	41,730	25,300	0.38	9,556
USD	9,258	29.57	273,747	34	29.30	1,000

December 31, 2012 and January 1, 2012

	December 31, 2012			January 1, 2012		
	Foreign Currencies (In Thousands)	Exchange Rate	New Taiwan Dollars (In Thousands)	Foreign Currencies (In Thousands)	Exchange Rate	New Taiwan Dollars (In Thousands)
<u>Financial assets</u>						
Monetary items						
RMB	\$ 160,525	4.62	\$ 741,651	\$ 103,346	4.80	\$ 496,562
JPY	281,829	0.34	94,807	195,806	0.39	76,483
USD	1,255	29.04	36,457	1,173	30.28	35,508
Non-monetary items						
RMB	9,516	4.62	43,965	9,516	4.80	45,723
JPY	1,144,206	0.34	384,910	751,019	0.39	293,354
USD	43	29.04	1,256	143	30.28	4,337
<u>Financial liabilities</u>						
Monetary items						
RMB	79,107	4.62	365,487	62,987	4.80	302,646
JPY	32,593	0.34	10,964	21,663	0.39	8,462
USD	34	29.04	992	38	30.28	1,154

37. SEPARATELY DISCLOSED ITEMS

Information on significant transactions and information on investees:

- a. Financing provided: Table 1 (attached)
- b. Endorsements/guarantees provided to others: Table 2 (attached)
- c. Marketable securities held: Table 3 (attached)
- d. Marketable securities acquired or disposed of at costs or prices of at least NT\$100 million or 20% of the paid-in capital: Table 4 (attached)
- e. Acquisition of individual real estate at costs of at least NT\$100 million or 20% of the paid-in capital: Table 5 (attached)
- f. Disposal of individual real estate at prices of at least NT\$100 million or 20% of the paid-in capital: None
- g. Total purchases from or sales to related parties of at least NT\$100 million or 20% of the paid-in capital: None
- h. Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Table 6 (attached)
- i. Information about derivative: Note 7
- j. Others: The business relationship between the parent and the subsidiaries and between each subsidiary, and significant transactions between them: Table 7 (attached)
- k. Information on investees: Table 8 (attached)

Information on investments in mainland China:

- a. Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, shareholding ratio, investment gain or loss, carrying amount of the investment at the end of the period, repatriated investment gains, and limit on the amount of investment in the mainland China area: Table 9 (attached)
- b. Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses:
 - 1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: None
 - 2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: None
 - 3) The amount of property transactions and the amount of the resultant gains or losses: None
 - 4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2 (attached)
 - 5) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: Table 1 (attached)
 - 6) Other transactions that have a material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services: None

38. SEGMENT INFORMATION

a. Operating segments information

The Group is in the operation of local and international real-estate brokerage business and real-estate developing business. The Group provides information to the chief operating decision maker for the purpose of resources allocation and assessment of segment performance. The information gives emphasis on related laws on real-estate transactions in different countries that may affect the adoption of different marketing strategies.

Management has determined reportable segments as follows:

Real estate brokerage segment

- 1) Companies in Taiwan
- 2) Companies in mainland China and other foreign companies.

Real estate development segment

- 1) Companies in Taiwan
- 2) Companies in China

The following table was an analysis of the Group's revenue, result of operations and assets of segments for the nine months ended September 30, 2013 and 2012:

	Real Estate Brokerage			Real Estate Development			Elimination	Consolidated
	Taiwan	Mainland China and Others	Total	Taiwan	China	Total		
For the nine months ended September 30, 2013								
Revenues from external customers	\$ 8,381,733	\$ 621,548	\$ 9,003,281	\$ 59,033	\$ 30,651	\$ 89,684	\$ -	\$ 9,092,965
Inter-segment revenues	34,830	-	34,830	8,063	-	8,063	(42,893)	-
Segment revenues	<u>\$ 8,416,563</u>	<u>\$ 621,548</u>	<u>\$ 9,038,111</u>	<u>\$ 67,096</u>	<u>\$ 30,651</u>	<u>\$ 97,747</u>	<u>\$(42,893)</u>	<u>9,092,965</u>
Rental income from investment property								(89,684)
Consolidated revenues								<u>\$ 9,003,281</u>
Operating profit	<u>\$ 2,146,292</u>	<u>\$ 15,824</u>	<u>\$ 2,162,116</u>	<u>\$ 30,938</u>	<u>\$ 11,365</u>	<u>\$ 42,303</u>	<u>\$ 22,389</u>	\$ 2,226,808
Operating income from investment property								(60,285)
Operating income								<u>\$ 2,166,523</u>
Segment assets	<u>\$ 7,050,594</u>	<u>\$ 2,203,533</u>	<u>\$ 9,254,127</u>	<u>\$ 3,014,426</u>	<u>\$ 5,126,666</u>	<u>\$ 8,141,092</u>	<u>\$ (614,012)</u>	\$ 16,781,207
Investments accounted for by the equity method and goodwill								20,811
Total assets								<u>\$ 16,802,018</u>
For the nine months ended September 30, 2012								
Revenues from external customers	\$ 5,946,787	\$ 316,683	\$ 6,263,470	\$ 59,068	\$ 29,997	\$ 89,065	\$ -	\$ 6,352,535
Inter-segment revenues	24,851	-	24,851	7,620	-	7,620	(32,471)	-
Segment revenues	<u>\$ 5,971,638</u>	<u>\$ 316,683</u>	<u>\$ 6,288,321</u>	<u>\$ 66,688</u>	<u>\$ 29,997</u>	<u>\$ 96,685</u>	<u>\$(32,471)</u>	<u>6,352,535</u>
Rental income from investment property								(89,065)
Consolidated revenues								<u>\$ 6,263,470</u>
Operating profit (loss)	<u>\$ 1,163,577</u>	<u>\$ (148,648)</u>	<u>\$ 1,014,929</u>	<u>\$ 35,301</u>	<u>\$ 18,516</u>	<u>\$ 53,817</u>	<u>\$ 20,005</u>	\$ 1,088,751
Operating income from investment property								(53,560)
Operating income								<u>\$ 1,035,191</u>
Segment assets	<u>\$ 5,700,851</u>	<u>\$ 1,335,018</u>	<u>\$ 7,035,869</u>	<u>\$ 2,895,856</u>	<u>\$ 517,634</u>	<u>\$ 3,413,490</u>	<u>\$ (143,796)</u>	\$ 10,305,563
Investments accounted for by the equity method and goodwill								13,217
Total assets								<u>\$ 10,318,780</u>

The Group uses the operating profit (loss) as the measurement for segment profit. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

b. Industry and service information

The Group operates mainly in real-estate brokerage business. As of September 30, 2013, there is no revenue generated from residences and buildings development business.

c. Geographic information

Reportable segments of the Group are based on geography. The Group has no additional information to be disclosed.

d. Major customers

No single customer accounts for at least 10% of the Group's service revenue; therefore, no customer information is required to be disclosed.

39. FIRST-TIME ADOPTION OF IFRSs

a. Basis of the preparation of financial information under IFRSs

The Group's consolidated financial statements for the nine months ended September 30, 2013 not only follows the significant accounting policies stated in Note 4 but also applies the requirements under IFRS 1 "First-time Adoption of IFRS" as the basis for the preparation.

b. Effects of transition to IFRSs

Except for the following additional information on the impact on the transition to IFRSs, refer to Note 37 to the consolidated financial statements as of March 31, 2013 for the impact on the Group's consolidated balance sheets and consolidated statements of comprehensive income after transition to IFRSs.

1) Reconciliation of consolidated balance sheet as of September 30, 2012:

ROC GAAP		Effect of the Transition from ROC GAAP to IFRSs		IFRSs		Note
		Item	Amount	Measurement or Recognition Difference	Presentation Difference	
<u>Assets</u>						
Current assets						
Cash and cash equivalents	\$ 1,632,481	\$ -	\$ (250,948)	\$ 1,381,533	Cash and cash equivalents	f)
Financial assets at fair value through profit or loss - current	335,473	-	-	335,473	Financial assets at fair value through profit or loss - current	
Available-for-sale financial assets - current	578,967	-	-	578,967	Available-for-sale financial assets - current	
Notes receivable, net	48,576	-	-	48,576	Notes receivable	
Accounts receivable, net	613,042	-	45,740	658,782	Trade receivables	g)
Other current financial assets	73,537	-	-	73,537	Other receivables	
Other current financial assets	107,877	-	250,948	358,825	Other financial assets - current	f)
"	11,780	-	(11,780)	-		a)
Other current assets	62,357	-	-	62,357	Other current assets	
Total current assets	3,464,090	-	33,960	3,498,050		
Long-term investments						
Financial assets carried at cost - non-current	150,791	-	-	150,791	Financial assets measured at cost - non-current	
Investments accounted for by the equity method	3,596	-	-	3,596	Investments accounted for using equity method	
Total long-term investments	154,387	-	-	154,387		
Properties	3,272,184	-	32,244	3,304,428	Property, plant and equipment	e)
Intangible assets						
Franchise	60,480	-	-	60,480	Franchise	
Goodwill	9,621	-	-	9,621	Goodwill	
	-	-	22,524	22,524	Intangible assets	e)
Total intangible assets	70,101	-	22,524	92,625		
Other assets						
Assets leased to others	2,814,794	-	-	2,814,794	Investment properties	
Idle assets	52,384	-	-	52,384	Investment properties	
Refundable deposits	118,626	-	-	118,626	Refundable deposits	
Long-term accounts receivable	209,196	-	-	209,196	Long-term accounts receivable	
Deferred charges	54,768	-	(54,768)	-		e)
Deferred income tax assets - non-current	255	-	11,780	12,035	Deferred tax assets	a)
Others	61,335	(2,893)	3,813	62,255	Other non-current assets	b), g)
Total other assets	3,311,358	(2,893)	(39,175)	3,269,290		
Total	\$ 10,272,120	\$ (2,893)	\$ 49,553	\$ 10,318,780		

(Continued)

ROC GAAP		Effect of the Transition from ROC GAAP to IFRSs		IFRSs		Note
		Item	Amount	Measurement or Recognition Difference	Presentation Difference	
<u>Liabilities and shareholders' equity</u>						
Current liabilities						
Short-term loans	\$ 69,299	\$ -	\$ -	\$ 69,299	Short-term borrowings	
Notes payable	1,636	-	-	1,636	Notes payable	
Income tax payable	207,712	-	-	207,712	Current tax liabilities	
	-	-	45,740	45,740	Provisions - current	g)
Accrued expenses	1,543,195	64,295	-	1,607,490	Other payables	c)
Other payables to related parties	75,707	-	-	75,707	Other payables to related parties	
Other current financial liabilities	130,770	-	-	130,770	Other current financial liabilities	
Other current liabilities	<u>86,352</u>	<u>-</u>	<u>-</u>	<u>86,352</u>	Other current liabilities	
Total current liabilities	<u>2,114,671</u>	<u>64,295</u>	<u>45,740</u>	<u>2,224,706</u>		
Other liabilities						
	-	-	3,813	3,813	Provisions - non-current	g)
Guarantee deposits received	50,411	-	-	50,411	Guarantee deposits received	
Deferred income tax liabilities - noncurrent	27,824	-	-	27,824	Deferred income tax liabilities	
Others	982,589	-	-	982,589	Other non-current liabilities	
Total other liabilities	<u>1,060,824</u>	<u>-</u>	<u>3,813</u>	<u>1,064,637</u>		
Total liabilities	<u>3,175,495</u>	<u>64,295</u>	<u>49,553</u>	<u>3,289,343</u>		
Shareholders' equity						
Common stock	4,655,713	-	-	4,655,713	Ordinary shares	
Capital surplus					Capital surplus	
Employee stock options	63,896	-	-	63,896	Employee stock options	
Retained earnings						
Legal reserve	1,155,179	-	-	1,155,179	Legal reserve	
Special reserve	120,693	-	-	120,693	Special reserve	
Unappropriated earnings	976,689	(30,333)	-	946,356	Unappropriated earnings	b), c), d)
Other equity						
Cumulative translation adjustments	(14,939)	(36,467)	-	(51,406)	Exchange differences on foreign operations	d)
Unrealized valuation loss on financial instruments	29,566	-	-	29,566	Unrealized loss from available-for-sale financial assets	
Total equity attributable to shareholders of the parent	<u>6,986,797</u>	<u>(66,800)</u>	<u>-</u>	<u>6,919,997</u>		
Minority interest in subsidiaries	109,828	(388)	-	109,440	Non-controlling interests	b), c)
Total shareholders' equity	<u>7,096,625</u>	<u>(67,188)</u>	<u>-</u>	<u>7,029,437</u>		
Total	<u>\$ 10,272,120</u>	<u>\$ (2,893)</u>	<u>\$ 49,553</u>	<u>\$ 10,318,780</u>		

(Concluded)

2) Reconciliation of consolidated statement of comprehensive income for the nine months ended September 30, 2012:

ROC GAAP		Effect of the Transition from ROC GAAP to IFRSs		IFRSs		Note
		Item	Amount	Measurement or Recognition Difference	Presentation Difference	
Operating revenue						
Service revenue	\$ 6,524,028	\$ -	\$ -	\$ 6,524,028	Operating revenue	
Service returns and allowances	(260,558)	-	-	(260,558)	Service returns and allowances	
Total operating revenue	<u>6,263,470</u>	<u>-</u>	<u>-</u>	<u>6,263,470</u>	Total operating revenue	
Operating costs	<u>(4,468,910)</u>	<u>(5,770)</u>	<u>-</u>	<u>(4,474,680)</u>	Operating costs	b), c)
Gross profit	1,794,560	(5,770)	-	1,788,790	Gross profit	
Operating expenses	<u>(752,607)</u>	<u>(992)</u>	<u>-</u>	<u>(753,599)</u>	Operating expenses	b), c)
Operating income	<u>1,041,953</u>	<u>(6,762)</u>	<u>-</u>	<u>1,035,191</u>	Operating income	

(Continued)

ROC GAAP		Effect of the Transition from ROC GAAP to IFRSs		IFRSs		Note
		Measurement or Recognition Difference	Presentation Difference			
Item	Amount			Amount		
Nonoperating income and gains					Nonoperating income and gains	
Dividend income	\$ 20,894	\$ -	\$ -	\$ 20,894	Dividend income	
Investment income recognized under equity method	274	-	-	274	Investment income recognized under equity method	
Interest income	16,775	-	-	16,775	Interest income	
Gain on sale of investments	3,772	-	-	3,772	Gain on sale of investments	
Rental income	89,065	-	-	89,065	Rental income	
Gain on reversal of bad debts	6,048	-	-	6,048	Gain on reversal of bad debts	
Reversal of impairment loss	445	-	-	445	Reversal of impairment loss	
Valuation gain on financial assets	5,613	-	-	5,613	Valuation gain on financial assets	
Miscellaneous income	54,639	-	-	54,639	Miscellaneous income	
Total nonoperating income and gains	197,525	-	-	197,525	Total nonoperating income and gains	
Nonoperating expenses and losses					Nonoperating expenses and losses	
Interest expense	6,931	-	-	6,931	Interest expense	
Losses on disposal of properties	1,406	-	-	1,406	Losses on disposal of properties	
Exchange loss, net	2,985	-	-	2,985	Exchange loss, net	
Miscellaneous loss	24,907	-	-	24,907	Miscellaneous loss	
Total nonoperating expenses and losses	36,229	-	-	36,229	Total nonoperating expenses and losses	
Income before income tax	1,203,249	(6,762)	-	1,196,487	Income before income tax	
Income tax	(244,608)	-	-	(244,608)	Income tax	
Net income	\$ 958,641	\$ (6,762)	\$ -	951,879	Net income	
				(51,641)	Exchange differences on translating foreign operations	
				127,278	Unrealized gain on available-for-sale financial assets	
				75,637	Other comprehensive income for the period, net of income tax	
				\$ 1,027,516	Total comprehensive income	

(Concluded)

3) Reconciliation of consolidated statement of comprehensive income for the three months ended September 30, 2012:

ROC GAAP		Effect of the Transition from ROC GAAP to IFRSs		IFRSs		Note
		Measurement or Recognition Difference	Presentation Difference			
Item	Amount			Amount		
Operating revenue					Operating revenue	
Service revenue	\$ 2,069,632	\$ -	\$ -	\$ 2,069,632	Service revenue	
Service returns and allowances	(85,443)	-	-	(85,443)	Service returns and allowances	
Total operating revenue	1,984,189	-	-	1,984,189	Total operating revenue	
Operating costs	(1,416,516)	(328)	-	(1,416,844)	Operating costs	b), c)
Gross profit	567,673	(328)	-	567,345	Gross profit	
Operating expenses	(249,175)	(56)	-	(249,231)	Operating expenses	b), c)
Operating income	318,498	(384)	-	318,114	Operating income	
Nonoperating income and gains					Nonoperating income and gains	
Interest income	8,916	-	-	8,916	Interest income	
Investment income recognized under equity method	277	-	-	277	Investment income recognized under equity method	
Dividend income	3,818	-	-	3,818	Dividend income	

(Continued)

ROC GAAP		Effect of the Transition from ROC GAAP to IFRSs			IFRSs		Note
		Item	Amount	Measurement or Recognition Difference	Presentation Difference	Amount	
Gain on sale of investments	\$ 2,668	\$ -	\$ -	\$ 2,668	Gain on sale of investments		
Rental income	26,107	-	-	26,107	Rental income		
Reversal of impairment loss	445	-	-	445	Reversal of impairment loss		
Valuation gain on financial assets	3,827	-	-	3,827	Valuation gain on financial assets		
Miscellaneous income	25,925	-	-	25,925	Miscellaneous income		
Total nonoperating income and gains	71,983	-	-	71,983	Total nonoperating income and gains		
Nonoperating expenses and losses					Nonoperating expenses and losses		
Interest expense	2,338	-	-	2,338	Interest expense		
Exchange loss, net	5,379	-	-	5,379	Exchange loss, net		
Losses on disposal of properties	741	-	-	741	Losses on disposal of properties		
Miscellaneous loss	11,048	-	-	11,048	Miscellaneous loss		
Total nonoperating expenses and losses	19,506	-	-	19,506	Total nonoperating expenses and losses		
Income before income tax	370,975	(384)	-	370,591	Income before income tax		
Income tax	(69,646)	-	-	(69,646)	Income tax		
Net income	<u>\$ 301,329</u>	<u>\$ (384)</u>	<u>\$ -</u>	<u>300,945</u>	Net income		
				(30,745)	Exchange differences on translating foreign operations		
				57,987	Unrealized gain on available-for-sale financial assets		
				27,242	Other comprehensive income for the period, net of income tax		
				<u>\$ 328,187</u>	Total comprehensive income		

(Concluded)

4) Exemptions from IFRS 1

The exemptions adopted by the Group on January 1, 2012 were the same as those indicated in the consolidated financial statements as of March 31, 2013. Refer to the Note 37 to the consolidated financial statements as of March 31, 2013 for detail information.

5) Explanations of significant reconciling items in the transition to IFRSs

Material differences between the accounting policies under ROC GAAP and the accounting policies adopted under IFRSs were as follows:

- a) Under ROC GAAP, a deferred income tax asset or liability should be classified as current or noncurrent in accordance with the classification of the related asset or liability for financial reporting. However, a deferred income tax asset or liability that is not related to an asset or liability for financial reporting should be classified as current or noncurrent on the basis of the expected length of time before it is realized or settled. By contrast, under IFRSs, a deferred income tax asset or liability is always classified as noncurrent. Thus, as of September 30, 2012, the reclassification adjustment resulted in decreases of \$11,780 thousand, in “deferred income tax asset - current” and increases of the same amounts in “deferred income tax assets - non-current.”
- b) Under IFRS 1, the Group elected to recognize all cumulative actuarial gains and losses relating to employee benefits at the date of transition to IFRSs.

As of September 30, 2012, the IFRS adjustment resulted in decreases in accumulated earnings of \$2,680 thousand, non-controlling interests of \$213 thousand and defined benefit plan assets of \$2,893 thousand. As of the nine months ended September 30, 2012, the IFRS adjustment

resulted in decreases in operating costs of \$145 thousand and operating expenses of \$25 thousand. As of the three months ended September 30, 2012, the IFRS adjustment resulted in decreases in operating costs of \$56 thousand and operating expenses of \$10 thousand.

- c) Accrual for accumulated compensated absences is not addressed in existing ROC GAAP; thus, the Group has not recognized the expected cost of employee benefits in the form of accumulated compensated absences at the end of reporting periods. However, under IFRSs, when the employees render services that increase their entitlement to future compensated absences, an entity should recognize the expected cost of employee benefits at the end of reporting periods. Therefore, the IFRS adjustment as of January 1, 2012, resulted in decreases in accumulated earnings of \$56,963 thousand, non-controlling interests of \$400 thousand, and increase in accrued expenses of \$57,363 thousand.

In addition, the evaluation adjustment made on September 30, 2012 resulted in increases in accrued expenses of \$6,932 thousand. Accumulated earnings decreased by \$7,157 thousand and non-controlling interests increased by \$225 thousand. As of the nine months ended September 30, 2012, the IFRS adjustment resulted in increases in operating costs of \$5,915 thousand and operating expenses of \$1,017 thousand. As of the three months ended September 30, 2012, the IFRS adjustment resulted in increases in operating costs of \$384 thousand and operating expenses of \$66 thousand.

- d) The Group elected to reset the cumulative translation differences to zero at the date of transition to IFRSs, and the recognition has been used to increase accumulated earnings as of December 31, 2011. The gain or loss on any subsequent disposals of any foreign operations shall exclude cumulative translation differences that arose before the date of transition to IFRSs. The IFRS adjustment resulted in a decrease in cumulative translation differences of \$36,467 thousand and a corresponding increase in accumulated earnings.
- e) Reclassification of deferred charges

Under ROC GAAP, deferred charges were classified under other assets. Under IFRS, deferred charges should be reclassified to property, plant and equipment and intangible assets based on the nature.

As of September 30, 2012, the Group reclassified \$32,244 thousand, of “deferred charges” to “property, plant and equipment” and reclassified \$22,524 thousand, of “deferred charges” to “intangible assets”.

- f) Under ROC GAAP, the term “cash” used in the financial statements includes cash on hand, demand deposits, check deposits, time deposits that are cancellable but without any loss of principal. However, under IFRSs, cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value. An investment normally qualifies as a cash equivalent only when it has a short maturity of three months or less from the date of acquisition. Some certificates of deposit the Group held had maturity of more than 3 months from the date of investment. Thus, as of September 30, 2012, the reclassification adjustment resulted in decreases of \$250,948 thousand, in “cash and cash equivalents” and increases of the same amounts in “other financial assets - current.”
- g) Under ROC GAAP, the allowance for service discounts is recorded as a deduction in accounts receivable. Under IFRS, the allowance for service discounts is a present obligation with uncertain timing and an amount that arises from past events and is therefore reclassified as provisions. As of September 30, 2012, the allowance for service discounts (under trade receivables) of \$45,740 thousand, was reclassified to provisions - current. As of September 30, 2012, the allowance for services discounts - overdue receivable (under other assets) of \$3,813 thousand, was reclassified to provisions - non-current.

SINYI REALTY INC. AND SUBSIDIARIES

FINANCING PROVIDED
NINE MONTHS ENDED SEPTEMBER 30, 2013
(In Thousands of New Taiwan Dollars)

No.	Financing Company	Borrower	Financial Statement Account	Maximum Balance for the Period	Ending Balance	Actual Appropriation	Interest Rate	Type of Financing	Transaction Amounts	Reasons for Short-term Financing	Allowance for Doubtful Accounts	Ending Balance		Financing Limit for Each Borrowing Company	Financing Company's Financing Amount Limits
												Item	Value		
1	Da-Chia Construction Co., Ltd.	Shin Hau Real Estate Co., Ltd.	Other receivables	\$ 200,000	\$ 200,000	\$ 200,000	10%	Business activity	\$ 201,000	-	\$ -	Land	\$ 312,000	\$ 201,000 (Note 1)	\$ 272,458 (Note 2)
		Sinyi Realty Inc.	"	200,000	170,000	170,000	1.8%	Short-term financing	-	Need for group funds	-	-	-	217,966 (Note 3)	544,915 (Note 3)
2	Suzhou Sinyi Real Estate Inc.	Sinyi Real Estate (Shanghai) Limited	"	489,200 (RMB 100,000 thousand)	480,971 (RMB 100,000 thousand)	480,971 (RMB 100,000 thousand)	7.4%	"	-	Need for operation	-	-	-	561,893 (Note 4)	1,123,785 (Note 4)
		Shanghai Sinyi Real Estate Inc.	"	97,840 (RMB 20,000 thousand)	96,194 (RMB 20,000 thousand)	86,575 (RMB 18,000 thousand)	4%	"	-	Participation in the capital increase of strategic investment plan	-	-	-	561,893 (Note 4)	1,123,785 (Note 4)

Note 1: The total amount for lending to Da-Chia Construction Co., Ltd. for business activity should not exceed the amount of transaction during the latest year.

Note 2: The maximum total financing provided should not exceed 50% of Da-Chia Construction Co., Ltd.'s net worth.

Note 3: The maximum total financing provided of the Da-Chia Construction Co., Ltd. by the borrowing company is held 100% should not exceed 40% of Da-Chia Construction Co., Ltd.'s net worth. Total financing provided should not exceed 100% of the Da-Chia Construction Co., Ltd.'s net worth.

Note 4: Total financing provided of the Suzhou Sinyi Real Estate Inc. by the borrowing company is held 100% directly or indirectly, should not exceed 150% of the Suzhou Sinyi Real Estate Inc.'s net worth. Total financing provided should not exceed 300% of the Suzhou Sinyi Real Estate Inc.'s net worth.

SINYI REALTY INC. AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED TO OTHER
NINE MONTHS ENDED SEPTEMBER 30, 2013

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

No.	Endorser/Guarantor	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party (Note 1)	Maximum Balance for the Period	Ending Balance	Actual Appropriation	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity Per Financial Statement (%)	Maximum Total Endorsement/ Guarantee Allowed to Be Provided by the Endorser/ Guarantor (Note 2)
		Name	Nature of Relationship							
0	Sinyi Realty Inc.	Shanghai Sinyi Real Estate Inc.	Indirect subsidiary	\$ 7,046,629	\$ 342,440 (RMB 70,000 thousand)	\$ 336,680 (RMB 70,000 thousand)	\$ 72,146 (RMB 15,000 thousand)	\$ 72,146 (Deposits)	4	\$ 8,808,286
		Suzhou Sinyi Real Estate Inc.	"	7,046,629	533,228 (RMB 109,000 thousand)	524,258 (RMB 109,000 thousand)	524,258 (RMB 109,000 thousand)	524,258 (Deposits)	6	8,808,286

Note 1: For those subsidiaries the Company has over 80% ownership directly or indirectly, the limit of endorsement/guarantee amount for each guaranteed party should not exceed 80% of the Company's net worth.

Note 2: The maximum total endorsement/guarantee should not exceed 100% of the Company's net worth.

TABLE 3

SINYI REALTY INC. AND SUBSIDIARIES

**MARKETABLE SECURITIES HELD
SEPTEMBER 30, 2013**

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

Holding Company Name	Marketable Securities Type and Name	Relationship with the Holding Company	Financial Statement Account	September 30, 2013			Market Value or Net Asset Value	Note
				Shares/Units	Carrying Value	Percentage of Ownership (%)		
Sinyi Realty Inc.	Listed stock E. SUN Financial Holding Co., Ltd.	-	Available-for-sale financial assets - current	12,737,895	\$ 243,931	-	\$ 243,931	Includes prepayments of \$3,868,747 thousand
	PChome Online Inc.	"	Financial assets at fair value through profit or loss - current	100,271	17,046	-	17,046	
	Fund Shin Kong Chi-Shin Monetary Market Fund	"	"	3,304,933	50,002	-	50,002	
	Stock Sinyi International Limited	Subsidiary	Investments accounted for using equity method	133,845,895	3,987,074 (Note 2)	100	3,987,074 (Note 2)	
	Sinyi Limited	"	"	62,075,721	1,633,861 (Note 2)	100	1,633,861 (Note 2)	
	Da-Chia Construction Co., Ltd.	"	"	53,500,000	547,530 (Note 2)	100	547,530 (Note 2)	
	Global Asset Management Co., Ltd.	"	"	2,000,000	56,368 (Note 2)	100	56,368 (Note 2)	
	Heng-Yi RealEstate Consulting Inc.	"	"	2,000,000	19,824 (Note 2)	100	19,824 (Note 2)	
	Jui-Inn Consultants Co., Ltd.	"	"	500,000	4,415 (Note 2)	100	4,415 (Note 2)	
	Shin Cheng Property Insurance Agency Co., Ltd.	"	"	300,000	3,391 (Note 2)	100	3,391 (Note 2)	
	Sinyi Culture Publishing Inc.	"	"	496,000	1,366 (Note 2)	99	1,366 (Note 2)	
	An-Sin Real Estate Management Ltd.	"	"	6,630,000	123,274 (Note 2)	51	123,274 (Note 2)	
	Sinyi Interior Design Co., Ltd.	Investee company accounted for by the equity method	"	95,000	11,190	19	11,190	
	Rakuya International Info. Co., Ltd.	-	Financial assets measured at cost - non-current	1,900,000	9,960	12	9,960	
	Han Yu Venture Capital Co., Ltd.	"	"	5,000,000	49,063	11	49,063	
	Chien Hsiang Securities Service Co., Ltd.	"	"	3,100,000	62,000	10	62,000	

(Continued)

Holding Company Name	Marketable Securities Type and Name	Relationship with the Holding Company	Financial Statement Account	September 30, 2013				Note
				Shares/Units	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
Sinyi Limited	PChome Investment Inc.	-	Financial assets measured at cost - non-current	196,350	\$ -	8	\$ -	
	Kun Gee Venture Capital Co., Ltd.	"	"	2,666,666	10,118	3	10,118	
	Han Shin Venture Capital Co., Ltd.	"	"	411,600	2,305	1	2,305	
	Cite' Publishing Holding Ltd.	"	"	7,637	4,874	1	4,874	
	Cite' Information Services Co., Ltd.	"	"	106,392	890	1	890	
	The Journalist Co., Ltd.	"	"	2,903	-	1	-	
	<u>Stock</u>							
	Inane International Limited	Subsidiary	Investments accounted for using equity method	44,890,999	957,603 (Note 2)	100	957,603 (Note 2)	
	Ke Wei HK Realty Limited	"	"	475,000	(30,862) (Note 2)	95	(30,862) (Note 2)	
	Orix Corp.	-	Available-for-sale financial assets - current	1,180,800	568,786	-	568,786	
Ke Wei HK Realty Limited	<u>Monetary market fund</u>							
	SBGH U.S. Dollar Reserve Fund CL A Dist Units	"	"	43,265	1,279	-	1,279	
Ke Wei Shanghai Real Estate Management Consulting Inc.	<u>Stock</u>							
	Ke Wei Shanghai Real Estate Management Consulting Inc.	Subsidiary	Investments accounted for using equity method	-	(30,165) (Note 2)	100	(30,165) (Note 2)	
Ke Wei Shanghai Real Estate Management Consulting Inc.	<u>Stock</u>							
	Shanghai Shin Chen Real Estate Brokerage Inc.	"	"	-	101 (Note 2)	99	101 (Note 2)	
Sinyi International	<u>Stock</u>							
	Forever Success International Limited	Subsidiary	Investments accounted for using equity method	930,000	7,779 (Note 2)	100	7,779 (Note 2)	
	Sinyi Realty Inc. Japan	"	"	16,000	112,500 (Note 2)	100	112,500 (Note 2)	
	Sinyi Development Ltd.	"	"	131,000,200	3,839,298 (Note 2)	100	3,839,298 (Note 2)	Note 1
Forever Success International Limited	<u>Stock</u>							
	Shanghai Shang Tuo Investment Management Consulting Inc.	"	"	-	7,167 (Note 2)	100	7,167 (Note 2)	
Inane International Limited	<u>Stock</u>							
	Shanghai Sinyi Real Estate Inc.	"	"	-	565,387 (Note 2)	100	565,387 (Note 2)	
	Beijing Sinyi Real Estate Ltd.	"	"	-	(35,010) (Note 2)	100	(35,010) (Note 2)	

(Continued)

Holding Company Name	Marketable Securities Type and Name	Relationship with the Holding Company	Financial Statement Account	September 30, 2013				Note
				Shares/Units	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
	Shanghai Sinyi Limited Corporation of Land Administration and Real Estate Counseling	"	"	-	\$ 12,308 (Note 2)	100	\$ 12,308 (Note 2)	
	Chengdu Sinyi Real Estate Co., Ltd.	Subsidiary	Investment accounted for using equity method	-	4,905 (Note 2)	80	4,905 (Note 2)	
	Qingdao Chengjian & Sinyi Real Estate Co., Ltd.	"	"	-	3,086 (Note 2)	65	3,086 (Note 2)	
	Max Success International Limited	"	"	12,454,780	392,094 (Note 2)	100	392,094 (Note 2)	
Max Success International Limited	<u>Stock</u> Zhejiang Sinyi Real Estate Co., Ltd.	"	"	-	(453) (Note 2)	62	(453) (Note 2)	
	Suzhou Sinyi Real Estate Inc.	"	"	-	392,523 (Note 2)	98	392,523 (Note 2)	
Shanghai Sinyi Real Estate Inc.	<u>Stock</u> Zhejiang Sinyi Real Estate Co., Ltd.	Investee company accounted for by the equity method	Investments accounted for using equity method	-	(276) (Note 2)	38	(276) (Note 2)	
	Suzhou Sinyi Real Estate Inc.	"	"	-	8,994 (Note 2)	2	8,994 (Note 2)	
	Cura Investment Management (Shanghai) Co., Ltd.	-	Financial assets measured at cost - non-current	-	152,929	2	152,929	
An-Sin Real Estate Management Ltd.	<u>Stock</u> An-Shin Real Estate Management Ltd.	Subsidiary	Investments accounted for using equity method	1,000,000	10,143 (Note 2)	100	10,143 (Note 2)	
	<u>Fund</u> Taishin 1699 Monetary Market Fund	-	Financial assets at fair value through profit or loss - current	7,290,317	96,176	-	96,176	
Sinyi Realty Inc. Japan	<u>Stock</u> Richesse Management Co., Ltd.	Subsidiary	Investments accounted for using equity method	600	11,089 (Note 2)	100	11,089 (Note 2)	
Sinyi Development Ltd.	<u>Stock</u> Sinyi Real Estate (Hong Kong) Limited	"	"	131,000,200	3,839,769 (Note 2)	100	3,839,769 (Note 2)	Note 1
Sinyi Real Estate (Hong Kong) Limited	<u>Stock</u> Sinyi Real Estate (Shanghai) Limited	"	"	-	3,839,254 (Note 2)	100	3,839,254 (Note 2)	
Shin Cheng Property Insurance Agency Co., Ltd.	<u>Fund</u> TIIM Monetary Market Fund	-	Financial assets at fair value through profit or loss - current	146,290	2,158	-	2,158	

(Continued)

Holding Company Name	Marketable Securities Type and Name	Relationship with the Holding Company	Financial Statement Account	September 30, 2013				Note
				Shares/Units	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
Da-Chia Construction Co., Ltd.	<u>Stock</u> CTCI Corporation	"	"	170,940	\$ 8,171	-	\$ 8,171	
Global Assets Management	<u>Stock</u> Taishin 1699 Monetary Market Fund	-	Financial assets at fair value through profit or loss - current	3,130,283	41,296	-	41,296	

Note 1: The conversion has not been registered as of September 30, 2013; therefore, it is recorded under prepayment for long-term investment.

Note 2: It has been eliminated.

(Concluded)

SINYI REALTY INC. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
 NINE MONTHS ENDED SEPTEMBER 30, 2013
 (In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company Name	Marketable Securities Type and Name	Financial Statement Account	Counterparty	Nature of Relationship	Beginning Balance		Acquisition		Disposal			Ending Balance		
					Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Amount	Costs	Gain or Loss	Shares/Units	Amount
Sinyi Realty Inc.	<u>Fund</u> Tai shin 1699 Monetary Market Fund	Financial assets at fair value through profit or loss - current	Fund company	-	-	\$ -	14,666,225	\$ 193,000	14,666,225	\$ 193,024	\$ 193,000	\$ 24	-	\$ -
	Fuh Hwa Monetary Market Fund	"	"	"	-	-	21,159,815	298,000	21,159,815	298,049	298,000	49	-	-
	Fuh Hwa Yu Li Monetary Market Fund	"	"	"	-	-	20,159,707	265,000	20,159,707	265,037	265,000	37	-	-
	Yuanta De-Bao Monetary Market Fund	"	"	"	-	-	18,777,580	220,000	18,777,580	220,015	220,000	15	-	-
	<u>Stock</u> Sinyi International Limited	Investments accounted for using equity method (includes prepayment for long-term investment)	-	Subsidiary	29,342,189	860,470	104,503,706	3,095,414	-	-	-	-	133,845,895	3,955,884 (Includes prepayment of \$3,868,747 thousand) (Notes 1 and 3)
Da-Chia Construction Co., Ltd.	<u>Fund</u> Jih Sun Monetary Market Fund	Financial assets at fair value through profit or loss - current	Fund company	-	-	-	16,905,347	243,000	16,905,347	243,698	243,000	698	-	-
Sinyi International Limited	<u>Stock</u> Sinyi Development Ltd.	Prepayment for long-term investment	-	Subsidiary	26,496,294	773,333	104,503,906	3,095,414	-	-	-	-	131,000,200	3,868,747 (Notes 1, 2 and 3)
Sinyi Development Ltd.	Sinyi Real Estate (Hong Kong) Limited	"	"	"	26,496,294	773,333	104,503,906	3,095,414	-	-	-	-	131,000,200	3,868,747 (Notes 1, 2 and 3)
Sinyi Real Estate (Hong Kong) Limited	Sinyi Real Estate (Shanghai) Limited	Investments accounted for using equity method	"	"	-	-	-	3,868,747	-	-	-	-	-	3,868,747 (Notes 1 and 3)
Shanghai Sinyi Real Estate Inc.	Cura Investment Management (Shanghai) Co., Ltd.	Financial assets measured at cost - non-current	"	-	-	43,965 (RMB 9,516 thousand)	-	106,944 (RMB 22,280 thousand)	-	-	-	-	-	150,909 (RMB 31,796 thousand) (Note 1)

Note 1: The ending balance presents historical cost.

Note 2: As of September 30, 2013, it has not been registered as capital stock; therefore, it is recorded under "prepayment for long-term investment".

Note 3: It has been eliminated.

SINYI REALTY INC. AND SUBSIDIARIES

ACQUISITION OF INDIVIDUAL REAL ESTATE PROPERTIES AT COST OF AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
 NINE MONTHS ENDED SEPTEMBER 30, 2013
 (In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company Name	Type of Property	Transaction Date	Transaction Amount	Payment Term	Counterparty	Nature of Relationship	Prior Transaction of Related Counterparty				Price Reference	Purpose of Acquisition and Status	Other Terms
							Owner	Relationship	Transfer Date	Amount			
Suzhou Sinyi Real Estate Inc.	Building	2013.03.20	RMB56,000 thousand	Already paid RMB56,000 thousand	Suzhou Qianning Real Estate Inc.	-	-	-	-	\$ -	Referred to the market price and negotiation with the counterparty	Expand the scale of operation	None
Da-Chia Construction Co., Ltd.	Inventories - land for construction	2013.07.26	\$296,490 thousand	Already paid \$296,490 thousand	Natural person	-	-	-	-	-	//	Land for construction	//

SINYI REALTY INC. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF PAID-IN CAPITAL

SEPTEMBER 30, 2013

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

Company Name	Counterparty	Nature of Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amounts	Action Taken		
Sinyi Realty Inc.	An-Sin Real Estate Management Ltd.	Subsidiary	\$ 173,859	- (Note)	\$ -	-	\$ 173,859	\$ -

Note: Trade receivables represent the service fee collected by An-Sin Real Estate Management Ltd. on behalf of the Company. Receipts under custody will be transferred to the Company after service process is finished.

SINYI REALTY INC. AND SUBSIDIARIES

THE BUSINESS RELATIONSHIP BETWEEN THE PARENT AND THE SUBSIDIARIES AND BETWEEN EACH SUBSIDIARY, AND SIGNIFICANT TRANSACTIONS BETWEEN THEM
NINE MONTHS ENDED SEPTEMBER 30, 2013 AND 2012

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

No.	Company Name	Counterparty	Flow of Transactions	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	Percentage to Consolidated Total Assets/Revenue (%)
0	Sinyi Realty Inc.	An-Sin Real Estate Management Ltd. Jui-Inn Consultants Co., Ltd. An-Sin Real Estate Management Ltd. Sinyi Realty Inc. Japan Da-Chia Construction Co., Ltd.	1 1 1 1 1	Professional fee	\$ 20,439	Fixed charges by guarantee piece work	-
				Professional fee	9,023	Piecework	-
				Other income	13,728	30 days after regular settlement	-
				Other income	10,988	Quarterly	-
				Short-term borrowings	170,000	Need for group funds, interest rate 1.8%	1
1	Da-Chia Construction Co., Ltd.	Sinyi Realty Inc.	2	Other receivables	170,000	Need for group funds, interest rate 1.8%	1
2	An-Sin Real Estate Management Ltd.	Sinyi Realty Inc. Sinyi Realty Inc.	2 2	Operating revenue	20,439	Fixed charges by guarantee piece work	-
				Promotion expenses	13,728	30 days after regular settlement	-
3	Jui-Inn Consultants Co., Ltd.	Sinyi Realty Inc.	2	Operating revenue	9,023	Piecework	-
4	Sinyi Limited	Ke Wei Shanghai Real Estate Management Consulting Inc. Shanghai Sinyi Real Estate Inc.	3 3	Other receivables	47,910	-	-
				Other receivables	12,723	-	-
5	Shanghai Sinyi Real Estate Inc.	Sinyi Limited Inane International Limited Suzhou Sinyi Real Estate Inc.	3 3 3	Other payables	12,723	-	-
				Other payables	9,342	-	-
				Other payables	86,575	Interest rate 4%	1
6	Inane International Limited	Shanghai Sinyi Real Estate Inc.	3	Other receivables	9,342	-	-
7	Ke Wei Shanghai Real Estate Management Consulting Inc.	Sinyi Limited	3	Other payables	47,910	-	-
8	Suzhou Sinyi Real Estate Inc.	Shanghai Sinyi Real Estate Inc. Sinyi Real Estate (Shanghai) Limited	3 3	Other receivables	86,575	Interest rate 4%	1
				Other receivables	480,971	Financing for operation, interest rate 7.4%	3

(Continued)

No.	Company Name	Counterparty	Flow of Transactions	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	Percentage to Consolidated Total Assets/Revenue (%)
9	Sinyi Real Estate (Shanghai) Limited	Suzhou Sinyi Real Estate Inc.	3	Other payables	\$ 480,971	Financing for operation, interest rate 7.4%	3
10	Sinyi Realty Inc. Japan	Sinyi Realty Inc.	2	Consultancy fee	10,988	Quarterly	-
0	Sinyi Realty Inc.	An-Sin Real Estate Management Ltd.	1	Professional fee	16,966	Fixed charges by guarantee piece work	-
				Jui-Inn Consultants Co., Ltd.	7,272	Piecework	-
				An-Sin Real Estate Management Ltd.	10,524	30 days after regular settlement	-
				Sinyi Realty Inc. Japan	8,322	Quarterly	-
				Shanghai Sinyi Real Estate Inc.	118,133	Short-term financing for operation, interest rate 3.726%-3.896%	1
1	An-Sin Real Estate Management Ltd.	Sinyi Realty Inc.	2	Operating revenue	16,966	Fixed charges by guarantee piece work	-
				Promotion expenses	10,524	30 days after regular settlement	-
2	Jui-Inn Consultants Co., Ltd.	Sinyi Realty Inc.	2	Operating revenue	7,272	Piecework	-
3	Sinyi Limited	Ke Wei Shanghai Real Estate Management Consulting Inc.	3	Other receivables	25,843	-	-
				Other receivables	10,995	-	-
4	Sinyi Realty Inc. Japan	Sinyi Realty Inc.	2	Consultancy fee	8,322	Quarterly	-
5	Shanghai Sinyi Real Estate Inc.	Sinyi Limited	3	Other payables	10,995	-	-
				Inane International Limited	9,232	-	-
				Sinyi Realty Inc.	118,133	Financing for operation, interest rate 3.726%-3.896%	1
6	Inane International Limited	Shanghai Sinyi Real Estate Inc.	3	Other receivables	9,232	-	-
7	Ke Wei Shanghai Real Estate Management Consulting Inc.	Sinyi Limited	3	Other payables	25,843	-	-

Note 1: Parties to the intercompany transactions are identified and numbered (in first column) as follows:

- a. "0" for Sinyi Realty Inc.
- b. Subsidiaries are numbered from "1".

(Continued)

Note 2: Flow of transactions are categorized as follows:

- a. From a parent company to its subsidiary
- b. From a subsidiary to its parent company.
- c. Between subsidiaries.

Note 3: Percentage to consolidated total assets is calculated by dividing the amount of a particular asset or liability account by the consolidated total of assets as of September 30, 2013 and 2012.

Percentage to consolidated total revenues is calculated by dividing the amount of a particular revenue or cost or expense account by the consolidated total operating revenues for the nine months ended September 30, 2013 and 2012.

(Concluded)

TABLE 8

SINYI REALTY INC. AND SUBSIDIARIES

INFORMATION ON INVESTEEES

NINE MONTHS ENDED SEPTEMBER 30, 2013

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

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2013			Net Income (Loss) of the Investee	Investment Income (Loss) Recognized	Note
				Ending Balance	Beginning Balance	Shares	Percentage of Ownership (%)	Carrying Value			
Sinyi Realty Inc.	Sinyi International Limited	Equity Trust Chamber, P.O. Box 3269, Apia, Samoa	Investment holding	\$ 3,955,884	\$ 860,470	133,845,895	100	\$ 3,987,074 (Note 2)	\$ 47,029	\$ 47,029 (Note 2)	Note 1
	Sinyi Limited	Citco Building P.O. Box 662, Road Town, Torola, B.V.I.	Investment holding	2,026,224	2,026,224	62,075,721	100	1,633,861 (Note 2)	34,076	34,076 (Note 2)	
	Da-Chia Construction Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Construction	535,005	535,005	53,500,000	100	547,530 (Note 2)	2,730	2,730 (Note 2)	
	Global Asset Management Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate brokerage	10,000	10,000	2,000,000	100	56,368 (Note 2)	28,604	28,604 (Note 2)	
	Heng-Yi Real Estate Consulting	16F-1, NO. 262, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.)	Development, construction, rental and sale of residential building and factories; Real estate brokerage	20,000	-	2,000,000	100	19,824 (Note 2)	(176)	(176) (Note 2)	
	Jui-Inn Consultants Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Management consulting	5,000	5,000	500,000	100	4,415 (Note 2)	154	154 (Note 2)	
	Shin Cheng Property Insurance Agency Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Property insurance agency	3,000	3,000	300,000	100	3,391 (Note 2)	75	75 (Note 2)	
	Sinyi Culture Publishing Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Publication	4,960	4,960	496,000	99	1,366 (Note 2)	(147)	(146) (Note 2)	
	An-Sin Real Estate Management Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate management	25,500	25,500	6,630,000	51	123,274 (Note 2)	67,746	34,551 (Note 2)	
	Sinyi Interior Design Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Interior design	950	950	95,000	19	11,190 (Note 2)	1,276	242 (Note 2)	
Sinyi Limited	Inane International Limited	Citco Building P.O. Box 662, Road Town, Torola, B.V.I.	Investment holding	1,434,497	1,434,497	44,890,999	100	957,603 (Note 2)	(36,651)	(36,651) (Note 2)	
	Ke Wei HK Realty Limited	Rooms 3703-4 37/F West Tower Shun Tak Centre 168-200 Connaught Road, Central HK	Investment holding	29,140	29,140	475,000	95	(30,862) (Note 2)	(3,614)	(3,614) (Note 2)	
Ke Wei HK Realty Limited	Ke Wei Shanghai Real Estate Management Consulting Inc.	Rooms 302, No. 627, Weifang Ninth Village, Pudong New District, Shanghai, China	Real estate brokerage and management consulting	30,674	30,674	-	100	(30,165) (Note 2)	(3,614)	(3,614) (Note 2)	
Ke Wei Shanghai Real Estate Management Consulting Inc.	Shanghai Shin Chen Real Estate Brokerage Inc.	9th Floor, No. 650, Dingxi Road, Changning District, Shanghai, China	Real estate brokerage	1,240	1,240	-	99	101 (Note 2)	-	-	
Sinyi International Limited	Forever Success International Limited	2nd Floor, Felix House, 24 Dr. Joseph Riviere Street, Port Louis, Mauritius	Investment holding	28,276	28,276	930,000	100	7,779 (Note 2)	(9,313)	(9,313) (Note 2)	Note 1
	Sinyi Realty Inc. Japan	2nd Floor, Shoritsu Building 2-7-1 Yoyogi Shibuya-ku, Tokyo, Japan	Real estate brokerage, management and identification	58,064	58,064	16,000	100	112,500 (Note 2)	49,313	49,313 (Note 2)	
	Sinyi Development Ltd.	TMF Chambers, P.O. Box 3269, Asia Samoa	Investment holding	3,868,747	773,333	131,000,200	100	3,839,298 (Note 2)	(20,436)	(20,436) (Note 2)	
Forever Success International Limited	Shanghai Shang Tuo Investment Management Consulting Inc.	Rooms 3-103, No. 574, Qingxi Road, Pudong New District, Shanghai, China	Real estate brokerage and management consulting	27,432	27,432	-	100	7,167 (Note 2)	(9,255)	(9,255) (Note 2)	
Inane International Limited	Shanghai Sinyi Real Estate Inc.	Ground Floor, No. 520, Dongchang Road, Pudong New District, Shanghai, China	Real estate brokerage	888,456	888,456	-	100	565,387 (Note 2)	(15,027)	(15,027) (Note 2)	
	Beijing Sinyi Real Estate Ltd.	Wantong Centre C Layer 7, A-6 Chaowai Street, Chaoyang District, Beijing, China	Real estate brokerage and management consulting	102,012	102,012	-	100	(35,010) (Note 2)	(17,523)	(17,523) (Note 2)	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of September 30, 2013			Net Income (Loss) of the Investee	Investment Income (Loss) Recognized	Note
				Ending Balance	Beginning Balance	Shares	Percentage of Ownership (%)	Carrying Value			
	Shanghai Sinyi Limited Corporation of Land Administration and Real Estate Counseling Chengdu Sinyi Real Estate Co., Ltd.	Room 101, Building 39, No. 227, Rushan Road, Pudong New District, Shanghai, China	Real estate brokerage	\$ 15,773	\$ 15,773	-	100	\$ 12,308 (Note 2)	\$ (6,908)	\$ (6,908) (Note 2)	
		No. 233, Northbound section Second Ring Road, Jinniu District, Chengdu, Sichuan, China	Real estate brokerage and management consulting	29,342	29,342	-	80	4,905 (Note 2)	(4,633)	(3,707) (Note 2)	
	Qingdao Chengjian & Sinyi Real Estate Co., Ltd. Max Success International Limited	Room 329, No. 135-3, Fuzhou North Road, Shibei District, Qingdao, China Palm Grove House, P.O. Box 438, Road Town, Torola, British Virgin Islands	Real estate brokerage and management consulting Investment holding	29,225 399,792	29,225 399,792	- 12,454,780	65 100	3,086 (Note 2) 392,094 (Note 2)	(3,989) 9,265	(2,831) (Note 2) 9,265 (Note 2)	
Max Success International Limited	Zhejiang Sinyi Real Estate Co., Ltd.	No. 118 Wenhui Road Xiacheng District Hangzhou, Hangzhou, China	Real estate brokerage and management consulting	53,694	53,694	-	62	(453) (Note 2)	(4,542)	(2,824) (Note 2)	
	Suzhou Sinyi Real Estate Inc.	International Building 1606-1608, No. 2, Suzhou Avenue West, Industrial Park, Suzhou, China	Real estate brokerage and management consulting	313,197	313,197	-	98	392,523 (Note 2)	12,366	12,089	
Shanghai Sinyi Real Estate Inc.	Zhejiang Sinyi Real Estate Co., Ltd.	No. 118 Wenhui Road Xiacheng District Hangzhou, Hangzhou, China	Real estate brokerage and management consulting	34,483	34,483	-	38	(276) (Note 2)	(4,542)	(1,718) (Note 2)	
	Suzhou Sinyi Real Estate Inc.	International Building 1606-1608, No. 2, Suzhou Avenue West, Industrial Park, Suzhou, China	Real estate brokerage and management consulting	5,824	5,824	-	2	8,994 (Note 2)	12,366	277 (Note 2)	
An-Sin Real Estate Management Ltd.	An-Shin Real Estate Management Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate management	10,000	10,000	1,000,000	100	10,143 (Note 2)	100	100 (Note 2)	
Sinyi Realty Inc. Japan	Richesse Management Co., Ltd.	2nd Floor, Shoritsu Building 2-7-1 Yoyogi Shibuya-ku, Tokyo, Japan	Real estate brokerage	10,746	10,746	600	100	11,089 (Note 2)	1,030	1,030 (Note 2)	
Sinyi Development Ltd.	Sinyi Real Estate (Hong Kong) Limited	Suite 2302-6, 23/F Great Eagle CTR 23, Harhour Rd., Wan Chai HK	Investment holding	3,868,747	773,333	131,000,200	100	3,839,769 (Note 2)	(19,961)	(19,961) (Note 2)	Note 1
Sinyi Real Estate (Hong Kong) Limited	Sinyi Real Estate (Shanghai) Limited	Room 1708, No. 1218, Yong Sheng Road, Jiading Industrial Zone, Jiading District, Shanghai, China	Development of commercial and residential building and auxiliary facilities; and construction, rental, sale and property management	3,868,747	-	-	100	3,839,254 (Note 2)	(20,484)	(20,484) (Note 2)	

Note 1: As of September 30, 2013, it has not been registered as a capital stock; therefore, it is recorded under "prepayment for long-term investment".

Note 2: It has been eliminated.

(Concluded)

SINYI REALTY INC. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
NINE MONTHS ENDED SEPTEMBER 30, 2013
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2013	Investment Flows		Accumulated Outflow of Investment from Taiwan as of September 30, 2013	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized (Note 1)	Carrying Value as of September 30, 2013 (Note 2)	Accumulated Inward Remittance of Earnings as of September 30, 2013
					Outflow	Inflow					
Shanghai Kunlun Taiwan Shang Cheng Real Estate Inc.	General merchandise retail sales, dining service and entertainment	RMB 335,625	Investment in company located in Mainland China indirectly through the investing company in the third region	\$ 238,231	\$ -	\$ 73,076	\$ - (Note 9)	-	\$ -	\$ -	\$ -
Ke Wei Shanghai Real Estate Management Consulting Inc.	Real estate brokerage and management consulting	RMB 6,160	"	15,870	-	-	15,870	95	(3,614) (Note 8)	(30,165) (Note 8)	-
Shanghai Sinyi Real Estate Inc. (Note 3)	Real estate brokerage	RMB 209,186	"	888,456	-	-	888,456	100	(15,027) (Note 8)	565,387 (Note 8)	-
Beijing Sinyi Real Estate Ltd. (Note 3)	Real estate brokerage and management consulting	RMB 21,883	"	86,157	-	-	86,157	100	(17,523) (Note 8)	(35,010) (Note 8)	-
Shanghai Sinyi Limited Corporation of Land Administration and Real Estate Counseling (Note 4)	Real estate brokerage	RMB 4,138	"	17,095	-	-	17,095	100	(6,908) (Note 8)	12,308 (Note 8)	-
Suzhou Sinyi Real Estate Inc. (Note 3)	Real estate brokerage and management consulting	RMB 68,000	"	355,249	-	-	355,249	100	12,366 (Note 8)	401,517 (Note 8)	-
Cura Investment Management (Shanghai) Co., Ltd. (Note 4)	Real estate fund investment management	RMB 1,025,700	"	-	-	-	-	2	-	152,929	-
Zhejiang Sinyi Real Estate Co., Ltd. (Note 3)	Real estate brokerage and management consulting	RMB 20,200	"	44,543	-	-	44,543	100	(4,542) (Note 8)	(729) (Note 8)	-
Shanghai Shin Chen Real Estate Brokerage Inc. (Note 4)	Real estate brokerage	RMB 1,000	"	-	-	-	-	94	- (Note 8)	101 (Note 8)	-
Shanghai Shang Tuo Investment Management Consulting Inc.	Real estate brokerage and management consulting	RMB 5,961	"	27,432	-	-	27,432	100	(9,255) (Note 8)	7,167 (Note 8)	-
Chengdu Sinyi Real Estate Co., Ltd.	Real estate brokerage and management consulting	RMB 8,000	"	29,342	-	-	29,342	80	(3,707) (Note 8)	4,905 (Note 8)	-
Qingdao Chengjian & Sinyi Real Estate Co., Ltd. (Note 5)	Real estate brokerage and management consulting	RMB 8,000	"	29,225	-	-	29,225	65	(2,831) (Note 8)	3,086 (Note 8)	-
Sinyi Real Estate (Shanghai) Limited	Development of commercial and residential building and auxiliary facilities; and construction, rental, sale and property management	RMB 802,513	"	-	3,868,747	-	3,868,747	100	(20,484) (Note 8)	3,839,254 (Note 8)	-

Accumulated Outflow for Investment in Mainland China as of September 30, 2013	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note 7)
\$5,362,116	\$5,798,954	\$ -

(Continued)

Note 1: Amount was based on the unreviewed financial statements, except for the amount of Sinyi Real Estate (Shanghai) Limited.

Note 2: Carrying value was converted into New Taiwan dollars based on the exchange rate of US\$1=NT\$29.57, and US\$1=RMB6.1480 at September 30, 2013.

Note 3: Some of investment were made indirectly through earnings of the Company's subsidiary in China.

Note 4: Investments were made indirectly through the earnings of the Company's subsidiary in China.

Note 5: In May 2013, the Company's 100%-owned subsidiary, Inane, transferred its 15% ownership in Qingdao Sinyi by RMB1,200 thousand and thus the ownership was reduced from 80% to 65%.

Note 6: In 2013, Sinyi Limited sold all of its ownership of Shanghai Kunlun Taiwan Shang Cheng Real Estate Inc. with \$73,076 thousand which had been collected.

Note 7: The Company has acquired the certification of operation headquarters issued by the Ministry of Economic Affairs, ROC.

Note 8: It has been eliminated.

(Concluded)