

Sinyi Realty Inc. and Subsidiaries

**Consolidated Financial Statements for the
Nine Months Ended September 30, 2014 and 2013 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' 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, 2014 and 2013 and the related consolidated statements of comprehensive income for the three months ended September 30, 2014 and 2013, nine months ended September 30, 2014 and 2013, and changes in equity and cash flows for the nine months ended September 30, 2014 and 2013. 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 "Review of Financial Statements" issued by the Auditing Standards Committee of the Accounting Research and Development Foundation of the Republic of China. A review consists principally of applying analytical procedures to financial data and of making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of China, the objective of which is the expression of an opinion regarding the consolidated financial statements taken as a whole. Accordingly, we do not express such an opinion.

As stated in Note 4 to the consolidated financial statements, some non-significant subsidiaries' financial statements and related information mentioned in Note 37 were unreviewed. As of September 30, 2014 and 2013, combined total assets of these non-significant subsidiaries were \$2,891,948 thousand and \$3,431,739 thousand, respectively, representing 18% and 20%, respectively, of the consolidated total assets, and combined total liabilities of these subsidiaries were \$664,733 thousand and \$790,223 thousand, respectively, representing 9% and 10%, respectively, of the consolidated total liabilities; for the three months ended September 30, 2014 and 2013, combined comprehensive income of these subsidiaries were \$3,168 thousand and \$77,359 thousand, respectively, representing 2% and 12%, respectively, of the consolidated total comprehensive income and for the nine months ended September 30, 2014 and 2013, combined comprehensive income of these subsidiaries were \$(31,815) thousand and \$228,111 thousand, respectively, representing (5%) and 10%, respectively of the consolidated total comprehensive income.

Based on our reviews, except for the effects of adjustments, if any, as might have been required had the financial statements of these non-significant subsidiaries and related information mentioned in Note 37 as described in the preceding paragraph been reviewed, we are not aware of any material modifications that should be made to the consolidated financial statements referred to in the first paragraph for them to be in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 "Interim Financial Reporting" endorsed by the Financial Supervisory Commission of the Republic of China.

The image shows the signature of Deloitte + Touche in a cursive, handwritten style.

October 30, 2014

Notice to Readers

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

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

SINYI REALTY INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2014 (Reviewed)		December 31, 2013 (Audited)		September 30, 2013 (Reviewed)	
	Amount	%	Amount	%	Amount	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 1,445,897	9	\$ 1,605,974	10	\$ 1,985,673	12
Financial assets at fair value through profit or loss - current (Note 7)	40,185	-	218,940	1	214,849	1
Available-for-sale financial assets - current (Note 8)	810,934	5	897,779	6	813,996	5
Notes receivable (Note 10)	26,189	-	63,941	-	60,014	-
Trade receivables (Note 10)	779,277	5	1,146,484	7	1,326,109	8
Other receivables (Notes 10, 17 and 32)	327,806	2	106,721	1	107,991	1
Current tax assets	19,108	-	10	-	1,160	-
Inventories (Notes 11 and 33)	4,828,598	30	4,174,264	25	4,064,249	24
Other financial assets - current (Notes 12 and 33)	716,417	4	1,137,400	7	989,052	6
Other current assets (Note 18)	98,705	1	68,048	-	78,381	-
Total current assets	<u>9,093,116</u>	<u>56</u>	<u>9,419,561</u>	<u>57</u>	<u>9,641,474</u>	<u>57</u>
NON-CURRENT ASSETS						
Financial assets measured at cost - non-current (Note 9)	284,601	2	285,489	2	292,139	2
Investment accounted for using equity method (Note 13)	11,019	-	11,623	-	11,190	-
Property, plant and equipment (Notes 14 and 33)	3,616,586	22	3,564,458	21	3,528,764	21
Investment properties (Notes 15 and 33)	2,827,505	18	2,827,714	17	2,827,781	17
Intangible assets (Notes 16 and 35)	142,265	1	89,878	1	86,499	1
Deferred tax assets	15,239	-	17,123	-	12,471	-
Refundable deposits (Note 29)	125,525	1	129,145	1	123,285	1
Long-term accounts receivable (Note 17)	-	-	234,237	1	229,196	1
Prepaid pension cost - non-current	14,487	-	6,067	-	44,713	-
Other non-current assets (Note 18)	7,981	-	4,623	-	4,506	-
Total non-current assets	<u>7,045,208</u>	<u>44</u>	<u>7,170,357</u>	<u>43</u>	<u>7,160,544</u>	<u>43</u>
TOTAL	<u>\$ 16,138,324</u>	<u>100</u>	<u>\$ 16,589,918</u>	<u>100</u>	<u>\$ 16,802,018</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Notes 19 and 33)	\$ 51,993	-	\$ 586,627	3	\$ 553,116	3
Notes payable	9,441	-	9,631	-	9,941	-
Other payables (Note 21)	1,595,044	10	2,769,498	17	2,412,687	14
Other payables to related parties (Notes 21 and 32)	98,853	1	97,001	1	90,312	1
Current tax liabilities	45,104	-	424,145	3	296,089	2
Provisions - current (Note 22)	43,566	-	66,268	-	62,683	-
Other current financial liabilities (Note 21)	127,884	1	194,756	1	152,963	1
Current portion of long-term borrowings (Notes 19 and 33)	279,864	2	-	-	-	-
Other current liabilities (Note 21)	75,253	1	149,966	1	111,870	1
Total current liabilities	<u>2,327,002</u>	<u>15</u>	<u>4,297,892</u>	<u>26</u>	<u>3,689,661</u>	<u>22</u>
NON-CURRENT LIABILITIES						
Bonds payable (Note 20)	3,000,000	19	-	-	-	-
Long-term borrowings (Notes 19 and 33)	737,811	5	1,572,206	10	3,195,044	19
Provisions - non-current (Note 22)	6,091	-	2,733	-	2,617	-
Guarantee deposits received (Note 29)	81,217	-	78,786	-	47,670	-
Other non-current liabilities (Note 21)	1,029,812	6	989,606	6	905,506	6
Deferred tax liabilities	28,115	-	26,947	-	31,894	-
Total non-current liabilities	<u>4,883,046</u>	<u>30</u>	<u>2,670,278</u>	<u>16</u>	<u>4,182,731</u>	<u>25</u>
Total liabilities	<u>7,210,048</u>	<u>45</u>	<u>6,968,170</u>	<u>42</u>	<u>7,872,392</u>	<u>47</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 24)						
Share capital						
Ordinary shares	6,134,367	38	5,028,170	30	5,028,170	30
Capital surplus	63,896	-	68,597	-	68,597	-
Retained earnings						
Legal reserve	1,537,793	10	1,290,290	8	1,290,290	8
Special reserve	-	-	120,693	1	120,693	1
Unappropriated earnings	707,522	4	2,579,654	15	2,053,040	12
Total retained earnings	<u>2,245,315</u>	<u>14</u>	<u>3,990,637</u>	<u>24</u>	<u>3,464,023</u>	<u>21</u>
Other equity						
Exchange differences on translating foreign operations	88,817	-	39,243	1	(35,534)	-
Unrealized gain or loss on available-for-sale financial assets	266,790	2	364,397	2	283,030	1
Total other equity	<u>355,607</u>	<u>2</u>	<u>403,640</u>	<u>3</u>	<u>247,496</u>	<u>1</u>
Total equity attributable to owners of the Company	8,799,185	54	9,491,044	57	8,808,286	52
NON-CONTROLLING INTERESTS	<u>129,091</u>	<u>1</u>	<u>130,704</u>	<u>1</u>	<u>121,340</u>	<u>1</u>
Total equity	<u>8,928,276</u>	<u>55</u>	<u>9,621,748</u>	<u>58</u>	<u>8,929,626</u>	<u>53</u>
TOTAL	<u>\$ 16,138,324</u>	<u>100</u>	<u>\$ 16,589,918</u>	<u>100</u>	<u>\$ 16,802,018</u>	<u>100</u>

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

(With Deloitte & Touche review report dated October 30, 2014)

SINYI REALTY INC. AND SUBSIDIARIES

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

	Three Months Ended September 30				Nine Months Ended September 30			
	2014		2013		2014		2013	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE								
Service revenue	\$ 2,022,525	100	\$ 3,040,973	100	\$ 6,680,533	100	\$ 9,003,281	100
OPERATING COSTS (Notes 25 and 32)	<u>1,508,047</u>	<u>75</u>	<u>2,011,119</u>	<u>66</u>	<u>4,928,903</u>	<u>74</u>	<u>5,923,456</u>	<u>66</u>
GROSS PROFIT	514,478	25	1,029,854	34	1,751,630	26	3,079,825	34
OPERATING EXPENSES (Notes 25 and 32)	<u>349,637</u>	<u>17</u>	<u>313,074</u>	<u>10</u>	<u>980,046</u>	<u>14</u>	<u>913,302</u>	<u>10</u>
OPERATING INCOME	<u>164,841</u>	<u>8</u>	<u>716,780</u>	<u>24</u>	<u>771,584</u>	<u>12</u>	<u>2,166,523</u>	<u>24</u>
NON-OPERATING INCOME AND EXPENSES								
Rental income (Note 32)	31,619	2	31,524	1	94,838	1	89,684	1
Dividend income	4,943	-	5,036	-	21,522	-	17,763	-
Interest income (Note 25)	9,640	-	14,475	1	42,564	1	40,569	-
Other gains and losses (Notes 25 and 32)	(3,405)	-	8,131	-	30,191	1	127,776	1
Finance costs (Notes 25 and 32)	<u>(20,352)</u>	<u>(1)</u>	<u>(19,823)</u>	<u>(1)</u>	<u>(55,664)</u>	<u>(1)</u>	<u>(39,548)</u>	<u>-</u>
Total non-operating income and expenses	<u>22,445</u>	<u>1</u>	<u>39,343</u>	<u>1</u>	<u>133,451</u>	<u>2</u>	<u>236,244</u>	<u>2</u>
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	187,286	9	756,123	25	905,035	14	2,402,767	26
INCOME TAX EXPENSE (Notes 4 and 26)	<u>(48,096)</u>	<u>(2)</u>	<u>(154,982)</u>	<u>(5)</u>	<u>(206,674)</u>	<u>(3)</u>	<u>(457,438)</u>	<u>(5)</u>
NET PROFIT FOR THE PERIOD	<u>139,190</u>	<u>7</u>	<u>601,141</u>	<u>20</u>	<u>698,361</u>	<u>11</u>	<u>1,945,329</u>	<u>21</u>
OTHER COMPREHENSIVE INCOME								
Exchange differences on translating foreign operations	83,725	4	(54,237)	(2)	49,877	1	33,099	-
Unrealized gain on available-for-sale financial assets	(49,439)	(2)	100,084	3	(96,805)	(2)	219,843	3
Share of other comprehensive income (loss) of associates and joint venture	<u>(780)</u>	<u>-</u>	<u>(202)</u>	<u>-</u>	<u>(802)</u>	<u>-</u>	<u>139</u>	<u>-</u>
Other comprehensive income for the period, net of income tax	<u>33,506</u>	<u>2</u>	<u>45,645</u>	<u>1</u>	<u>(47,730)</u>	<u>(1)</u>	<u>253,081</u>	<u>3</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 172,696</u>	<u>9</u>	<u>\$ 646,786</u>	<u>21</u>	<u>\$ 650,631</u>	<u>10</u>	<u>\$ 2,198,410</u>	<u>24</u>
NET PROFIT ATTRIBUTABLE TO:								
Owner of the Company	\$ 126,176	6	\$ 589,683	20	\$ 671,182	10	\$ 1,913,686	21
Non-controlling interests	<u>13,014</u>	<u>1</u>	<u>11,458</u>	<u>-</u>	<u>27,179</u>	<u>-</u>	<u>31,643</u>	<u>1</u>
	<u>\$ 139,190</u>	<u>7</u>	<u>\$ 601,141</u>	<u>20</u>	<u>\$ 698,361</u>	<u>10</u>	<u>\$ 1,945,329</u>	<u>22</u>

(Continued)

SINYI REALTY INC. AND SUBSIDIARIES

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

	Three Months Ended September 30				Nine Months Ended September 30			
	2014		2013		2014		2013	
	Amount	%	Amount	%	Amount	%	Amount	%
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owner of the Company	\$ 160,146	8	\$ 635,351	21	\$ 623,149	9	\$ 2,166,599	24
Non-controlling interests	<u>12,550</u>	<u>1</u>	<u>11,435</u>	<u>-</u>	<u>27,482</u>	<u>1</u>	<u>31,811</u>	<u>-</u>
	<u>\$ 172,696</u>	<u>9</u>	<u>\$ 646,786</u>	<u>21</u>	<u>\$ 650,631</u>	<u>10</u>	<u>\$ 2,198,410</u>	<u>24</u>
EARNINGS PER SHARE (Note 26)								
From continuing operations								
Basic	<u>\$ 0.21</u>		<u>\$ 0.96</u>		<u>\$ 1.09</u>		<u>\$ 3.12</u>	
Diluted	<u>\$ 0.21</u>		<u>\$ 0.96</u>		<u>\$ 1.09</u>		<u>\$ 3.12</u>	

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

(With Deloitte & Touche review report dated October 30, 2014)

(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, 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 distributed by the Company	-	-	-	-	(698,357)	-	-	(698,357)	-	(698,357)
Stock dividends distributed by the Company	372,457	-	-	-	(372,457)	-	-	-	-	-
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>
BALANCE AT JANUARY 1, 2014	\$ 5,028,170	\$ 68,597	\$ 1,290,290	\$ 120,693	\$ 2,579,654	\$ 39,243	\$ 364,397	\$ 9,491,044	\$ 130,704	\$ 9,621,748
Appropriation of 2013 earnings										
Reversal of special reserve	-	-	-	(120,693)	120,693	-	-	-	-	-
Legal reserve	-	-	247,503	-	(247,503)	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	(1,307,324)	-	-	(1,307,324)	-	(1,307,324)
Stock dividends distributed by the Company	1,106,197	-	-	-	(1,106,197)	-	-	-	-	-
Adjustments arising from changes in the interest in subsidiaries	-	(4,701)	-	-	(2,983)	-	-	(7,684)	16	(7,668)
Net profit for the nine months ended September 30, 2014	-	-	-	-	671,182	-	-	671,182	27,179	698,361
Other comprehensive income (loss) for the nine months ended September 30, 2014, net of income tax	-	-	-	-	-	49,574	(97,607)	(48,033)	303	(47,730)
Total comprehensive income (loss) for the nine months ended September 30, 2014	-	-	-	-	671,182	49,574	(97,607)	623,149	27,482	650,631
Change in non-controlling interest	-	-	-	-	-	-	-	-	(29,111)	(29,111)
BALANCE AT SEPTEMBER 30, 2014	<u>\$ 6,134,367</u>	<u>\$ 63,896</u>	<u>\$ 1,537,793</u>	<u>\$ -</u>	<u>\$ 707,522</u>	<u>\$ 88,817</u>	<u>\$ 266,790</u>	<u>\$ 8,799,185</u>	<u>\$ 129,091</u>	<u>\$ 8,928,276</u>

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

(With Deloitte & Touche review report dated October 30, 2014)

SINYI REALTY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	Nine Months Ended September 30	
	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 905,035	\$ 2,402,767
Adjustments for:		
Depreciation expenses	93,368	102,699
Amortization expenses	17,394	13,082
Net gain on fair value change of financial assets held for trading	(7,964)	(2,243)
Finance costs	55,664	39,548
Interest income	(42,564)	(40,569)
Dividend income	(21,522)	(17,763)
Share of profit of associates and joint ventures	(416)	(242)
Loss on disposal of property, plant and equipment	1,187	610
(Gain) loss on disposal of investment properties	(1,259)	123
Gain on disposal of investments	(7,548)	(84,915)
Recognized (reversal of) impairment loss on non-financial assets	2,539	(10,152)
Changes in operating assets and liabilities		
Financial assets held for trading	187,313	(136,120)
Notes receivable	37,752	(4,497)
Trade receivables	367,207	(495,358)
Other receivables	1,926	242,748
Inventories	(654,334)	(3,596,269)
Other current assets	(30,657)	(20,901)
Other operating assets	(8,420)	(11,085)
Notes payable	(190)	6,536
Other payables	(1,174,454)	454,159
Other payables to related parties	(6,526)	5,379
Provisions	(19,344)	3,411
Other financial liabilities	(66,872)	(21,834)
Other current liabilities	(74,713)	(8,440)
Other operating liabilities	40,206	15,254
Cash used in operations	(407,192)	(1,164,072)
Interest received	32,790	24,866
Interest paid	(53,360)	(36,742)
Income taxes paid	(601,761)	(318,863)
Net cash used in operating activities	<u>(1,029,523)</u>	<u>(1,494,811)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of available-for-sale financial assets	(19,145)	-
Proceeds from disposal of available-for-sale financial assets	23,618	17,380
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	2,334	7,433
		(Continued)

SINYI REALTY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	Nine Months Ended September 30	
	2014	2013
Net cash outflow on acquisition of subsidiaries	\$ (7,668)	\$ -
Net cash inflow on partial disposal of interests in subsidiaries without losing control	-	5,763
Payments for property, plant and equipment	(152,055)	(336,623)
Proceeds of disposal of property, plant and equipment	14	3,700
Decrease in prepayments for equipment	12,620	-
Increase in refundable deposits	-	(833)
Decrease in refundable deposits	3,620	-
Payment for intangible assets	(57,897)	(9,052)
Payment for investment properties	(20,013)	-
Proceeds of disposal of investment properties	8,505	48,909
Increase in other financial assets	-	(631,647)
Decrease in other financial assets	420,983	-
(Increase) decrease in other non-current assets	(3,358)	921
Decrease in other receivables	21,000	-
Dividends received	<u>21,740</u>	<u>18,001</u>
Net cash generated from (used in) investing activities	<u>254,298</u>	<u>(971,368)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of bonds	3,000,000	-
Proceeds from short-term borrowings	-	480,970
Repayment in short-term borrowings	(534,634)	-
Proceeds of long-term borrowings	3,989,811	6,860,044
Repayment of long-term borrowings	(4,550,000)	(4,365,000)
Proceeds from guarantee deposits received	2,431	-
Refund of guarantee deposits received	-	(3,222)
Increase in other payables to related parties	6,074	-
Dividends paid to owners of the Company	(1,307,324)	(698,357)
Change in non-controlling interest	<u>(29,111)</u>	<u>(30,052)</u>
Net cash generated from financing activities	<u>577,247</u>	<u>2,244,383</u>
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>37,901</u>	<u>13,035</u>
DECREASE IN CASH AND CASH EQUIVALENTS	(160,077)	(208,761)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>1,605,974</u>	<u>2,194,434</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 1,445,897</u>	<u>\$ 1,985,673</u>

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

(With Deloitte & Touche review report dated October 30, 2014)

(Concluded)

SINYI REALTY INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS NINE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013 (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”).

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 October 30, 2014.

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

- a. The Regulations Governing the Preparation of Financing Reports by Securities Issuers and the 2013 version of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) in issue but not yet effective

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

New, Amended and Revised Standards and Interpretations (the “New IFRSs”)	Effective Date Announced by IASB (Note)
Improvements to IFRSs (2009) - amendment to IAS 39	January 1, 2009 and January 1, 2010, as appropriate
Amendment to IAS 39 “Embedded Derivatives”	Effective for annual periods ended on or after June 30, 2009
Improvements to IFRSs (2010)	July 1, 2010 and January 1, 2011, as appropriate
Annual Improvements to IFRSs 2009-2011 Cycle	January 1, 2013
Amendment to IFRS 1 “Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters”	July 1, 2010

(Continued)

New, Amended and Revised Standards and Interpretations (the “New IFRSs”)	Effective Date Announced by IASB (Note)
Amendment to IFRS 1 “Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters”	July 1, 2011
Amendment to IFRS 1 “Government Loans”	January 1, 2013
Amendment to IFRS 7 “Disclosure - Offsetting Financial Assets and Financial Liabilities”	January 1, 2013
Amendment to IFRS 7 “Disclosure - Transfer of Financial Assets”	July 1, 2011
IFRS 10 “Consolidated Financial Statements”	January 1, 2013
IFRS 11 “Joint Arrangements”	January 1, 2013
IFRS 12 “Disclosure of Interests in Other Entities”	January 1, 2013
Amendments to IFRS 10, IFRS 11 and IFRS 12 “Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance”	January 1, 2013
Amendments to IFRS 10 and IFRS 12 and IAS 27 “Investment Entities”	January 1, 2014
IFRS 13 “Fair Value Measurement”	January 1, 2013
Amendment to IAS 1 “Presentation of Other Comprehensive Income”	July 1, 2012
Amendment to IAS 12 “Deferred Tax: Recovery of Underlying Assets”	January 1, 2012
IAS 19 (Revised 2011) “Employee Benefits”	January 1, 2013
IAS 27 (Revised 2011) “Separate Financial Statements”	January 1, 2013
IAS 28 (Revised 2011) “Investments in Associates and Joint Ventures”	January 1, 2013
Amendment to IAS 32 “Offsetting Financial Assets and Financial Liabilities”	January 1, 2014
IFRIC 20 “Stripping Costs in Production Phase of a Surface Mine”	January 1, 2013

(Concluded)

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

Except for the following, the initial application of the above 2013 IFRSs version and the related amendments to the Guidelines Governing the Preparation of Financial Reports by Securities Issuers has not had any material impact on the Group’s accounting policies:

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

IFRS 12 is a new disclosure Standard applicable to entities that have interests in subsidiaries and associates. In general, the disclosure requirements in IFRS 12 are more extensive than those required in the current standards.

2) IFRS 13 “Fair Value Measurement”

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

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

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

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

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

Except for the above impacts, as of the date the consolidated financial statements were authorized for issue, the Group continually assess other possible impacts that the application of the 2013 IFRSs version will have on the Group’s financial position and financial performance, and will disclose these other impacts when the assessment is completed.

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

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

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

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

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

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

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

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

1) IFRS 9 "Financial Instruments"

Recognition and measurement of financial assets

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

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

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

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

2) IFRS 15 "Revenue from Contracts with Customers"

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

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

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

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

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICY

a. Statement of compliance

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

b. Basis of consolidation

1) Subsidiaries included in consolidated financial statements

Those subsidiaries included in the consolidated entities as of September 30, 2014, December 31, 2013 and September 30, 2013 were as follows:

Investor	Investee	Main Businesses	% of Ownership			Remark
			September 30, 2014	December 31, 2013	September 30, 2013	
Sinyi Realty Inc.	Sinyi International Limited (Sinyi International)	Investment holding	100	100	100	
	Sinyi Development Inc. (Taiwan Sinyi Development) (original name: Da-Chia Construction)	Construction	100	100	100	
	Sinyi Limited	Investment holding	100	100	100	
	Sinyi Global Asset Management Co., Ltd. (Sinyi Global) (original name: Global Asset Management Co., Ltd.)	Real estate brokerage	100	100	100	
	Heng-Yi Real Estate Consulting Inc. (Heng-Yi)	Development, construction, rental and sale of residential building and factories	100	100	100	Note 1
	Jui-Inn Consultants Co., Ltd. (Jui-Inn)	Management consulting	100	100	100	
	Shin Cheng Property Insurance Agency Co., Ltd. (Shin Cheng)	Property insurance agency	-	100	100	Note 2
	Sinyi Culture Publishing Inc. (Sinyi Culture)	Publication	99	99	99	
	An-Sin Real Estate Management Ltd. (An-Sin)	Real estate management	51	51	51	
	Yowoo Technology Inc. (Yowoo Technology)	Information software, data processing and electronic information providing services	100	-	-	Note 3
Sinyi Limited	Ke Wei HK Realty Limited (Ke Wei HK)	Investment holding	99	95	95	Note 4
	Inane International Limited (Inane)	Investment holding	100	100	100	
Inane	Shanghai Sinyi Real Estate Inc. (Shanghai Sinyi Real Estate)	Real estate brokerage	100	100	100	
	Beijing Sinyi Real Estate Ltd. (Beijing Sinyi)	Real estate brokerage	100	100	100	
	Shanghai Sinyi Limited Corporation of Land Administration and Real Estate Counseling (Shanghai Sinyi of Land Administration and Real Estate Counseling)	Management consulting	100	100	100	
	Chengdu Sinyi Real Estate Co., Ltd. (Chengdu Sinyi)	Real estate brokerage and management consulting	100	80	80	Note 5
	Qingdao Chengjian & Sinyi Real Estate Co., Ltd. (Qingdao Sinyi)	Real estate brokerage and management consulting	65	65	65	
	Max Success International Limited (Max Success)	Investment holding	100	100	100	

(Continued)

Investor	Investee	Main Businesses	% of Ownership			Remark
			September 30, 2014	December 31, 2013	September 30, 2013	
Shanghai Sinyi Real Estate	Zhejiang Sinyi Real Estate Co., Ltd. (Zhejiang Sinyi)	Real estate brokerage and management consulting	38	38	38	
	Suzhou Sinyi Real Estate Inc. (Suzhou Sinyi)	Real estate brokerage and management consulting	2	2	2	
Max Success	Zhejiang Sinyi	Real estate brokerage and management consulting	62	62	62	
	Suzhou Sinyi	Real estate brokerage and management consulting	98	98	98	
Ke Wei HK	Ke Wei Shanghai Real Estate Management Consulting Inc. (Ke Wei Shanghai)	Real estate brokerage and management consulting	100	100	100	
Ke Wei Shanghai	Shanghai Shin Cheng Real Estate Brokerage Inc. (Shanghai Shin Cheng)	Real estate brokerage	-	99	99	Note 6
Sinyi International	Forever Success International Limited (Forever Success)	Investment holding	100	100	100	
	Sinyi Realty Inc. Japan (Japan Sinyi)	Real estate brokerage, management and identification	100	100	100	
Forever Success	Sinyi Development Limited (Sinyi Development)	Investment holding	100	100	100	
	Shanghai Shang Tuo Investment Management Consulting Inc. (Shanghai Shang Tuo)	Real estate brokerage and management consulting	100	100	100	
	Hua Yun (Shanghai) Co., Ltd. (Hua Yun)	Professional construction, building decoration construction, interior decoration, hard ware, general merchandise, building materials wholesale.	100	-	-	Note 7
An-Sin Japan Sinyi	An-Shin Real Estate Management Ltd. (An-Shin)	Real estate management	100	100	100	
	Richesse Management Co., Ltd. (Richesse Management)	Real estate brokerage	100	100	100	
Sinyi Development	Sinyi Real Estate (Hong Kong) Limited (Hong Kong Real Estate)	Investment holding	100	100	100	
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	100	100	
Taiwan Sinyi Development	Da-Chia Construction Co., Ltd. (Da-Chia Construction)	Development, construction, rental and sale of residential building and factories	100	-	-	Note 8
	Sinyi Real Estate Co., Ltd. (Sinyi Real Estate)	Development, construction, rental and sale of residential building and factories	100	-	-	Note 8

(Concluded)

Remark:

Note 1: Heng-Yi was incorporated in September 2013, with a capital of \$20,000 thousand.

Note 2: The liquidation was completed and approved by court in July 2014. Therefore, the stock ownership in Shin Cheng decreased to zero.

Note 3: Yowoo Technology was incorporated in April 2014, with a capital of \$30,000 thousand.

Note 4: Ke Wei HK increased its capital by US\$2,200 thousand in August 2014 and Sinyi Limited acquired 100% of Ke Wei HK increased capital, therefore, the stock ownership increased from 95% to 99%.

Note 5: In April 2014, INANE acquired 20% of its interest in Chengdu Sinyi by RMB1,600 thousand. Therefore, the stock ownership increased from 80% to 100%.

Note 6: Shanghai Shin Cheng was dissolved in July 2014.

Note 7: Hua Yun was incorporated in September 2014, with a capital of RMB1,000 thousand.

Note 8: Da-Chia Construction and Sinyi Real Estate were both incorporated in February 2014, with a capital of \$500 thousand.

Note 9: Subsidiaries included in consolidated financial statement: The financial statements of the consolidated entities had not been reviewed by the independent accountants, except for those of Sinyi International, Sinyi Limited, Sinyi Development, Hong Kong Real Estate and Shanghai Real Estate as of and for the nine months ended September 30, 2014; except for those of Sinyi International, Sinyi Development, Hong Kong Real Estate and Shanghai Real Estate as of and the nine months ended September 30, 2013.

2) Subsidiaries excluded from consolidated financial statement: None.

c. Other significant accounting policies

The accounting policies applied in these consolidated financial statements are consistent with those applied in the consolidated financial statements for the year ended December 31, 2013, except for those described below.

1) Retirement benefit costs

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

2) Income taxes

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

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The same critical accounting judgments and key sources of estimation and uncertainty have been followed in these consolidated financial statements as were applied in the preparation of the consolidated financial statements for the year ended December 31, 2013.

6. CASH AND CASH EQUIVALENTS

	September 30, 2014	December 31, 2013	September 30, 2013
Cash on hand	\$ 21,468	\$ 25,116	\$ 26,479
Checking accounts and demand deposits	663,430	1,081,385	1,840,194
Cash equivalents			
Time deposits with original maturities less than three months	<u>760,999</u>	<u>499,473</u>	<u>119,000</u>
	<u>\$ 1,445,897</u>	<u>\$ 1,605,974</u>	<u>\$ 1,985,673</u>

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

	September 30, 2014	December 31, 2013	September 30, 2013
Interest rates range	0.02%-3.50%	0.17%-4.60%	0.02%-3.05%

As of September 30, 2014, December 31, 2013 and September 30, 2013, the carrying amounts of time deposits with original maturities more than three months were \$657,359 thousand, \$123,365 thousand and \$385,331 thousand, respectively, which were classified as other financial assets - current (Note 12).

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS - CURRENT

	September 30, 2014	December 31, 2013	September 30, 2013
<u>Financial assets held for trading</u>			
Non-derivative financial assets			
Domestic quoted shares	\$ 40,185	\$ 32,221	\$ 25,217
Mutual funds	<u>-</u>	<u>186,719</u>	<u>189,632</u>
	<u>\$ 40,185</u>	<u>\$ 218,940</u>	<u>\$ 214,849</u>

8. AVAILABLE-FOR-SALE FINANCIAL ASSETS - CURRENT

	September 30, 2014	December 31, 2013	September 30, 2013
<u>Domestic investments</u>			
Quoted shares	<u>\$ 281,595</u>	<u>\$ 277,431</u>	<u>\$ 243,931</u>
<u>Foreign investments</u>			
Quoted shares	528,023	619,058	568,786
Mutual funds	<u>1,316</u>	<u>1,290</u>	<u>1,279</u>
	<u>529,339</u>	<u>620,348</u>	<u>570,065</u>
Available-for-sale financial assets	<u>\$ 810,934</u>	<u>\$ 897,779</u>	<u>\$ 813,996</u>

9. FINANCIAL ASSETS MEASURED AT COST - NON-CURRENT

	September 30, 2014	December 31, 2013	September 30, 2013
Domestic unlisted common shares	\$ 122,845	\$ 125,179	\$ 134,336
Overseas unlisted common shares	<u>161,756</u>	<u>160,310</u>	<u>157,803</u>
	<u>\$ 284,601</u>	<u>\$ 285,489</u>	<u>\$ 292,139</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 gain on disposal of \$73,235 thousand.

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	September 30, 2014	December 31, 2013	September 30, 2013
<u>Notes receivable and trade receivables</u>			
Notes receivable - operating	\$ 26,189	\$ 63,941	\$ 60,014
Trade receivables	807,338	1,174,700	1,358,760
Less: Allowance for doubtful accounts	<u>(28,061)</u>	<u>(28,216)</u>	<u>(32,651)</u>
	<u>\$ 805,466</u>	<u>\$ 1,210,425</u>	<u>\$ 1,386,123</u>
<u>Other receivables</u>			
Loan receivables - fixed interest rate	\$ 179,000	\$ -	\$ -
Interest receivables	44,011	-	-
Others	109,019	110,945	112,215
Less: Allowance for doubtful accounts	<u>(4,224)</u>	<u>(4,224)</u>	<u>(4,224)</u>
	<u>\$ 327,806</u>	<u>\$ 106,721</u>	<u>\$ 107,991</u>

a. Trade receivables

The average credit period for 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. In determining the recoverability of a trade receivable, the Group considered any change in the credit quality of the trade receivable since the date credit was initially granted to the end of the reporting period. Other than some specific contracts, the Group divided counterparties into three groups to evaluate the recovery rate by aging analysis and based on historical recovery rate of trade receivables; the groups were determined by reference to past default experience and an analysis of their current financial position. The Group recognized an allowance for impairment loss of 100% against all receivables aged over 2 years because historical experience had been that receivables that are past due beyond 2 years were not recoverable. Allowance for impairment loss was recognized in the range between 0% and 40% against all receivables between 90 days and 2 years based on estimated irrecoverable amounts determined by reference to past default experience on the counterparties and an analysis of their current financial position. The Group did not recognize an allowance for impairment loss against all receivables below 90 days because historical experience had shown they were recoverable.

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 follows:

	September 30, 2014	December 31, 2013	September 30, 2013
61-90 days	\$ 39,684	\$ 20,526	\$ 119,887
91-180 days	28,199	42,429	45,840
181-360 days	8,773	4,140	5,407
Over 360 days	<u>2,035</u>	<u>6,347</u>	<u>3,614</u>
	<u>\$ 78,691</u>	<u>\$ 73,442</u>	<u>\$ 174,748</u>

The above analysis was based on the billing date.

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

	2014		2013	
	Trade Receivables	Other Receivables	Trade Receivables	Other Receivables
Balance at January 1	\$ 28,216	\$ 4,224	\$ 31,599	\$ 6,562
Add (less): Impairment losses recognized on receivables	2,452	21	698	-
Less: Amounts written off	(2,655)	(21)	-	(2,338)
Foreign exchange translation gains and losses	<u>48</u>	<u>-</u>	<u>354</u>	<u>-</u>
Balance at September 30	<u>\$ 28,061</u>	<u>\$ 4,224</u>	<u>\$ 32,651</u>	<u>\$ 4,224</u>

- b. Loan receivables and interest receivables were financing for business purpose from Shin Hau Real Estate Co., Ltd., which will be collected within one year and reclassified as other receivables. Please refer to Note 17 for more information.

Other receivables were the payment on behalf of others and rental receivable.

11. INVENTORIES

	September 30, 2014	December 31, 2013	September 30, 2013
Properties under development			
Malu Town, Jiading District, Shanghai	\$ 4,518,070	\$ 3,870,444	\$ 3,763,826
Tianmu, Shilin District, Taipei City	308,415	301,707	300,423
Other			
Sanyu segment Shihlin District, Taipei City	<u>2,113</u>	<u>2,113</u>	<u>-</u>
	<u>\$ 4,828,598</u>	<u>\$ 4,174,264</u>	<u>\$ 4,064,249</u>

As of September 30, 2014, December 31, 2013 and September 30, 2013, capitalized interest amounted to \$35,083 thousand, \$9,119 thousand and zero thousand respectively, which were classified as properties under development. The interest rates capitalized were 2.5%-6.15%, 2.5%-7.4% and 0%, respectively.

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, 2014	December 31, 2013	September 30, 2013
Time deposits with original maturity more than three months	\$ 657,359	\$ 123,365	\$ 385,331
Restricted assets - current	28,467	637,616	603,721
Financial assets at amortized cost	<u>30,591</u>	<u>376,419</u>	<u>-</u>
	<u>\$ 716,417</u>	<u>\$ 1,137,400</u>	<u>\$ 989,052</u>

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

	September 30, 2014	December 31, 2013	September 30, 2013
Time deposits with original maturity more than three months	1.08%-2.30%	1.08%-3.50%	0.22%-3.30%

- b. Restricted assets - current were 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.
- c. The Group purchased financial products of banks, and as of September 30, 2014 and December 31, 2013 the expected yield rates were 4.40%-4.50% and 5.20%-5.50%, respectively.

13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	September 30, 2014	December 31, 2013	September 30, 2013
Investments in associates	<u>\$ 11,019</u>	<u>\$ 11,623</u>	<u>\$ 11,190</u>

- a. Investments in associates

	September 30, 2014	December 31, 2013	September 30, 2013
Unlisted company			
Sinyi Interior Design Co., Ltd.	<u>\$ 11,019</u>	<u>\$ 11,623</u>	<u>\$ 11,190</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, 2014	December 31, 2013	September 30, 2013
Sinyi Interior Design Co., Ltd.	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.

14. PROPERTY, PLANT AND EQUIPMENT

	September 30, 2014	December 31, 2013	September 30, 2013
<u>Carrying amounts</u>			
Freehold land	\$ 2,670,039	\$ 2,670,039	\$ 2,670,039
Buildings	335,039	343,044	345,713
Transportation equipment	4,412	5,374	3,629
Office equipment	136,760	86,518	87,709
Leased assets	-	-	-
Leasehold improvements	140,303	131,607	116,202
Other equipment	23,676	28,450	25,599
Prepayments for equipment	<u>306,357</u>	<u>299,426</u>	<u>279,873</u>
	<u>\$ 3,616,586</u>	<u>\$ 3,564,458</u>	<u>\$ 3,528,764</u>

Nine Months Ended September 30, 2014									
	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 at January 1, 2014	\$ 2,670,039	\$ 418,777	\$ 8,151	\$ 285,841	\$ 4,671	\$ 418,163	\$ 62,026	\$ 299,426	\$ 4,167,094
Additions	-	-	-	79,037	-	43,508	1,816	27,694	152,055
Disposals (Note)	-	-	-	(16,988)	-	(3,135)	-	(12,620)	(32,743)
Reclassifications	-	-	-	-	-	-	-	(10,688)	(10,688)
Effect of foreign currency exchange differences	-	-	51	351	-	705	-	2,545	3,652
Balance at September 30, 2014	<u>\$ 2,670,039</u>	<u>\$ 418,777</u>	<u>\$ 8,202</u>	<u>\$ 348,241</u>	<u>\$ 4,671</u>	<u>\$ 459,241</u>	<u>\$ 63,842</u>	<u>\$ 306,357</u>	<u>\$ 4,279,370</u>
<u>Accumulated depreciation</u>									
Balance at January 1, 2014	\$ -	\$ 75,733	\$ 2,777	\$ 199,323	\$ 4,671	\$ 286,556	\$ 33,576	\$ -	\$ 602,636
Depreciation expense	-	8,005	991	27,996	-	34,475	6,590	-	78,057
Disposals	-	-	-	(16,237)	-	(2,685)	-	-	(18,922)
Effect of foreign currency exchange differences	-	-	22	399	-	592	-	-	1,013
Balance at September 30, 2014	<u>\$ -</u>	<u>\$ 83,738</u>	<u>\$ 3,790</u>	<u>\$ 211,481</u>	<u>\$ 4,671</u>	<u>\$ 318,938</u>	<u>\$ 40,166</u>	<u>\$ -</u>	<u>\$ 662,784</u>
Carrying amounts at January 1, 2014	<u>\$ 2,670,039</u>	<u>\$ 343,044</u>	<u>\$ 5,374</u>	<u>\$ 86,518</u>	<u>\$ -</u>	<u>\$ 131,607</u>	<u>\$ 28,450</u>	<u>\$ 299,426</u>	<u>\$ 3,564,458</u>
Carrying amounts at September 30, 2014	<u>\$ 2,670,039</u>	<u>\$ 335,039</u>	<u>\$ 4,412</u>	<u>\$ 136,760</u>	<u>\$ -</u>	<u>\$ 140,303</u>	<u>\$ 23,676</u>	<u>\$ 306,357</u>	<u>\$ 3,616,586</u>

Note: A refund of \$12,620 thousand from the counterparty was a deduction to Prepayments for Equipment, as the construction of the property Suzhou Sinyi purchased failed to meet the contract.

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 at January 1, 2013	\$ 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 at September 30, 2013	<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>

(Continued)

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>Accumulated depreciation</u>									
Balance at January 1, 2013	\$ -	\$ 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 at September 30, 2013	<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>
Carrying amounts at January 1, 2013	<u>\$ 2,670,039</u>	<u>\$ 353,718</u>	<u>\$ 4,055</u>	<u>\$ 101,473</u>	<u>\$ -</u>	<u>\$ 117,683</u>	<u>\$ 25,215</u>	<u>\$ 10,737</u>	<u>\$ 3,282,920</u>
Carrying amounts at September 30, 2013	<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>

(Concluded)

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

- 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, 2014 and 2013.
- Refer to Note 33 for the details of properties, plant and equipment pledged as collaterals.

15. INVESTMENT PROPERTIES

	Land	Buildings	Total
<u>Cost</u>			
Balance at January 1, 2014	\$ 2,024,834	\$ 922,522	\$ 2,947,356
Additions	15,723	4,290	20,013
Disposals	(6,596)	(725)	(7,321)
Effect of foreign currency exchange differences	-	5,385	5,385
Balance at September 30, 2014	<u>\$ 2,033,961</u>	<u>\$ 931,472</u>	<u>\$ 2,965,433</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2014	\$ 5,745	\$ 113,897	\$ 119,642
Recognized impairment losses	1,826	713	2,539

(Continued)

	Land	Buildings	Total
Depreciation expense	\$ -	\$ 15,311	\$ 15,311
Disposals	-	(75)	(75)
Effect of foreign currency exchange differences	<u>-</u>	<u>511</u>	<u>511</u>
Balance at September 30, 2014	<u>\$ 7,571</u>	<u>\$ 130,357</u>	<u>\$ 137,928</u>
Carrying amounts at January 1, 2014	<u>\$ 2,019,089</u>	<u>\$ 808,625</u>	<u>\$ 2,827,714</u>
Carrying amounts at September 30, 2014	<u>\$ 2,026,390</u>	<u>\$ 801,115</u>	<u>\$ 2,827,505</u>
<u>Cost</u>			
Balance at January 1, 2013	\$ 2,081,392	\$ 890,089	\$ 2,971,481
Disposals	(45,775)	(3,565)	(49,340)
Effect of foreign currency exchange differences	<u>-</u>	<u>22,464</u>	<u>22,464</u>
Balance at September 30, 2013	<u>\$ 2,035,617</u>	<u>\$ 908,988</u>	<u>\$ 2,944,605</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2013	\$ 18,882	\$ 91,982	\$ 110,864
Reversal of impairment losses	(9,475)	(677)	(10,152)
Depreciation expense	-	15,031	15,031
Disposals	-	(308)	(308)
Effect of foreign currency exchange differences	<u>-</u>	<u>1,389</u>	<u>1,389</u>
Balance at September 30, 2013	<u>\$ 9,407</u>	<u>\$ 107,417</u>	<u>\$ 116,824</u>
Carrying amounts at January 1, 2013	<u>\$ 2,062,510</u>	<u>\$ 798,107</u>	<u>\$ 2,860,617</u>
Carrying amounts at September 30, 2013	<u>\$ 2,026,210</u>	<u>\$ 801,571</u>	<u>\$ 2,827,781</u>

(Concluded)

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

Buildings - main buildings 22-55 years

The total fair value of the Group's investment properties and property, plant and equipment as of September 30, 2014, December 31, 2013 and September 30, 2013 was \$9,748,646 thousand, \$10,041,847 thousand and \$9,763,184 thousand, respectively. The fair value valuation had not been performed by independent qualified professional values; 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. INTANGIBLE ASSETS

	September 30, 2014	December 31, 2013	September 30, 2013
Franchise (Note 35)	\$ 58,156	\$ 58,687	\$ 58,789
Goodwill	9,621	9,621	9,621
System software costs	<u>74,488</u>	<u>21,570</u>	<u>18,089</u>
	<u>\$ 142,265</u>	<u>\$ 89,878</u>	<u>\$ 86,499</u>

Nine Months Ended September 30, 2014

	Franchise	Goodwill	System Software Costs	Total
<u>Cost</u>				
Balance at January 1, 2014	\$ 91,071	\$ 9,621	\$ 51,966	\$ 152,658
Additions	-	-	57,897	57,897
Disposals	-	-	(620)	(620)
Reclassifications	-	-	10,688	10,688
Effect of foreign currency exchange differences	<u>1,879</u>	<u>-</u>	<u>3</u>	<u>1,882</u>
Balance at September 30, 2014	<u>\$ 92,950</u>	<u>\$ 9,621</u>	<u>\$ 119,934</u>	<u>\$ 222,505</u>
<u>Accumulated amortization</u>				
Balance at January 1, 2014	\$ 32,384	\$ -	\$ 30,396	\$ 62,780
Amortization expense	1,726	-	15,668	17,394
Disposals	-	-	(620)	(620)
Effect of foreign currency exchange differences	<u>684</u>	<u>-</u>	<u>2</u>	<u>686</u>
Balance at September 30, 2014	<u>\$ 34,794</u>	<u>\$ -</u>	<u>\$ 45,446</u>	<u>\$ 80,240</u>
Carrying amounts at January 1, 2014	<u>\$ 58,687</u>	<u>\$ 9,621</u>	<u>\$ 21,570</u>	<u>\$ 89,878</u>
Carrying amounts at September 30, 2014	<u>\$ 58,156</u>	<u>\$ 9,621</u>	<u>\$ 74,488</u>	<u>\$ 142,265</u>

Nine Months Ended September 30, 2013

	Franchise	Goodwill	System Software Costs	Total
<u>Cost</u>				
Balance, at January 1, 2013	\$ 88,733	\$ 9,621	\$ 70,302	\$ 168,656
Additions	-	-	9,052	9,052
Disposals	-	-	(34,178)	(34,178)
Effect of foreign currency exchange differences	<u>1,619</u>	<u>-</u>	<u>-</u>	<u>1,619</u>
Balance at September 30, 2013	<u>\$ 90,352</u>	<u>\$ 9,621</u>	<u>\$ 45,176</u>	<u>\$ 145,149</u>

(Continued)

Nine Months Ended September 30, 2013

	Franchise	Goodwill	System Software Costs	Total
<u>Accumulated amortization</u>				
Balance, at January 1, 2013	\$ 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 at September 30, 2013	<u>\$ 31,563</u>	<u>\$ -</u>	<u>\$ 27,087</u>	<u>\$ 58,650</u>
Carrying amounts at January 1, 2013	<u>\$ 59,399</u>	<u>\$ 9,621</u>	<u>\$ 20,416</u>	<u>\$ 89,436</u>
Carrying amounts at September 30, 2013	<u>\$ 58,789</u>	<u>\$ 9,621</u>	<u>\$ 18,089</u>	<u>\$ 86,499</u> (Concluded)

The above intangible assets with finite useful lives were amortized on a straight-line basis over the following estimated useful lives:

Franchise	40 years
System software costs	3-5 years

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, 2014, the Group did not recognize any impairment loss on goodwill.

17. LONG-TERM ACCOUNTS RECEIVABLE

	September 30, 2014	December 31, 2013	September 30, 2013
Shin Hau Real Estate Co., Ltd.	\$ <u>-</u>	\$ <u>234,237</u>	\$ <u>229,196</u>

Long-term accounts receivable from Shin Hau Real Estate Co., Ltd. are financing for business purpose. Under the loan agreement, Shin Hau Real Estate Co., Ltd. provided the land located in Da-an District, Taipei City as collateral, originally. In April 2014, Shin Hau Real Estate Co., had repaid partial loan and interest with the land located in Da-an District and Beitou District as collateral; the rest of loan and interests shall be fully paid before April 30, 2015. As of September 30, 2014, the Group reclassified the long-term accounts receivable to other receivables. Information on the financing for the nine months ended September 30, 2014 and 2013 were as follows:

	Nine Months Ended September 30, 2014				
	Highest Balance During the Period	Amount (Other Receivables)	Interest Rate %	Interest Income	Interest Receivable
Shin Hau Real Estate Co., Ltd.	\$ <u>200,000</u>	\$ <u>179,000</u>	10	\$ <u>13,858</u>	\$ <u>44,011</u>

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>

18. OTHER ASSETS

	September 30, 2014	December 31, 2013	September 30, 2013
<u>Current</u>			
Prepaid expenses	\$ 89,765	\$ 62,748	\$ 68,740
Temporary payments	8,927	5,300	9,641
Others	<u>13</u>	<u>-</u>	<u>-</u>
	<u>\$ 98,705</u>	<u>\$ 68,048</u>	<u>\$ 78,381</u>
<u>Non-current</u>			
Overdue receivables	\$ 6,091	\$ 2,733	\$ 2,616
Other	<u>1,890</u>	<u>1,890</u>	<u>1,890</u>
	<u>\$ 7,981</u>	<u>\$ 4,623</u>	<u>\$ 4,506</u>

19. BORROWINGS

a. Short-term borrowings

	September 30, 2014	December 31, 2013	September 30, 2013
<u>Secured borrowings</u>			
Bank loans	<u>\$ 51,993</u>	<u>\$ 586,627</u>	<u>\$ 553,116</u>

1) The interest rates on the bank loans as of September 30, 2014, December 31, 2013 and September 30, 2013 were 6.0%, 5.7% and 5.7%-7.4% per annum, respectively.

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

b. Long-term borrowings

	September 30, 2014	December 31, 2013	September 30, 2013
<u>Secured borrowings</u>			
Bank loans	\$ 737,811	\$ 1,098,000	\$ 2,723,000
<u>Unsecured borrowings</u>			
Loans unsecured	279,864	474,206	472,044
Less: Current portion	<u>(279,864)</u>	<u>-</u>	<u>-</u>
Long-term borrowings	<u>\$ 737,811</u>	<u>\$ 1,572,206</u>	<u>\$ 3,195,044</u>

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

Content of Borrowings		September 30, 2014	December 31, 2013 (Note)	September 30, 2013 (Note)
E.Sun Bank	Long-term borrowings: \$190,000 thousand; period: September 10, 2013 to September 10, 2016; floating interest rate of 2.5%; interest is paid monthly and principal is repaid at maturity.	\$ 163,000	\$ 163,000	\$ 163,000
E.Sun Bank	Long-term borrowings: \$2,420,000 thousand; period: August 23, 2013 to March 30, 2016; fixed interest rate of 1.6%, negotiating rate per 90 days; interest is paid monthly and principal is repaid at maturity. The Group repaid all the debts in June 2014.	-	885,000	2,110,000
East Asia Bank	Long-term borrowings: \$1,300,000 thousand; period: December 31, 2013 to March 30, 2016; floating interest rate of 1.89%; interest is paid monthly and principal is repaid at maturity. The Group repaid all the debts in June 2014.	-	50,000	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. The Group repaid all the debts in June 2014.	-	200,000	200,000
China Construction Bank	Long-term borrowings: RMB800,000 thousand; period: May 20, 2014 to June 19, 2017; floating interest rate of 6.15%; interest is paid quarterly and principle is repaid at maturity.	574,811	-	-
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.	279,864	274,206	272,044
Total long-term borrowings		<u>\$ 1,017,675</u>	<u>\$ 1,572,206</u>	<u>\$ 3,195,044</u>

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

Note: For the details about content of borrowings, please refer to Note 19 to the consolidated financial statements for the year ended December 31, 2013 and for the nine months ended September 30, 2013.

20. BONDS PAYABLE

	September 30, 2014	December 31, 2013	September 30, 2013
Domestic unsecured bonds	\$ 3,000,000	\$ -	\$ -
Less: Current portion	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 3,000,000</u>	<u>\$ -</u>	<u>\$ -</u>

The major term of domestic unsecured bonds was as follow:

Issuance Period	Total Amount (In Thousands)	Coupon Rate	Repayment and Interest Payment
June 2014 to June 2019	\$ 3,000,000	1.48%	At the end of the 4 th and 5 th year from the issuance date, the Group will repay the half of the principle, respectively. Interest is paid annually.

21. OTHER LIABILITIES

	September 30, 2014	December 31, 2013	September 30, 2013
<u>Current</u>			
Other payables	\$ 1,595,044	\$ 2,769,498	\$ 2,412,687
Other payables to related parties	98,853	97,001	90,312
Other financial liabilities	127,884	194,756	152,963
Other liabilities	<u>75,253</u>	<u>149,966</u>	<u>111,870</u>
	<u>\$ 1,897,034</u>	<u>\$ 3,211,221</u>	<u>\$ 2,767,832</u>
<u>Non-current</u>			
Other liabilities	<u>\$ 1,029,812</u>	<u>\$ 989,606</u>	<u>\$ 905,506</u>

a. Other payables were as follows:

	September 30, 2014	December 31, 2013	September 30, 2013
Performance bonus and salaries	\$ 1,133,274	\$ 2,304,495	\$ 2,035,916
Advertisement	116,842	145,671	101,995
Labor and health insurance	68,313	91,143	56,048
Payable for annual leave	68,283	52,598	67,788
Professional fees	17,799	32,003	19,654
Interest payable	29,711	2,428	2,270
Employees bonuses and compensation to directors	13,244	37,658	29,351
Others	<u>147,578</u>	<u>103,502</u>	<u>99,665</u>
	<u>\$ 1,595,044</u>	<u>\$ 2,769,498</u>	<u>\$ 2,412,687</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 \$1,029,812 thousand, \$989,606 thousand and \$905,506 thousand as of September 30, 2014, December 31, 2013 and September 30, 2013, respectively.

b. Other payable to related parties were as follows:

	September 30, 2014	December 31, 2013	September 30, 2013
Financing to related parties			
Loan from related parties	\$ 75,491	\$ 69,417	\$ 63,969
Interest payable	12,233	9,929	8,915
Others	<u>11,129</u>	<u>17,655</u>	<u>17,428</u>
	<u>\$ 98,853</u>	<u>\$ 97,001</u>	<u>\$ 90,312</u>

Loans from related parties were accounted for other payables to related parties with interest rates of 3.00% and 3.75-6.10% for the nine months ended September 30, 2014 and 2013, respectively.

c. Other financial liabilities were as follows:

	September 30, 2014	December 31, 2013	September 30, 2013
Receipts under custody from real estate transactions	\$ 71,866	\$ 109,779	\$ 90,372
Other receipts under custody	38,702	67,827	37,222
Payable on equipment	6,952	7,181	5,914
Receipts under custody - escrow service	1,076	164	263
Others	<u>9,288</u>	<u>9,805</u>	<u>19,192</u>
	<u>\$ 127,884</u>	<u>\$ 194,756</u>	<u>\$ 152,963</u>

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) 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, 2014	December 31, 2013	September 30, 2013
Receipts under custody - escrow service	\$ 12,573,478	\$ 14,556,744	\$ 17,018,705
Interest payable	17,522	18,041	18,911
Deposit accounts	(12,589,691)	(14,574,048)	(17,036,370)
Interest receivable	<u>(233)</u>	<u>(573)</u>	<u>(983)</u>
	<u>\$ 1,076</u>	<u>\$ 164</u>	<u>\$ 263</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% as of September 30, 2014, December 31, 2013 and September 30, 2013.

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.

22. PROVISIONS

	September 30, 2014	December 31, 2013	September 30, 2013
Service revenue allowances	<u>\$ 49,657</u>	<u>\$ 69,001</u>	<u>\$ 65,300</u>
Current	\$ 43,566	\$ 66,268	\$ 62,683
Non-current	<u>6,091</u>	<u>2,733</u>	<u>2,617</u>
	<u>\$ 49,657</u>	<u>\$ 69,001</u>	<u>\$ 65,300</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.

23. RETIREMENT BENEFIT PLANS

Employee benefit expenses in respect of the Group's defined benefit retirement plans were calculated using the actuarially determined pension cost discount rate as of December 31, 2013 and 2012, and recognized in the following line items in their respective periods:

	Three Months Ended September 30		Nine Months Ended September 30	
	2014	2013	2014	2013
Operating cost	\$ 595	\$ 508	\$ 1,777	\$ 1,526
Operating expenses	<u>69</u>	<u>62</u>	<u>346</u>	<u>183</u>
	<u>\$ 664</u>	<u>\$ 570</u>	<u>\$ 2,123</u>	<u>\$ 1,709</u>

24. EQUITY

Share Capital

	September 30, 2014	December 31, 2013	September 30, 2013
Numbers of shares authorized (in thousands)	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Shares authorized	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>613,437</u>	<u>502,817</u>	<u>502,817</u>
Share capital issued	<u>\$ 6,134,367</u>	<u>\$ 5,028,170</u>	<u>\$ 5,028,170</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, 2014	December 31, 2013	September 30, 2013
Employee stock options	\$ 63,896	\$ 63,896	\$ 63,896
Differences between selling price and carrying amount arising from disposal of subsidiaries	<u>-</u>	<u>4,701</u>	<u>4,701</u>
	<u>\$ 63,896</u>	<u>\$ 68,597</u>	<u>\$ 68,597</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 funds 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%; as the Company has a profit sharing in stock to employees of an affiliated company, the conditions will be set by the Board of Directors.
 - 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, 2014 and 2013, the accrued bonus to employees was \$6,316 thousand and \$18,355 thousand, respectively, and the accrued remuneration to directors was \$5,250 thousand and \$9,177 thousand, respectively. The above accrued bonus to employees and remuneration to directors for the nine months ended September 30, 2013 represented 1.0% and 0.5%, respectively, of distributable retained earnings (net of the bonus and remuneration). For the nine months ended September 30, 2014, the accrued bonus to employees represented 1% of distributable retained earnings (net of the bonus and remuneration). The accrued remuneration to directors was estimated based on the amounts in past period approved by the shareholders' meeting. Material differences between these estimated amounts and the amounts proposed by the board of directors on or before the date of annual consolidated financial statements had been authorized for issue are adjusted in the year the bonus and remuneration are recognized. If there is a change in the proposed amounts after the date of annual consolidated financial statements had been authorized for issue, the differences are accounted for as a change in accounting estimate in the following year. 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 fair value of the shares. Fair value of the shares refers to the closing price (after considering the effect of cash and stock dividends) of the shares on the day immediately preceding the shareholders' meeting.
- d. The Company appropriates or reverses a special reserve in accordance with Rule No. 1010012865 and Rule No. 1010047490 issued by the FSC on April 6, 2012 and the directive entitled "Questions and Answers on Special Reserves Appropriated Following the Adoption of IFRSs". Distributions can be made out of any subsequent reversal of the debit to other equity items. The Company also appropriates and reverses a special reserve in accordance with Rule No. 1030006415 issued by the FSC.

- e. 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.
- f. 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.
- g. The appropriations of earnings including bonus to employees, and the remuneration to directors for 2013 and 2012 had been approved in the shareholders' meeting held on May 30, 2014 and June 14, 2013, respectively. The appropriations and dividends per share were as follows:

	<u>Appropriation of Earnings</u>		<u>Dividends Per Share (NT\$)</u>	
	<u>For Year 2013</u>	<u>For Year 2012</u>	<u>For Year 2013</u>	<u>For Year 2012</u>
Legal reserve	\$ 247,503	\$ 135,111	\$ -	\$ -
Reversal of special reserve	(120,693)	-	-	-
Cash dividends	1,307,324	698,357	2.6	1.5
Stock dividends	1,106,197	372,457	2.2	0.8

	<u>Cash Dividends</u>	
	<u>Nine Months Ended September 30</u>	<u>Nine Months Ended September 30</u>
	<u>2014</u>	<u>2013</u>
Bonus to employees	\$ 24,528	\$ 12,544
Remuneration to directors	6,623	6,272

- h. The bonus to employees and the remuneration to directors for 2013 and 2012 approved in the shareholders' meeting on May 30, 2014 and June 14, 2013, respectively, the amounts were as follows:

	<u>Year Ended 2013</u>		<u>Year Ended 2012</u>	
	<u>Bonus to Employees</u>	<u>Remuneration to Directors</u>	<u>Bonus to Employees</u>	<u>Remuneration of Directors</u>
Amounts approved in shareholders' meeting	\$ 24,528	\$ 6,623	\$ 12,544	\$ 6,272
Deduct: Amounts recognized in respective financial statements	<u>(23,266)</u>	<u>(11,633)</u>	<u>(14,347)</u>	<u>(7,174)</u>
Difference	<u>\$ 1,262</u>	<u>\$ (5,010)</u>	<u>\$ (1,803)</u>	<u>\$ (902)</u>

The differences above were recognized in profit and loss for the nine months ended September 30, 2014 and 2013.

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

Others Equity Items

	September 30, 2014	December 31, 2013	September 30, 2013
Exchange differences on translating foreign operations	\$ 88,817	\$ 39,243	\$ (35,534)
Unrealized gains from available-for-sale financial assets	<u>266,790</u>	<u>364,397</u>	<u>283,030</u>
	<u>\$ 355,607</u>	<u>\$ 403,640</u>	<u>\$ 247,496</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	
	2014	2013
Balance, beginning of period	\$ 130,704	\$ 119,581
Attributed to non-controlling interests:		
Net income	27,179	31,643
Exchange differences on translating foreign operations	303	168
Acquisition of non-controlling interests in subsidiaries	16	-
Additional non-controlling interests arising from disposal of subsidiaries	-	1,053
Payment of cash dividends to non-controlling interests	<u>(29,111)</u>	<u>(31,105)</u>
Balance, end of period	<u>\$ 129,091</u>	<u>\$ 121,340</u>

25. 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	
	2014	2013	2014	2013
Interest income				
Cash in bank	\$ 5,124	\$ 9,431	\$ 28,694	\$ 24,866
Other receivables	4,512	-	13,858	-
Long-term accounts receivable	-	5,041	-	14,959
Other	4	3	12	744
	\$ 9,640	\$ 14,475	\$ 42,564	\$ 40,569

Other Gains and Losses

	Three Months Ended September 30		Nine Months Ended September 30	
	2014	2013	2014	2013
(Recognized) reversal of impairment loss of investment properties	\$ (709)	\$ -	\$ (2,539)	\$ 10,152
Gain on disposal of investments	209	1,018	7,548	84,915
Net gain (loss) on fair value change of financial assets held for trading	(1,842)	(418)	7,964	2,243
Losses on disposal of property, plant and equipment	(879)	(514)	(1,187)	(610)
Gains (losses) on disposal of investment properties	-	-	1,259	(123)
Net foreign exchange gains (losses)	8,620	(2,710)	(4,878)	(1,248)
Share of gain of associates and joint ventures	419	243	416	242
Others	(9,223)	10,512	21,608	32,205
	\$ (3,405)	\$ 8,131	\$ 30,191	\$ 127,776

Finance Costs

	Three Months Ended September 30		Nine Months Ended September 30	
	2014	2013	2014	2013
Interest on bank loans	\$ 14,258	\$ 17,666	\$ 53,320	\$ 35,801
Interest on unsecured bonds payable	11,312	-	11,799	-
Interest on loans from related parties	798	803	2,455	2,393
Interest on loans from others	3,690	1,354	14,054	1,354
	30,058	19,823	81,628	39,548
Deduct: Amounts included in the cost of qualifying assets	(9,706)	-	(25,964)	-
	\$ 20,352	\$ 19,823	\$ 55,664	\$ 39,548

Information about capitalized interest was as follows:

	Three Months Ended September 30		Nine Months Ended September 30	
	2014	2013	2014	2013
Interest capitalization rate	2.5%-6.15%	-	2.5%-7.4%	-

Depreciation and Amortization

	Three Months Ended September 30		Nine Months Ended September 30	
	2014	2013	2014	2013
Property, plant and equipment	\$ 27,316	\$ 27,684	\$ 78,057	\$ 87,668
Investment property	5,071	5,035	15,311	15,031
Intangible assets	<u>7,458</u>	<u>4,187</u>	<u>17,394</u>	<u>13,082</u>
	<u>\$ 39,845</u>	<u>\$ 36,906</u>	<u>\$ 110,762</u>	<u>\$ 115,781</u>

An analysis of depreciation by function

Operating costs	\$ 21,279	\$ 17,664	\$ 54,517	\$ 57,800
Operating expenses	6,037	10,020	23,540	29,868
Other losses	<u>5,071</u>	<u>5,035</u>	<u>15,311</u>	<u>15,031</u>
	<u>\$ 32,387</u>	<u>\$ 32,719</u>	<u>\$ 93,368</u>	<u>\$ 102,699</u>

An analysis of amortization by function

Operating costs	\$ 1,136	\$ 3,383	\$ 2,029	\$ 10,718
Operating expenses	<u>6,322</u>	<u>804</u>	<u>15,365</u>	<u>2,364</u>
	<u>\$ 7,458</u>	<u>\$ 4,187</u>	<u>\$ 17,394</u>	<u>\$ 13,082</u>

Operating Expenses Directly Related to Investment Properties

	Three Months Ended September 30		Nine Months Ended September 30	
	2014	2013	2014	2013
Direct operating expenses from investment property				
That generated rental income	\$ 10,621	\$ 9,594	\$ 30,239	\$ 29,308
That did not generate rental income	<u>50</u>	<u>23</u>	<u>173</u>	<u>91</u>
	<u>\$ 10,671</u>	<u>\$ 9,617</u>	<u>\$ 30,412</u>	<u>\$ 29,399</u>

Employee Benefits Expense

	Three Months Ended September 30		Nine Months Ended September 30	
	2014	2013	2014	2013
Short-term employee benefits	\$ 1,127,756	\$ 1,530,893	\$ 3,645,212	\$ 4,629,770
Post-employment benefits				
Defined contribution plans	42,663	42,477	132,890	121,651
Defined benefit plans (Note 23)	664	570	2,123	1,709
	43,327	43,047	135,013	123,360
Other employee benefits	50,916	55,504	151,370	150,409
	<u>\$ 1,221,999</u>	<u>\$ 1,629,444</u>	<u>\$ 3,931,595</u>	<u>\$ 4,903,539</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 1,099,497	\$ 1,454,166	\$ 3,496,099	\$ 4,388,119
Operating expenses	122,502	175,278	435,496	515,420
	<u>\$ 1,221,999</u>	<u>\$ 1,629,444</u>	<u>\$ 3,931,595</u>	<u>\$ 4,903,539</u>

26. 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	
	2014	2013	2014	2013
Current tax				
In respect of the current period	\$ 44,531	\$ 146,487	\$ 202,766	\$ 435,851
Income tax expense of unappropriated earnings	-	-	-	15,761
In respect of the prior periods	-	3,665	857	(403)
Deferred tax				
In respect of the current periods	3,565	4,830	3,051	6,229
Income tax expense recognized in profit or loss	<u>\$ 48,096</u>	<u>\$ 154,982</u>	<u>\$ 206,674</u>	<u>\$ 457,438</u>

On April 9, 2014, the Ministry of Finance promulgated the amendments to the Assessment Rules Governing Income Tax Returns of Profit-Seeking Enterprises, the Tax Ruling No. 10304540780, and the amendments apply to the filing of income tax returns for 2013 onwards. The applications of such amendments were not expected to have significant effect on the Group's consolidated financial statements of current and deferred tax assets and liabilities.

Integrated Income Tax

	September 30, 2014	December 31, 2013	September 30, 2013
Unappropriated earnings generated on and after January 1, 1998	<u>\$ 707,522</u>	<u>\$ 2,579,654</u>	<u>\$ 2,053,040</u>
Imputation credits accounts	<u>\$ 92,179</u>	<u>\$ 276,214</u>	<u>\$ 124,448</u>

The creditable ratio for distribution of earnings of 2013 and 2012 was 22.11% and 20.88%, 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. The actual imputation credits allocated to shareholders of the Company was based on the balance of the Imputation Credit Accounts (ICA) as of the date of dividend distribution. Therefore, the expected creditable ratio for the 2013 earnings may differ from the actual creditable ratio to be used in allocating imputation credits to the shareholders.

Under the Income Tax Law amended and promulgated by Presidential Decree Hua-tzung Yi No. 10300085101, for distribution of earning generated after January 1, 1998, the imputation credits allocated to ROC resident shareholders of the Company will be reduced by 50% in comparison with that described in the previous paragraph, effective January 1, 2015.

According to legal interpretation No. 10204562810 announced by the Taxation Administration of 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

The Company's tax returns through 2012, except for 2009, have been assessed by the tax authorities. The Company disagreed with the tax authorities' assessment on its 2011 and 2012 tax return, and the Company applied for a re-examination on its 2011 tax return and was ready to apply for a re-examination on its 2012 tax return. Sinyi Global, Sinyi Culture, Jui-Inn's, An-Sin and Taiwan Sinyi Development's tax returns through 2012 had been assessed by the tax authorities.

27. EARNINGS PER SHARE

Unit: NT\$ Per Share

	Three Months Ended September 30		Nine Months Ended September 30	
	2014	2013	2014	2013
Basic EPS	<u>\$ 0.21</u>	<u>\$ 0.96</u>	<u>\$ 1.09</u>	<u>\$ 3.12</u>
Diluted EPS	<u>\$ 0.21</u>	<u>\$ 0.96</u>	<u>\$ 1.09</u>	<u>\$ 3.12</u>

The earnings per share computation for the three months ended September 30, 2013 and for the nine months ended September 30, 2013 was retrospectively adjusted for the effects of adjustments resulting from bonus stock issued on July 7, 2014. The basic and diluted after-tax earnings per share were adjusted retrospectively as followings:

Unit: NT\$ Per Share

	Before Adjusted Retrospectively		After Adjusted Retrospectively	
	Three Months Ended September 30, 2013	Nine Months Ended September 30, 2013	Three Months Ended September 30, 2013	Nine Months Ended September 30, 2013
Basic earnings per share	<u>\$ 1.17</u>	<u>\$ 3.81</u>	<u>\$ 0.96</u>	<u>\$ 3.12</u>
Diluted earnings per share	<u>\$ 1.17</u>	<u>\$ 3.80</u>	<u>\$ 0.96</u>	<u>\$ 3.12</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

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2014	2013	2014	2013
Profit for the period attributable to owners of the Company	<u>\$ 126,176</u>	<u>\$ 589,683</u>	<u>\$ 671,182</u>	<u>\$ 1,913,686</u>

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

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2014	2013	2014	2013
Weighted average number of ordinary shares in computation of basic earnings per share	613,437	613,437	613,437	613,437
Effect of dilutive potential ordinary shares:				
Bonus issue to employee	<u>33</u>	<u>358</u>	<u>164</u>	<u>493</u>
Weighted average number of ordinary shares used in the computation of diluted earnings per share	<u>613,470</u>	<u>613,795</u>	<u>613,601</u>	<u>613,930</u>

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.

28. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

In April 2014, the Group acquired 20% of its interest in Chengdu Sinyi, increasing its continuing interest from 80% to 100%.

In August 2014, the Group acquired 100% of Ke Wei HK newly increased capital, increasing its continuing interest from 95% to 99%.

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 having control over these subsidiaries.

	Nine Months Ended September 30			
	2014			2013
	Chengdu Sinyi	Ke Wei HK	Total	Qingdao Sinyi
Cash consideration (paid) received	\$ (7,668)	\$ -	\$ (7,668)	\$ 5,763
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to (from) non-controlling interests	1,422	(1,438)	(16)	(1,053)
Reattribution of other equity to (from) non-controlling interests				
Exchange differences arising on the translation of the financial statements of foreign operations	-	-	-	(9)
Differences arising from equity transaction	<u>\$ (6,246)</u>	<u>\$ (1,438)</u>	<u>\$ (7,684)</u>	<u>\$ 4,701</u>

	Nine Months Ended September 30	
	2014	2013

Line items adjusted for equity transaction

Capital surplus - difference between consideration and carrying amounts adjusted arising from changes in percentage of ownership in subsidiaries	\$ (4,701)	\$ 4,701
Unappropriated earnings	<u>(2,983)</u>	<u>-</u>
	<u>\$ (7,684)</u>	<u>\$ 4,701</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, 2014, December 31, 2013 and September 30, 2013, refundable deposits paid under operating lease amounted to \$106,354 thousand, \$100,114 thousand and \$100,109 thousand, respectively.

As of September 30, 2014, the future minimum lease payments of operating lease commitments were as follows:

Method of Calculation and Payment of Rentals	Year	Amount
Settlement on monthly basis	4th quarter of 2014	\$ 138,120
	2015	446,708
	2016	302,111
	2017	204,735
	2018	136,838
	1st to 3rd quarter of 2019	<u>83,618</u>
		<u>\$ 1,312,130</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, 2014, December 31, 2013 and September 30, 2013, deposits received under operating leases amounted to \$32,761 thousand, \$32,972 thousand and \$32,782 thousand, respectively.

As of September 30, 2014, future rentals receivable were summarized as follows:

Method of Calculation and Collection of Rentals	Year	Amount
Settlement on monthly basis	4th quarter of 2014	\$ 30,609
	2015	125,816
	2016	128,219
	2017	105,671
	1st to 3rd quarter of 2018	<u>331</u>
		<u>\$ 390,646</u>

30. CAPITAL RISK MANAGEMENT

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

Key management personnel of the Group review the capital structure on a quarterly basis. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and/or the amount of new debt issued or existing debt redeemed.

31. FINANCIAL INSTRUMENTS

Fair Value of Financial Instruments

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

The management considers 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, 2014

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic listed stocks - equity investments	<u>\$ 40,185</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,185</u>
Available-for-sale financial assets				
Domestic listed stocks - equity investments	\$ 281,595	\$ -	\$ -	\$ 281,595
Foreign listed stocks - equity investments	528,023	-	-	528,023
Mutual funds	<u>1,316</u>	<u>-</u>	<u>-</u>	<u>1,316</u>
	<u>\$ 810,934</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 810,934</u>

December 31, 2013

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic listed stocks - equity investments	\$ 32,221	\$ -	\$ -	\$ 32,221
Mutual funds	<u>186,719</u>	<u>-</u>	<u>-</u>	<u>186,719</u>
	<u>\$ 218,940</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 218,940</u>
Available-for-sale financial assets				
Domestic listed stocks - equity investments	\$ 277,431	\$ -	\$ -	\$ 277,431
Foreign listed stocks - equity investments	619,058	-	-	619,058
Mutual funds	<u>1,290</u>	<u>-</u>	<u>-</u>	<u>1,290</u>
	<u>\$ 897,779</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 897,779</u>

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>

(Continued)

	Level 1	Level 2	Level 3	Total
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> (Concluded)

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, 2014	December 31, 2013	September 30, 2013
<u>Financial assets</u>			
FVTPL			
Held for trading	\$ 40,185	\$ 218,940	\$ 214,849
Loans and receivables (Note 1)	3,421,111	4,423,902	4,821,320
Available-for-sale financial assets (Note 2)	1,095,535	1,183,268	1,106,135
<u>Financial liabilities</u>			
Amortized cost (Note 3)	7,011,919	6,298,111	7,367,239

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 payables, other payables to related parties, other financial liabilities, bonds payable, long-term borrowings (including current portion of long-term borrowings), guarantee deposits received and other non-current liabilities.

Accounting practices of the Company's financial instruments are not engaged in the use of hedge accounting.

Financial Risk Management Objectives and Policies

The Group's major financial instruments included equity, mutual funds, trade receivables, other payables, bonds payable 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					
	2014			2013		
	RMB	JPY	USD	RMB	JPY	USD
Equity	\$ (152)	\$ 1,374	\$ 2,703	\$ 328	\$ 1,604	\$ 694

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, long-term bonds payable 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, 2014	December 31, 2013	September 30, 2013
Fair value interest rate risk			
Financial assets	\$ 1,321,255	\$ 1,460,454	\$ 1,308,052
Financial liabilities	3,279,864	1,322,206	3,026,015
Cash flow interest rate risk			
Financial assets	335,161	376,419	-
Financial liabilities	866,281	906,044	786,114

Interest rate sensitivity analysis

The Group was exposed to cash flow interest rate risk in relation to floating rate liabilities, and the short-term and long-term borrowings will be affected by the changes in market interest rate accordingly. If the market interest rate increased by 1%, the Group's cash outflow will increase by \$8,663 thousand for the nine months ended September 30, 2014.

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, 2014	December 31, 2013	September 30, 2013
Other related parties - related parties in substance	\$ 52,680	\$ 49,096	\$ 44,615
Other related parties - the person in charge of other related parties is the president of the Company	11,129	12,299	10,481
Other - vice president of the Company	<u>35,044</u>	<u>35,606</u>	<u>35,216</u>
	<u>\$ 98,853</u>	<u>\$ 97,001</u>	<u>\$ 90,312</u>

Other payables to related parties were financing. Information on the financing for the nine months ended September 30, 2014 and 2013 were as follows:

Nine Months Ended September 30, 2014					
	Highest Balance During the Period		Interest Rate %	Interest Expense	Interest Payable
	Amount				
Other related parties - related parties in substance	\$ 45,886	\$ 44,900	3.00	\$ 1,859	\$ 7,780
Other - vice president of the Company	<u>30,707</u>	<u>30,591</u>	3.00	<u>596</u>	<u>4,453</u>
	<u>\$ 76,593</u>	<u>\$ 75,491</u>		<u>\$ 2,455</u>	<u>\$ 12,233</u>
Nine Months Ended September 30, 2013					
	Highest Balance During the Period		Interest Rate %	Interest Expense	Interest Payable
	Amount				
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>

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, 2014 and 2013 included the following:

	Three Months Ended September 30		Nine Months Ended September 30	
	2014	2013	2014	2013
Short-term benefits	\$ 30,039	\$ 35,426	\$ 83,000	\$ 100,929
Other long-term benefits	<u>1,648</u>	<u>2,841</u>	<u>4,944</u>	<u>8,524</u>
	<u>\$ 31,687</u>	<u>\$ 38,267</u>	<u>\$ 87,944</u>	<u>\$ 109,453</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	
	2014	2013	2014	2013
Other related parties				
The person in charge of other related parties is the president of the Company	\$ 1,238	\$ 1,304	\$ 3,714	\$ 3,987
Related parties in substance	2,415	2,547	7,163	6,645
Associates	<u>9</u>	<u>9</u>	<u>26</u>	<u>26</u>
	<u>\$ 3,662</u>	<u>\$ 3,860</u>	<u>\$ 10,903</u>	<u>\$ 10,658</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	
	2014	2013	2014	2013
Other related parties				
The person in charge of other related parties is the president of the Company	\$ 623	\$ 770	\$ 1,830	\$ 2,462
Related parties in substance	<u>1,745</u>	<u>3,202</u>	<u>5,274</u>	<u>8,664</u>
	<u>\$ 2,368</u>	<u>\$ 3,972</u>	<u>\$ 7,104</u>	<u>\$ 11,126</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	
	2014	2013	2014	2013
Other related parties				
The person in charge of other related parties is the president of the Company	\$ 31,200	\$ 30,004	\$ 92,546	\$ 83,414
Related parties in substance	<u>1,425</u>	<u>950</u>	<u>3,227</u>	<u>3,058</u>
	<u>\$ 32,625</u>	<u>\$ 30,954</u>	<u>\$ 95,773</u>	<u>\$ 86,472</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, 2014	December 31, 2013	September 30, 2013
Other related parties			
The person in charge of other related parties is the president of the Company	\$ 1,175	\$ 1,390	\$ 1,334
Related parties in substance	<u>5,282</u>	<u>345</u>	<u>11,600</u>
	<u>\$ 6,457</u>	<u>\$ 1,735</u>	<u>\$ 12,934</u>

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, 2014	December 31, 2013	September 30, 2013
Property, plant and equipment (including investment properties)			
Land	\$ 3,290,251	\$ 3,290,251	\$ 3,256,722
Building	413,257	418,939	424,025
Other financial assets - current			
Pledged time deposits	28,467	637,616	603,721
Inventories	<u>4,145,405</u>	<u>297,743</u>	<u>300,423</u>
	<u>\$ 7,877,380</u>	<u>\$ 4,644,549</u>	<u>\$ 4,584,891</u>

34. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED COMMITMENTS

- a. The Group is involved in claims that arise in the ordinary course of business; the other party may claim against the Group through 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 \$345,380 thousand (RMB70,000 thousand) and \$51,994 thousand (RMB10,538 thousand), respectively. Refer to Note 37 Table 2 for the details.
- d. As of September 30, 2014, the Group had signed construction contracts but not yet paid for \$2,301,556 thousands.

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 subsublicense 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 six 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, 2014

	Foreign Currencies (In Thousands)	Exchange Rate	New Taiwan Dollars (In Thousands)
<u>Financial assets</u>			
Monetary items			
RMB	\$ 183,272	4.934	\$ 904,266
JPY	695,308	0.278	193,296
USD	18,588	30.42	565,432
Non-monetary items			
RMB	31,796	4.934	156,881
JPY	1,904,042	0.278	529,324
USD	-	30.42	-
<u>Financial liabilities</u>			
Monetary items			
RMB	186,361	4.934	919,505
JPY	200,902	0.278	55,851
USD	9,702	30.42	295,133

December 31, 2013

	Foreign Currencies (In Thousands)	Exchange Rate	New Taiwan Dollars (In Thousands)
<u>Financial assets</u>			
Monetary items			
RMB	\$ 223,304	4.904	\$ 1,095,084
JPY	908,506	0.28	257,918
USD	10,972	29.81	327,918
Non-monetary items			
RMB	31,796	4.904	155,436
JPY	2,180,606	0.28	619,058
USD	43	29.81	1,290
<u>Financial liabilities</u>			
Monetary items			
RMB	188,429	4.904	924,056
JPY	205,930	0.28	58,462
USD	11,938	29.81	355,808

September 30, 2013

	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
JPY	669,184	0.30	202,152
USD	11,603	29.57	343,107
Non-monetary items			
RMB	31,796	4.81	152,929
JPY	1,882,854	0.30	568,786
USD	43	29.57	1,279
<u>Financial liabilities</u>			
Monetary items			
RMB	293,570	4.81	1,411,984
JPY	138,139	0.30	41,730
USD	9,258	29.57	273,747

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 (excluding investment in subsidiaries, associates and joint controlled entities): Table 3 (attached)
- d. Marketable securities acquired or disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: Table 4 (attached)
- e. Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital: None
- f. Disposal of individual real estate at prices of at least NT\$300 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: None
- i. Information about derivative: None
- j. Intercompany relationships and significant intercompany transactions: Table 5 (attached)
- k. Information on investees: Table 6 (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 7 (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, 2014 and 2013:

	Real Estate Brokerage			Real Estate Development			Elimination	Consolidated
	Taiwan	Mainland China and Others	Total	Taiwan	China	Total		
Nine months ended September 30, 2014								
Revenues from external customers	\$ 6,206,769	\$ 473,764	\$ 6,680,533	\$ 59,629	\$ 35,209	\$ 94,838	\$ -	\$ 6,775,371
Inter-segment revenues	43,445	-	43,445	9,749	-	9,749	(53,194)	-
Segment revenues	<u>\$ 6,250,214</u>	<u>\$ 473,764</u>	<u>\$ 6,723,978</u>	<u>\$ 69,378</u>	<u>\$ 35,209</u>	<u>\$ 104,587</u>	<u>\$ (53,194)</u>	6,775,371
Rental income from investment property								(94,838)
Consolidated revenues								<u>\$ 6,680,533</u>
Operating profit (loss)	<u>\$ 977,640</u>	<u>\$ (160,397)</u>	<u>\$ 767,243</u>	<u>\$ 34,135</u>	<u>\$ 740</u>	<u>\$ 34,875</u>	<u>\$ 33,892</u>	\$ 836,010
Operating income from investment property								(64,426)
Operating income								<u>\$ 771,584</u>
Segment assets	<u>\$ 5,927,007</u>	<u>\$ 1,975,908</u>	<u>\$ 7,902,915</u>	<u>\$ 3,006,927</u>	<u>\$ 5,364,603</u>	<u>\$ 8,371,530</u>	<u>\$ (156,761)</u>	\$ 16,117,684
Investments accounted for by the equity method and goodwill								20,640
Total assets								<u>\$ 16,138,324</u>
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>	9,092,965
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>

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.

SINYI REALTY INC. AND SUBSIDIARIES

FINANCING PROVIDED
NINE MONTHS ENDED SEPTEMBER 30, 2014
(In Thousands of New Taiwan Dollars)

No.	Financing Company	Borrower	Financial Statement Account	Related Parties	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		
0	Sinyi Realty Inc.	Hua Yun Renovation (Shanghai) Co., Ltd.	Other receivables	Yes	\$ 4,934	\$ 4,934	\$ -	3.896%	Short-term financing	\$ -	Need for operation	\$ -	-	\$ -	\$ 439,959 (Note 1)	\$ 879,919 (Note 1)
		Sinyi Development Ltd.	"	Yes	358,380	-	-	3.896%	"	-	Provide endorsement to subsidiaries	-	-	-	439,959 (Note 1)	879,919 (Note 1)
1	Sinyi Development Inc. (original name: Da-Chia Construction)	Shin Hau Real Estate Co., Ltd.	"	No	200,000	179,000	179,000	10.000%	Business activity	201,000	-	-	Land	290,235	201,000 (Note 2)	274,074 (Note 3)
		Sinyi Realty Inc.	"	Yes	200,000	-	-	1.800%	Short-term financing	-	Need for group fund	-	-	-	219,259 (Note 4)	548,147 (Note 4)
2	Suzhou Sinyi Real Estate Inc.	Shanghai Sinyi Real Estate Inc.	"	Yes	100,480 (RMB 20,000 thousand)	39,472 (RMB 8,000 thousand)	29,604 (RMB 6,000 thousand)	4.000%	Short-term financing	-	Participation in the capital increase of strategic investment plan	-	-	-	610,994 (Note 5)	1,221,988 (Note 5)
		Sinyi Real Estate (Shanghai) Limited	"	Yes	49,340 (RMB 10,000 thousand)	49,340 (RMB 10,000 thousand)	44,406 (RMB 9,000 thousand)	5.000%	"	-	Need for operation	-	-	-	610,994 (Note 5)	1,221,988 (Note 5)
			"	Yes	502,400 (RMB 100,000 thousand)	-	-	7.400%	"	-	"	-	-	-	610,994 (Note 5)	1,221,988 (Note 5)
3	Hua Yun Renovation (Shanghai) Co., Ltd.	Shanghai Sinyi Real Estate Inc.	"	Yes	4,934 (RMB 1,000 thousand)	4,934 (RMB 1,000 thousand)	-	3.896%	Short-term financing	-	Need for operation	-	-	-	14,565 (Note 6)	24,275 (Note 6)

Note 1: Total financing provided by Sinyi Realty Inc. for short-term financing requirements for each borrowing company should not exceed 5% of the Sinyi Realty Inc.'s net worth. The maximum total financing provided should not exceed 10% of the Sinyi Realty Inc.'s net worth.

Note 2: The individual lending amount of Sinyi Development Inc. should not exceed the transaction amount between two parties during the latest year.

Note 3: The maximum total financing provided should not exceed 50% of Sinyi Development Inc.'s net worth.

Note 4: The maximum total financing provided of the Sinyi Development Inc. by the borrowing company is held 100% should not exceed 40% of Sinyi Development Inc.'s net worth. Total financing provided should not exceed 100% of the Sinyi Development Inc.'s worth.

Note 5: Total financing provided by the Suzhou Sinyi Real Estate Inc. for a company which was owned 100% directly or indirectly by the same parent company should not exceed 150% of 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.

Note 6: Total financing provided by the Hua Yun Renovation (Shanghai) Co., Ltd. for a company which was owned 100% directly or indirectly by the same parent company should not exceed 300% of Hua Yun Renovation (Shanghai) Co., Ltd.'s net worth. Total financing provided should not exceed 500% of the Hua Yun Renovation (Shanghai) Co., Ltd.'s net worth.

SINYI REALTY INC. AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED TO OTHER
NINE MONTHS ENDED SEPTEMBER 30, 2014
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No.	Endorser/Guarantor	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party	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)	Guarantee Given by Parent on Behalf of Subsidiaries	Guarantee Given by Subsidiaries on Behalf of Parent	Guarantee Given on Behalf of Companies in Mainland China	Note
		Name	Nature of Relationship											
0	Sinyi Realty Inc.	Shanghai Sinyi Real Estate Inc.	Indirect subsidiary	\$ 7,039,348 (Note 1)	\$ 351,680 (RMB 70,000 thousand)	\$ 345,380 (RMB 70,000 thousand)	\$ -	\$ -	3.93	\$ 8,799,185	Y	N	Y	
		Suzhou Sinyi Real Estate Inc.	"	7,039,348 (Note 1)	1,029,554 (RMB 214,000 thousand)	51,994 (RMB 10,538 thousand)	51,994 (RMB 10,538 thousand)	51,994 (RMB 10,538 thousand)	0.59	8,799,185	Y	N	Y	
1	Sinyi Development Ltd	Suzhou Sinyi Real Estate Inc.	Indirect subsidiary of parent company	3,133,245 (Note 3)	597,300 (US\$ 20,000 thousand)	-	-	-	-	3,916,557	N	N	Y	

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.

Note 3: For those subsidiaries the Sinyi Development Ltd. had over 80% ownership directly or indirectly, the limit of endorsement guarantee amount for each guaranteed party should not exceed 80% of the Sinyi Development Ltd's net worth. The limit of endorsement/guarantee amount is same for subsidiaries which were owned 100% directly or indirect by the Sinyi Development Ltd.'s parent company, Sinyi Realty Inc.

SINYI REALTY INC. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

SEPTEMBER 30, 2014

(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, 2014				Note
				Shares/Units	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
Sinyi Realty Inc.	<u>Listed stock</u>							
	E. SUN Financial Holding Co., Ltd.	-	Available-for-sale financial assets - current	15,262,580	\$ 281,595	-	\$ 281,595	
	PChome Online Inc.	-	Financial assets at fair value through profit or loss - current	105,845	31,330	-	31,330	
	<u>Stock</u>							
	Rakuya International Info. Co., Ltd.	-	Financial assets measured at cost - non-current	1,900,000	6,441	12	6,441	
	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	
	Kun Gee Venture Capital Co., Ltd.	-	"	2,100,000	4,451	3	4,451	
	Cite' Publishing Holding Ltd.	-	"	7,637	4,874	1	4,874	
Cite' Information Services Co., Ltd.	-	"	106,392	890	1	890		
Sinyi Limited	<u>Stock</u>							
	Orix Corp.	-	Available-for-sale financial assets - current	1,180,800	528,023	-	528,023	
Shanghai Sinyi Real Estate Inc.	<u>Monetary market fund</u>							
	SBGH U.S. Dollar Reserve Fund CL A Dist Units	-	"	43,278	1,316	-	1,316	
Shanghai Sinyi Real Estate Inc.	<u>Stock</u>							
	Cura Investment Management (Shanghai) Co., Ltd.	-	Financial assets measured at cost - non-current	-	156,882	2	156,882	
Sinyi Development Inc.	<u>Stock</u>							
	CTCI Corporation	-	Financial assets at fair value through profit or loss - current	170,940	8,855	-	8,855	
Ke Wei Shanghai Real Estate Management Consulting Inc.	<u>Financial product</u>							
	Golden Times No. 51411	-	Other financial assets - current	100,000	493	-	493	
	"	-	"	100,000	494	-	494	
Suzhou Sinyi Real Estate Inc.	Golden Times No. 51410	-	"	6,000,000	29,604	-	29,604	

SINYI REALTY INC. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
 NINE MONTHS ENDED SEPTEMBER 30, 2014
 (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.	Stock Sinyi Limited	Investments accounted for using equity method (includes prepayment for long-term investment)	-	Subsidiary	62,075,721	\$ 2,026,224	13,667,574	\$ 414,012	-	\$ -	\$ -	\$ -	75,743,295	\$ 2,440,236 (Notes 1 and 2)
Sinyi Limited	Stock Inane International Limited	Investments accounted for using equity method (includes prepayment for long-term investment)	"	"	44,890,999	1,434,497	11,480,429	348,023	-	-	-	-	56,371,428	1,782,520 (Notes 1 and 2)

Note 1: The ending balance presents historical cost.

Note 2: Those subsidiaries included in the consolidated entities have been eliminated.

SINYI REALTY INC. AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT TRANSACTION
NINE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013

(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 (%)
	<u>Nine months ended September 30, 2014</u>						
0	Sinyi Realty Inc.	An-Sin Real Estate Management Ltd.	1	Professional fee	\$ 16,079	Fixed charges by guarantee piece work	-
		An-Sin Real Estate Management Ltd.	1	Other income	11,657	30 days after regular settlement	-
		Sinyi Realty Inc. Japan	1	Other income	19,186	Quarterly	-
		Sinyi Realty Inc. Japan	1	Other receivable to related parties	6,270	-	-
1	Shanghai Sinyi Real Estate Inc.	Inane International Limited	3	Other payables	9,611	-	-
		Suzhou Sinyi Real Estate Inc.	3	Other payables	29,604	Interest rate 4%	-
2	Suzhou Sinyi Real Estate Inc.	Sinyi Real Estate (Shanghai) Limited	3	Other receivables	44,406	Financing for operation, interest rate 5%	-
	<u>Nine months ended September 30, 2013</u>						
0	Sinyi Realty Inc.	An-Sin Real Estate Management Ltd.	1	Professional fee	20,439	Fixed charges by guarantee piece work	-
		Jui-Inn Consultants Co., Ltd.	1	Professional fee	9,023	By the piece work	-
		An-Sin Real Estate Management Ltd.	1	Other income	13,728	30 days after regular settlement	-
		Sinyi Realty Inc. Japan	1	Other income	10,988	Quarterly	-
		Sinyi Realty Inc. Japan	1	Short-term borrowings	170,000	Need for group funds interest rate 1.8%	1
1	Sinyi Limited	Ke Wei Shanghai Real Estate Management Consulting Inc.	3	Other receivables	47,910	-	-
		Shanghai Sinyi Real Estate Inc.	3	Other receivables	12,723	-	-
2	Shanghai Sinyi Real Estate Inc.	Inane International Limited	3	Other payables	9,342	-	-
		Suzhou Sinyi Real Estate Inc.	3	Other payables	86,575	Interest rate 4%	1
3	Suzhou Sinyi Real Estate Inc.	Sinyi Real Estate (Shanghai) Limited	3	Other receivables	480,971	Financing for operation, interest rate 7.4%	3

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

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

Note 2: Flows of transactions are categorized as follows:

- From a parent company to its subsidiary.
- From a subsidiary to its parent company.
- 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, 2014 and 2013.
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, 2014 and 2013.

Note 4: The table is disclosed by the Company based on the principle of materiality.

SINYI REALTY INC. AND SUBSIDIARIES

INFORMATION ON INVESTEEES
NINE MONTHS ENDED SEPTEMBER 30, 2014
(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, 2014			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	\$ 3,960,719	\$ 3,955,884	134,008,539	100	\$ 4,093,954 (Note 3)	\$ (12,970)	\$ (12,970) (Note 3)	Note 1
	Sinyi Limited	Citco Building P.O. Box 662, Road Town, Torola, B.V.I.	Investment holding	2,440,236	2,026,224	75,743,295	100	1,818,349 (Note 3)	(169,536)	(169,536) (Note 3)	Note 1
	Sinyi Development Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Construction	535,005	535,005	53,500,000	100	534,644 (Note 3)	(2,267)	(2,267) (Note 3)	
	Sinyi Global Asset Management Co., Ltd. (Original name: 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	36,184 (Note 3)	6,418	6,418 (Note 3)	
	Heng-Yi Real Estate Consulting	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Development, construction, rental and sale of residential building and factories; Real estate brokerage	20,000	20,000	2,000,000	100	16,686 (Note 3)	50	50 (Note 3)	
	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	4,598 (Note 3)	167	167 (Note 3)	
	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	-	-	-	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	1,276 (Note 3)	(303)	(300) (Note 3)	
	An-Sin Real Estate Management Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate management	25,500	25,500	7,650,000	51	134,301 (Note 3)	61,387	31,307 (Note 3)	
	Sinyi Interior Design Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Interior design	950	950	95,000	19	11,019	2,190	416	
Yowoo Technology Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Information software, data processing and electronic information providing service	30,000	-	3,000,000	100	26,953 (Note 3)	(3,047)	(3,047) (Note 3)		
Sinyi Limited	Inane International Limited	Citco Building P.O. Box 662, Road Town, Torola, B.V.I.	Investment holding	1,782,520	1,434,497	56,371,428	100	1,151,503 (Note 3)	(139,305)	(139,305) (Note 3)	Note 1
	Ke Wei HK Realty Limited	Rooms 3703-4 37/F West Tower Shun Tak Centre 168-200 Connaught Road, Central HK	Investment holding	95,129	29,140	2,700,000	99	43,447 (Note 3)	14,954	14,096 (Note 3)	Note 1
Sinyi International Limited	Forever Success International Limited	2nd Floor, Felix House, 24 Dr. Joseph Riviere Street, Port Louis, Mauritius	Investment holding	33,111	28,276	1,092,644	100	10,214 (Note 3)	(1,593)	(1,593) (Note 3)	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	138,314 (Note 3)	22,145	22,145 (Note 3)	
	Sinyi Development Ltd.	TMF Chambers, P.O. Box 3269, Apia Samoa	Investment holding	3,868,747	3,868,747	131,000,200	100	3,916,557 (Note 3)	(34,035)	(34,035) (Note 3)	
Inane International Limited	Max Success International Limited	Palm Grove House, P.O. Box 438, Road Town, Torola, British Virgin Islands	Investment holding	399,792	399,792	12,454,780	100	377,908 (Note 3)	(22,078)	(22,078) (Note 3)	
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	10,251 (Note 3)	108	108 (Note 3)	
Sinyi Development Ltd.	Sinyi Real Estate (Hong Kong) Limited	Suites 2302-6, 23/F Great Eagle Ctr 23 Harbour Rd. Wanchai HK	Investment holding	3,868,747	3,868,747	131,000,200	100	3,927,625 (Note 3)	(20,751)	(20,751) (Note 3)	
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	12,881 (Note 3)	2,958	2,958 (Note 3)	
Sinyi Development Inc.	Da-Chia Construction Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Development, construction, rental and sale of residential building and factories	500	-	50,000	100	434 (Note 3)	(66)	(66) (Note 3)	
	Sinyi Real Estate Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Development, construction, rental and sale of residential building and factories	500	-	50,000	100	432 (Note 3)	(68)	(68) (Note 3)	

Note 1: As of September 30, 2014, it has not been registered as a capital stock; therefore, it is recorded under "prepayment for long-term investment".

Note 2: The liquidation was completed and approved by court.

Note 3: Those subsidiaries included in the consolidated entities have been eliminated.

SINYI REALTY INC. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA

NINE MONTHS ENDED SEPTEMBER 30, 2014

(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, 2014	Investment Flows		Accumulated Outflow of Investment from Taiwan as of September 30, 2014	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized (Note 1)	Carrying Value as of September 30, 2014 (Note 2)	Accumulated Inward Remittance of Earnings as of September 30, 2014
					Outflow	Inflow						
Ke Wei Shanghai Real Estate Management Consulting Inc. (Note 3)	Real estate brokerage and management consulting	RMB 9,851	Investment in company located in Mainland China indirectly through Ke Wei HK Realty Limited	\$ 15,870	\$ 65,989	\$ -	\$ 81,859	\$ 14,948	99	\$ 14,948 (Note 7)	\$ (4,106) (Note 7)	\$ -
Shanghai Sinyi Real Estate Inc. (Note 4)	Real estate brokerage	RMB 260,082	Investment in company located in Mainland China indirectly through Inane International Limited	888,456	251,562	-	1,140,018	(83,715)	100	(83,715) (Note 7)	726,495 (Note 7)	-
Beijing Sinyi Real Estate Ltd. (Note 4)	Real estate brokerage and management consulting	RMB 34,747	"	86,157	63,798	-	149,955	(12,359)	100	(12,359) (Note 7)	8,480 (Note 7)	-
Shanghai Sinyi Limited Corporation of Land Administration and Real Estate Counseling (Note 5)	Real estate brokerage	RMB 4,138	"	17,095	-	-	17,095	(11,615)	100	(11,615) (Note 7)	(89) (Note 7)	-
Suzhou Sinyi Real Estate Inc. (Note 4)	Real estate brokerage and management consulting	RMB 68,000	"	355,249	-	-	355,249	(18,383)	100	(18,383) (Note 7)	392,567 (Note 7)	-
Cura Investment Management (Shanghai) Co., Ltd. (Note 5)	Real estate fund investment management	RMB 1,025,700	"	-	-	-	-	-	2	-	156,882	-
Zhejiang Sinyi Real Estate Co., Ltd. (Note 4)	Real estate brokerage and management consulting	RMB 20,200	"	44,543	-	-	44,543	(6,606)	100	(6,606) (Note 7)	(9,474) (Note 7)	-
Shanghai Shin Chen Real Estate Brokerage Inc. (Notes 5 and 8)	Real estate brokerage	RMB 1,000	Investment in company located in Mainland China indirectly through Ke Wei HK Realty Limited	-	-	-	-	-	-	-	-	-
Shanghai Shang Tuo Investment Management Consulting Inc.	Real estate brokerage and management consulting	RMB 5,961	Investment in company located in Mainland China indirectly through Forever Success International Ltd.	27,432	-	-	27,432	(1,589)	100	(1,589) (Note 7)	4,654 (Note 7)	-
Chengdu Sinyi Real Estate Co., Ltd. (Note 6)	Real estate brokerage and management consulting	RMB 13,000	Investment in company located in Mainland China indirectly through Inane International Limited	29,342	32,663	-	62,005	(6,432)	100	(5,988) (Note 7)	23,951 (Note 7)	-
Qingdao Chengjian & Sinyi Real Estate Co., Ltd.	Real estate brokerage and management consulting	RMB 8,000	"	29,225	-	-	29,225	(5,256)	65	(3,416) (Note 7)	(671) (Note 7)	-
Sinyi Real Estate (Shanghai) Limited	Development of commercial and residential building and auxiliary facilities; and construction, rental, sale and property management	RMB 802,513	Investment in company located in Mainland China indirectly through Sinyi Real Estate (Hong Kong) Limited	3,868,747	-	-	3,868,747	(20,749)	100	(20,749) (Note 7)	3,927,096 (Note 7)	-
Hua Yun Renovation (Shanghai) Co., Ltd.	Professional construction, building decoration construction, interior decoration, hard ware, general merchandise, building materials wholesale	RMB 1,000	Investment in company located in Mainland China indirectly through Forever Success International Ltd.	-	4,835	-	4,835	-	100	- (Note 7)	4,934 (Note 7)	-

(Continued)

Accumulated Outflow for Investment in Mainland China as of September 30, 2014	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note 9)
\$5,780,963	\$6,398,003	\$ -

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\$30.42, and US\$1=RMB6.1654 at September 30, 2014.

Note 3: The Company's 95% -owned subsidiary Ke Wei HK Realty Limited increased its capital by US\$2,200 thousand in August 2014. The Company acquired 100% of increased capital; therefore, the ownership was increased from 95% to 99%.

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

Note 5: Investments were made indirectly through the earnings of the Company's subsidiary in China.

Note 6: In April 2014, the Company's 100%-owned subsidiary Inane, acquired the remaining ownership of Chengdu Sinyi Real Estate Co., amounted RMB1,600 thousand. The ownership was increased from 80% to 100%.

Note 7: Those subsidiaries included in the consolidated entities have been eliminated.

Note 8: Dissolved in July 2014.

Note 9: The Company has acquired the certification of operation headquarters issued by the Ministry of Economic Affairs, ROC.

(Concluded)