Sinyi Realty Inc.

Financial Statements for the
Years Ended December 31, 2013 and 2012 and
Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Sinyi Realty Inc.

We have audited the accompanying balance sheets of Sinyi Realty Inc. (the "Company") as of December 31, 2013, December 31, 2012 and January 1, 2012, and the related statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2013 and 2012. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the Rules Governing the Audit of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Those rules and standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sinyi Realty Inc. as of December 31, 2013, December 31, 2012 and January 1, 2012, and its financial performance and its cash flows for the years ended December 31, 2013 and 2012, in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Deloitte & Touche

March 25, 2014

<u>Notice to Readers</u>

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

For the convenience of readers, the independent auditors' report and the accompanying 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' report and financial statements shall prevail.

SINYI REALTY INC.

BALANCE SHEETS
(In Thousands of New Taiwan Dollars, Except Par Value)

	December 31, 2013		December 31, 2012		January 1, 2012	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS						
Cash and cash equivalents (Notes 4 and 6)	$ 556,138	4	$ 1,046,065	10	$ 657,120	7
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	23,965	-	13,486	-	501,564	5
Available-for-sale financial assets - current (Notes 4 and 8)	277,431	2	223,241	2	178,572	2
Notes receivable (Notes 4 and 10)	46,634	-	25,158	-	27,906	-
Trade receivables (Notes 4, 5 and 10)	751,237	5	540,097	5	438,981	5
Trade receivables from related parties (Notes 4, 5, 10 and 30)	185,432	1	175,829	2	102,001	1
Other receivables (Notes 4, 5, 10 and 30)	81,424	1	38,647	-	44,805	1
Other receivable from related parties (Notes 4, 5 and 30)	8,184	-	11,542	-	129,746	1
Other financial assets - current (Notes 11 and 31)	637,616	4	105,650	1	129,315	1
Other current assets (Note 16)	23,185	-	20,001	-	28,498	-
Total current assets	2,591,246	17	2,199,716	20	2,238,508	23
NON-CURRENT ASSETS						
Financial assets at fair value through profit or loss - non-current (Notes 4 and 9)	130,053	1	84,675	1	108,361	1
Investments accounted for using equity method (Notes 4 and 12)	6,511,482	44	3,031,771	28	1,368,729	14
Property, plant and equipment (Notes 4, 13 and 31)	3,136,137	21	3,130,626	28	3,203,062	33
Investment properties (Notes 4, 14 and 31)	2,403,466	16	2,452,687	22	2,490,368	26
Intangible assets (Notes 4 and 15)	26,477	-	27,022	-	24,207	-
Deferred tax assets (Notes 4, 5 and 23)	16,307	-	14,220	-	33,487	-
Refundable deposits (Note 27)	98,634	1	97,688	1	131,074	2
Prepaid pension cost - non-current (Notes 4 and 20)	8,942	-	35,858	-	47,501	1
Other non-current assets (Note 16)	4,623	-	5,427	-	4,203	-
Total non-current assets	12,336,121	83	8,879,974	80	7,410,992	77
TOTAL	$ 14,927,367	100	$ 11,079,690	100	$ 9,649,500	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Notes payable	$ 9,631	-	$ 3,405	-	$ 4,576	-
Other payables (Notes 18 and 30)	2,512,130	17	1,794,650	16	1,540,939	16
Other payables to related parties (Notes 18 and 30)	160,221	1	-	-	-	-
Current tax liabilities (Notes 4 and 23)	347,925	2	140,087	1	60,250	1
Provisions - current (Notes 4 and 19)	65,007	-	55,050	1	40,251	-
Other current financial liabilities (Note 18)	65,664	1	49,312	-	64,266	1
Other current liabilities (Note 18)	124,358	1	97,114	1	83,046	1
Total current liabilities	3,284,936	22	2,139,618	19	1,793,328	19
NON-CURRENT LIABILITIES						
Long-term borrowings (Notes 17 and 31)	1,135,000	8	700,000	7	-	-
Provisions - non-current (Notes 4 and 19)	2,733	-	3,537	-	2,313	-
Guarantee deposit received (Note 27)	64,069	-	32,679	-	32,348	-
Other non-current liabilities (Notes 4 and 23)	922,638	6	840,211	8	1,007,884	11
Deferred tax liabilities (Note 18)	26,947	-	28,302	-	22,389	-
Total non-current liabilities	2,151,387	14	1,604,729	15	1,064,934	11
Total liabilities	5,436,323	36	3,744,347	34	2,858,262	30
EQUITY (Note 21)						
Share capital						
Ordinary shares	5,028,170	34	4,655,713	42	4,392,182	45
Capital surplus	68,597	-	63,896	-	63,896	1
Retained earnings						
Legal reserve	1,290,290	9	1,155,179	11	1,024,230	11
Special reserve	120,693	1	120,693	1	120,693	1
Unappropriated earnings	2,579,654	17	1,345,279	12	1,287,949	13
Total retained earnings	3,990,637	27	2,621,151	24	2,432,872	25
Other equity (Note 4)						
Exchange differences on translating foreign operations	39,243	-	(68,465)	(1)	-	-
Unrealized gain or loss from available-for-sale financial assets	364,397	3	63,048	1	(97,712)	(1)
Total other equity	403,640	3	(5,417)	-	(97,712)	(1)
Total equity	9,491,044	64	7,335,343	66	6,791,238	70
TOTAL	$ 14,927,367	100	$ 11,079,690	100	$ 9,649,500	100

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

SINYI REALTY INC.

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

	Years Ended December 31			
	2013		2012	
	Amount	%	Amount	%
OPERATING REVENUE				
Service revenue (Note 4)	$ 10,813,053	100	$ 7,911,062	100
OPERATING COSTS (Notes 22 and 30)	7,298,042	68	5,554,269	70
GROSS PROFIT	3,515,011	32	2,356,793	30
OPERATING EXPENSES (Notes 22 and 30)	878,771	8	768,824	10
PROFIT FROM OPERATIONS	2,636,240	24	1,587,969	20
NON-OPERATING INCOME AND EXPENSES				
Rental income (Note 30)	89,955	1	94,180	1
Dividend income	6,423	-	10,326	-
Interest income (Notes 22 and 30)	9,907	-	5,855	-
Other gains and losses (Notes 22 and 30)	101,918	1	50,666	1
Finance cost (Notes 22 and 30)	(32,088)	-	(673)	-
Share of profit or loss of associates and joint ventures (Notes 4 and 12)	150,613	1	(79,578)	(1)
Total non-operating income and expenses	326,728	3	80,776	1
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	2,962,968	27	1,668,745	21
INCOME TAX EXPENSE (Notes 4 and 23)	(487,941)	(4)	(312,545)	(4)
NET PROFIT FOR THE YEAR	2,475,027	23	1,356,200	17
OTHER COMPREHENSIVE INCOME				
Exchange differences on translating foreign operations	107,708	1	(68,465)	(1)
Unrealized gain on available-for-sale financial assets	68,370	1	53,603	1
Actuarial loss arising from defined benefit plans	(41,450)	(1)	(26,128)	-
Share of other comprehensive income of associates and joint ventures	232,655	2	107,331	1
Income tax relating to components of other comprehensive income	7,047	-	-	-
Other comprehensive income for the year, net of income tax	374,330	3	66,341	1
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 2,849,357	26	$ 1,422,541	18

(Continued)

SINYI REALTY INC.

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

	Years Ended December 31			
	2013		2012	
	Amount	**%**	**Amount**	**%**
EARNINGS PER SHARE (Note 24)				
Basic	$4.92		$2.70	
Diluted	$4.92		$2.70	

The accompanying notes are an integral part of the financial statements. (Concluded)

SINYI REALTY INC.

STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

			Retained Earnings			Other Equity		
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Available-for-sale Financial Assets	Total Equity
BALANCE AT JANUARY 1, 2012	$ 4,392,182	$ 63,896	$ 1,024,230	$ 120,693	$ 1,287,949	$ -	$ (97,712)	$ 6,791,238
Appropriation of 2011 earnings								
Legal reserve	-	-	130,949	-	(130,949)	-	-	-
Cash dividends	-	-	-	-	(878,436)	-	-	(878,436)
Stock dividends	263,531	-	-	-	(263,531)	-	-	-
Net profit for the year ended December 31, 2012	-	-	-	-	1,356,200	-	-	1,356,200
Other comprehensive income (loss) for the year ended December 31, 2012, net of income tax	-	-	-	-	(25,954)	(68,465)	160,760	66,341
Total comprehensive income (loss) for the year ended December 31, 2012	-	-	-	-	1,330,246	(68,465)	160,760	1,422,541
BALANCE AT DECEMBER 31, 2012	4,655,713	63,896	1,155,179	120,693	1,345,279	(68,465)	63,048	7,335,343
Appropriation of 2012 earnings								
Legal reserve	-	-	135,111	-	(135,111)	-	-	-
Cash dividends	-	-	-	-	(698,357)	-	-	(698,357)
Stock dividends	372,457	-	-	-	(372,457)	-	-	-
Changes in capital surplus from investments in associates and joint ventures accounted for using equity method	-	4,701	-	-	-	-	-	4,701
Net profit for the year ended December 31, 2013	-	-	-	-	2,475,027	-	-	2,475,027
Other comprehensive income for the year ended December 31, 2013, net of income tax	-	-	-	-	(34,727)	107,708	301,349	374,330
Total comprehensive income for the year ended December 31, 2013	-	-	-	-	2,440,300	107,708	301,349	2,849,357
BALANCE AT DECEMBER 31, 2013	$ 5,028,170	$ 68,597	$ 1,290,290	$ 120,693	$ 2,579,654	$ 39,243	$ 364,397	$ 9,491,044

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

SINYI REALTY INC.

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

	Years Ended December 31	
	2013	**2012**
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 2,962,968	$ 1,668,745
Adjustments for:		
Depreciation expenses	102,407	142,708
Amortization expenses	12,554	13,319
Impairment loss recognized on financial assets	3,518	22,153
Net (gain) loss on fair value change of financial assets held for trading	(10,479)	3,085
Finance costs	32,088	673
Interest income	(9,907)	(5,855)
Dividend income	(6,423)	(10,326)
Share of profit of associates and joint ventures	(150,613)	79,578
Loss on disposal of property, plant and equipment	530	900
(Gain) loss on disposal of investment properties	(95)	657
Gain on disposal of investments	(3,363)	(3,882)
Reversal of impairment loss on non-financial assets	(10,565)	(445)
Changes in operating assets and liabilities		
Financial assets held for trading	196	487,599
Notes receivable	(21,476)	2,748
Trade receivables	(211,140)	(101,116)
Trade receivables from related parties	(9,603)	(73,828)
Other receivables	(42,777)	6,158
Trade receivables	1,051	(2,975)
Other current assets	(3,184)	8,872
Other operating assets	(14,534)	(14,485)
Notes payable	6,226	(1,171)
Other payables	717,480	253,711
Provisions	9,153	16,023
Other financial liabilities	16,352	(14,954)
Other current liabilities	27,244	14,068
Other operating liabilities	82,427	(167,673)
Cash generated from operations	3,480,035	2,324,287
Interest received	12,214	5,934
Interest paid	(31,867)	(673)
Income taxes paid	(276,498)	(207,528)
Net cash generated from operating activities	3,183,884	2,122,020
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investment accounted for by equity method	(3,115,413)	(875,596)
Increase in prepayments for long-term investments	-	(773,333)
Refund on capital of equity method investees	76,217	-
Proceeds from disposal of available-for-sale financial assets	17,380	10,054
Purchase of financial assets measured at cost	(62,000)	-

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SINYI REALTY INC.

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

	Years Ended December 31	
	2013	**2012**
Refund on capital of financial assets measured at cost	$ 13,071	$ 1,689
Acquisition of subsidiaries	-	24,460
Payments for property, plant and equipment	(101,329)	(40,445)
Proceeds of disposal of property, plant and equipment	1,680	82
Increase in refundable deposits	(946)	-
Decrease in refundable deposits	-	33,386
Payment for intangible assets	(12,009)	(2,882)
Payment for investment properties	(11,542)	(15,669)
Proceeds of disposal of investment properties	62,624	18,698
Increase in other receivables from related parties	-	4,900
Increase in other financial assets	(531,966)	-
Decrease in other financial assets	-	23,665
Increase in other non-current assets	-	(1,224)
Decrease in other non-current assets	804	-
Dividends received	61,585	37,245
Net cash used in investing activities	(3,601,844)	(1,554,970)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in other payables to related parties	160,000	-
Proceeds of long-term borrowings	435,000	700,000
Increase in guarantee deposits received	31,390	331
Dividends paid to owners of the Company	(698,357)	(878,436)
Net cash used in financing activities	(71,967)	(178,105)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(489,927)	388,945
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,046,065	657,120
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 556,138	$ 1,046,065

The accompanying notes are an integral part of the financial statements. (Concluded)

SINYI REALTY INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

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

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

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

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

2. APPROVAL OF FINANCIAL STATEMENTS

The financial statements had been approved by the board of directors and authorized for issue on March 25, 2014.

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

a. New, amended and revised standards and interpretations (the "New IFRSs") in issue but not yet effective

   The Company has not applied the following International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) issued by the IASB. On January 28, 2014, the Financial Supervisory Commission (FSC) announced the framework for the adoption of updated IFRSs version in the ROC. Under this framework, starting January 1, 2015, the previous version of IFRSs endorsed by the FSC (the 2010 IFRSs version) currently applied by companies with shares listed on the Taiwan Stock Exchange or traded on the Taiwan GreTai Securities Market or Emerging Stock Market will be replaced by the updated IFRSs without IFRS 9 (the 2013 IFRSs version). However, as of the date that the financial statements were authorized for issue, the FSC has not endorsed the following new, amended and revised standards and interpretations issued by the IASB (the "New IFRSs") included in the 2013 IFRSs version. Furthermore, the FSC has not announced the effective date for the following New IFRSs that are not included in the 2013 IFRSs version.

The New IFRSs Included in the 2013 IFRSs Version Not Yet Endorsed by the FSC	Effective Date Announced by IASB (Note 1)
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 ending 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
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

The New IFRSs Not Included in the 2013 IFRSs Version	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
IFRS 9 "Financial Instruments"	Note 3
Amendments to IFRS 9 and IFRS 7 "Mandatory Effective Date of IFRS 9 and Transition Disclosures"	Note 3
IFRS 14 "Regulatory Deferral Accounts"	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 the respective effective dates.

Note 2: The amendment to IFRS 2 applies to share-based payment transactions for which the grant date is on or after July 1, 2014; the amendment to IFRS 3 applies to business combinations for which the acquisition date is 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: IASB tentatively decided that an entity should apply IFRS 9 for annual periods beginning on or after January 1, 2018.

b. Significant impending changes in accounting policy that would resulted from adoption of New IFRSs in issue but not yet effective

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

1) IFRS 9 "Financial Instruments"

Recognition and measurement of financial assets

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

2) IAS 19 "Employee Benefits"

The interest cost and expected return on plan assets used in current IAS 19 are replaced with a "net interest" amount, which is calculated by applying the discount rate to the net defined benefit liability or asset.

c. The impact of the application of New IFRSs and the Regulations Governing the Preparation of Financial Reports by Securities Issuers in issue but not yet effective on the Company's parent company only financial statements was as follows:

As of the date the parent company only financial statements were authorized for issue, the Company is continuing its assessment of the possible impact that the application of the above New IFRSs will have on the Company's financial position and operating result, and will disclose the relevant impact when the assessment is complete.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company's financial statements for the year ended December 31, 2013 are its first IFRS financial statements prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

For readers' convenience, the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If inconsistencies arise between the English version and the Chinese version or if differences arise in the interpretations between the two versions, the Chinese version of parent company only financial statements shall prevail.

a. Statement of compliance

The parent company only financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

b. Basis of preparation

The financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

When preparing its parent company only financial statements, the Company used equity method to account for its investment in subsidiaries, associates and jointly controlled entities. In order for the amounts of the net profit for the year, other comprehensive income for the year and total equity in the parent company only financial statements to be the same with the amounts attributable to the owner of the Company in its consolidated financial statements, adjustments arising from the differences in accounting treatment between parent company only basis and consolidated basis were made to investments accounted for by equity method, share of profit or loss of subsidiaries, associates and joint ventures, share of other comprehensive income of subsidiaries, associates and joint ventures and related equity items, as appropriate, in the parent company only financial statements.

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

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within twelve months after the reporting period; and

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within twelve months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the financial statements are authorized for issue; and

3) Liabilities for which the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Assets and liabilities that are not classified as current are classified as non-current.

d. Business combination

Acquisitions of businesses are accounted for using the acquisition method. Acquisition-related costs are generally recognized in profit or loss as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interest in the acquire over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

e. Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period.

Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Exchange differences arising on the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income, in which case, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

For the purposes of presenting financial statements, the assets and liabilities of the Company's foreign operations (including of the subsidiaries, associates, joint ventures or branches operations in other countries or currencies used different with the Company) are translated into New Taiwan dollars using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising are recognized in other comprehensive income.

On the disposal of a foreign operation (i.e. a disposal of the Company's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a jointly controlled entity that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In relation to a partial disposal of a subsidiary that does not result in the Company losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests of the subsidiary and is not recognized in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences recognized in other comprehensive income is reclassified to profit or loss.

f. Investments accounted for using equity method

Investments in subsidiaries, associates and jointly controlled entities are accounted for by the equity method.

1) Investment in subsidiaries

Subsidiaries are the entities controlled by the Company.

Under the equity method, the investment is initially recognized at cost and the carrying amount is increased or decreased to recognize the Company's share of the profit or loss and other comprehensive income of the subsidiary after the date of acquisition. Besides, the Company also recognizes the Company's share of the change in other equity of the subsidiary.

Changes in the Company's ownership interests in subsidiaries that do not result in the Company's loss of control over the subsidiaries are accounted for as equity transactions. Any difference between the carrying amount of the investment and the fair value of the consideration paid or received is recognized directly in equity.

When the Company's share of losses of a subsidiary equals or exceeds its interest in that subsidiary (which includes any carrying amount of the investment in subsidiary accounted for by the equity method and long-term interests that, in substance, form part of the Company's net investment in the subsidiary), the Company continues recognizing its share of further losses.

The acquisition cost in excess of the acquisition-date fair value of the identifiable net assets acquired is recognized as goodwill. Goodwill is not amortized. The acquisition-date fair value of the net identifiable assets acquired in excess of the acquisition cost is recognized immediately in profit or loss.

When the Company ceases to have control over a subsidiary, any retained investment is measured at fair value at that date and the difference between the previous carrying amount of the subsidiary attributable to the retained interest and its fair value is included in the determination of the gain or loss. Furthermore, the Company accounts for all amounts previously recognized in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Company had directly disposed of the related assets or liabilities.

2) Investment in associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognized at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate.

When the Company's subscribes for additional new shares of the associate at a percentage different from its existing ownership percentage, the resulting carrying amount of the investment differs from the amount of the Company's proportionate interest in the associate. The Company's records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus. If the Company's ownership interest is reduced due to the additional subscription of the new shares of associate, the proportionate amount of the gains or losses previously recognized in other comprehensive income in relation to that associate is reclassified to profit or loss on the same basis as would be required if the investee had directly disposed of the related assets or liabilities. When the adjustment should be debited to capital surplus, but the capital surplus recognized from investments accounted for by the equity method is insufficient, the shortage is debited to retained earnings.

g. Property, plant and equipment

Property, plant and equipment are stated at cost, less subsequent accumulated depreciation and subsequent accumulated impairment loss.

Freehold land is not depreciated.

Depreciation is recognized using the straight-line method. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

h. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is recognized using the straight-line method.

Any gain or loss arising on derecognition of the property is calculated as the difference between the net disposal proceeds and the carrying amount of the asset and is included in profit or loss in the period in which the property is derecognized.

i. Goodwill

Goodwill arising from the acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment loss.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired, by comparing its carrying amount, including the allocated goodwill, with its recoverable amount. However, if the goodwill allocated to a cash-generating unit was acquired during the current annual period, that unit shall be tested for impairment before the end of the current annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss is recognized directly in profit or loss. An impairment loss recognized on goodwill is not reversed in subsequent periods.

If goodwill has been allocated to a cash-generating unit and the Company disposes of an operation within that unit, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal.

j. Intangible assets

1) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss. Amortization is recognized on a straight-line basis. The estimated useful life, residual value, and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The residual value of an intangible asset with a finite useful life shall be assumed to be zero unless the Company expects to dispose of the intangible asset before the end of its economic life. Intangible assets with indefinite useful lives that are acquired separately are measured at cost less accumulated impairment loss.

2) Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment loss, on the same basis as intangible assets that are acquired separately.

3) Derecognition of intangible assets

Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

k. Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets, excluding goodwill, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the individual cash-generating units on a reasonable and consistent basis of allocation/Corporate assets are allocated to the smallest group of cash-generating units on a reasonable and consistent allocation basis.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount.

When an impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

l. Financial instruments

Financial assets and financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

1) Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement category

Financial assets are classified into the following categories: Financial assets at fair value through profit or loss, available-for-sale financial assets, and loans and receivables.

i. Financial assets at fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss.

Investments in equity instruments under financial assets at fair value through profit or loss that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments are subsequently measured at cost less any identified impairment loss at the end of each reporting period and are presented in a separate line item as financial assets carried at cost. If, in a subsequent period, the fair value of the financial assets can be reliably measured, the financial assets are remeasured at fair value. The difference between the carrying amount and the fair value is recognized in profit or loss.

ii. Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated as available-for-sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss.

Available-for-sale financial assets are measured at fair value. Changes in the carrying amount of available-for-sale monetary financial assets relating to changes in foreign currency exchange rates, interest income calculated using the effective interest method and dividends on available-for-sale equity investments are recognized in profit or loss. Other changes in the carrying amount of available-for-sale financial assets are recognized in other comprehensive income and will be reclassified to profit or loss when the investment is disposed of or is determined to be impaired.

Dividends on available-for-sale equity instruments are recognized in profit or loss when the Company’s right to receive the dividends is established.

Available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment loss at the end of each reporting period and are presented in a separate line item as financial assets carried at cost. If, in a subsequent period, the fair value of the financial assets can be reliably measured, the financial assets are remeasured at fair value. The difference between carrying amount and fair value is recognized in profit or loss or other comprehensive income on financial assets. Any impairment losses are recognized in profit and loss.

iii. Loans and receivables

Loans and receivables (including trade receivables, cash and cash equivalent, other receivables and other financial assets - current) are measured at amortized cost using the effective interest method, less any impairment, except for short-term receivables when the effect of discounting is immaterial.

Cash equivalent includes time deposits with original maturities within three months from the date of acquisition, highly liquid, readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

b) Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For financial assets carried at amortized cost, such as trade receivables and other receivables assets are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, as well as observable changes in national or local economic conditions that correlate with default on receivables, and other situation.

For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

For available-for-sale equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include significant financial difficulty of the issuer or counterparty, breach of contract, such as a default or delinquency in interest or principal payments, it becoming probable that the borrower will enter bankruptcy or financial re-organization, or the disappearance of an active market for that financial asset because of financial difficulties.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss in the period.

In respect of available-for-sale equity securities, impairment loss previously recognized in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized in other comprehensive income. In respect of available-for-sale debt securities, the impairment loss is subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables and other receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable and other receivables are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss except for uncollectible trade receivables and other receivables please specify that are written off against the allowance account.

c) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income is recognized in profit or loss.

2) Financial liabilities

a) Subsequent measurement

All the financial liabilities are measured at amortized cost using the effective interest method.

b) Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

m. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for service revenue discount are measured and recognized at the end of the reporting period based on the actual experience and possibility of discount occurrence.

n. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer rebates and other similar allowances.

1) Rendering of services

Service revenue from real-estate brokerage business is recognized when services are provided.

Revenue from the rendering of services is recognized when all the following conditions are satisfied:

a) The amount of revenue can be measured reliably;

b) It is probable that the economic benefits associated with the transaction will flow to the Company;

c) The degree of completion of transaction can be measured reliably at the end of the reporting period; and

d) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

2) Dividend and interest income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

o. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

All of the Company's lease contracts are operating leases. Rental income and expense from operating leases are recognized as rental revenue and operating expense, respectively, on a straight-line basis over the lease term.

p. Retirement benefit costs

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

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method. All actuarial gains and losses on the defined benefit obligation are recognized immediately in other comprehensive income. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognized in the consolidated balance sheets represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the unrecognized actuarial losses and past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

Curtailment or settlement gains or losses on the defined benefit plan are recognized when the curtailment or settlement occurs.

q. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

According to the Income Tax Law, an additional tax at 10% of unappropriated earnings is provided for as income tax in the year the shareholders approve to retain the earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, unused loss carry forward and unused tax credits for purchases of machinery, equipment and technology, research and development expenditures, and personnel training expenditures to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

3) Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

a. Estimated impairment of trade receivables

When there is objective evidence of impairment loss, the Company takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. Where the actual future cash flows are less than expected, a material impairment loss may arise.

b. Impairment of tangible and intangible assets other than goodwill

The Company measures the useful life of individual assets and the probable future economic benefits in a specific asset group, which depends on subjective judgment, asset characteristics and industry, during the impairment testing process. Any change in accounting estimates due to economic circumstances and business strategies might cause material impairment in the future.

c. Provisions

Provisions for service revenue discount are measured and recognized at the end of reporting period based on actual experience and possibility of discount occurrence.

d. Income taxes

Due to the unpredictability of future profit streams, the realizability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are less than expected, a material reversal of deferred tax assets may arise, which would be recognized in profit or loss for the period in which such reversal takes place.

e. Recognition and measurement of defined benefit plans

Accrued pension liabilities and the resulting pension expense under defined benefit pension plans are calculated using the Projected Unit Credit Method. Actuarial assumptions comprise the discount rate, rate of employee turnover, and long-term average future salary increase. Changes in economic circumstances and market conditions will affect these assumptions and may have a material impact on the amount of the expense and the liability.

6. CASH AND CASH EQUIVALENTS

	December 31, 2013	December 31, 2012	January 1, 2012
Cash on hand	$ 18,131	$ 31,594	$ 23,295
Checking accounts and demand deposits	538,007	1,004,971	67,825
Cash equivalents			
Time deposits with original maturities less than three months	-	9,500	566,000
	$ 556,138	$ 1,046,065	$ 657,120

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

	December 31, 2013	December 31, 2012	January 1, 2012
Interest rates range	0.17%-0.30%	0.17%-0.88%	0.17%-0.94%

As of December 31, 2013, December 31, 2012 and January 1, 2012, the carrying amounts of time deposits with original maturities more than three months were $0 thousand, $0 thousand and $24,000 thousand, respectively, which were classified as other financial assets - current (Note 11).

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

	December 31, 2013	December 31, 2012	January 1, 2012
Financial assets held for trading			
Non-derivative financial assets			
Domestic quoted shares	$ 23,965	$ 13,486	$ 16,175
Mutual funds	-	-	485,389
	$ 23,965	$ 13,486	$ 501,564

8. AVAILABLE-FOR-SALE FINANCIAL ASSETS - CURRENT

	December 31, 2013	December 31, 2012	January 1, 2012
Domestic investments			
Quoted shares	$ 277,431	$ 223,241	$ 178,572

9. FINANCIAL ASSETS MEASURED AT COST - NON-CURRENT

	December 31, 2013	December 31, 2012	January 1, 2012
Domestic unlisted common shares	$ 130,053	$ 84,675	$ 108,361

Management believed that the fair value of the above unlisted equity investments held by the Company 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 years ended December 31, 2013 and 2012, valuation losses that resulted from the permanent decline in the carrying value of investments were $3,518 thousand and $22,153 thousand, respectively.

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	December 31, 2013	December 31, 2012	January 1, 2012
Notes receivable and trade receivables			
Notes receivable - operating	$ 46,634	$ 25,158	$ 27,906
Trade receivables	773,914	562,774	470,967
Less: Allowance for doubtful accounts	(22,677)	(22,677)	(31,986)
	$ 797,871	$ 565,255	$ 466,887
Other receivables			
Others	$ 85,648	$ 45,209	$ 49,626
Less: Allowance for doubtful accounts	(4,224)	(6,562)	(4,821)
	$ 81,424	$ 38,647	$ 44,805

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 Company 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 Company 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 Company 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 Company 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 Company 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:

	December 31, 2013	December 31, 2012	January 1, 2012
61-90 days	$ 19,199	$ 4,130	$ 5,389
91-180 days	41,123	6,338	25,149
181-360 days	3,477	6,826	12,851
Over 360 days	6,189	2,692	-
	$ 69,988	$ 19,986	$ 43,389

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:

	2013		2012	
	Trade Receivables	Other Receivables	Trade Receivables	Other Receivables
Balance at January 1	$ 22,677	$ 6,562	$ 31,986	$ 4,821
Add (less): Impairment losses recognized (reversed) on receivables	-	3,202	(9,309)	3,373
Less: Amounts written off	-	(5,540)	-	(1,632)
Balance at December 31	$ 22,677	$ 4,224	$ 22,677	$ 6,562

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

11. OTHER FINANCIAL ASSETS - CURRENT

	December 31, 2013	December 31, 2012	January 1, 2012
Time deposits with original maturity more than three months (a)	$ -	$ -	$ 24,000
Restricted assets - current (b)	637,616	105,650	105,315
	$ 637,616	$ 105,650	$ 129,315

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

	December 31, 2013	December 31, 2012	January 1, 2012
Time deposits with original maturity more than three months	-	-	0.37%-1.34%

b. Restricted assets - current time deposits provided as guarantee for the loan of Shanghai Sinyi Real Estate and Suzhou Sinyi Real Estate and as operating guarantee for real-estate brokerage. Please refer to Note 31.

12. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	December 31, 2013	December 31, 2012	January 1, 2012
Investments in subsidiaries	$ 6,499,859	$ 3,028,243	$ 1,365,816
Investments in associates	$ 11,623	$ 3,528	$ 2,913

a. Investments in subsidiaries

	December 31, 2013	December 31, 2012	January 1, 2012
Sinyi Limited	$ 1,663,717	$ 1,444,788	$ 1,104,743
Sinyi International Limited	4,068,842	857,619	77,328
Sinyi Development Inc. (original name: Da-Chia Construction Co., Ltd.)	548,147	544,801	37,700
Global Asset Management Co., Ltd.	62,966	50,764	36,101
Heng-Yi Real Estate Consulting Inc.	16,636	-	-
Jui-Inn Consultants Co., Ltd.	4,431	4,261	4,200
Shin Cheng Property Insurance Agency Co., Ltd.	251	3,615	3,352
Sinyi Culture Publishing Inc.	1,576	1,512	1,377
An-Sin Real Estate Management Ltd.	133,293	120,883	101,015
	$ 6,499,859	$ 3,028,243	$ 1,365,816

At the end of the reporting period, the proportion of ownership and voting rights in subsidiaries held by the Company were as follows:

Company Name	December 31, 2013	December 31, 2012	January 1, 2012
Sinyi Limited	100%	100%	100%
Sinyi International Limited	100%	100%	100%
Sinyi Development Inc. (original name: Da-Chia Construction Co., Ltd.)	100%	100%	100%
Global Asset Management Co., Ltd.	100%	100%	100%
Heng-Yi Real Estate Consulting Inc.	100%	-	-
Jui-Inn Consultants Co., Ltd.	100%	100%	100%
Shin Cheng Property Insurance Agency Co., Ltd.	100%	100%	100%
Sinyi Culture Publishing Inc.	99%	99%	99%
An-Sin Real Estate Management Ltd.	51%	51%	51%

Refer to Note 27 and Note 28 to the consolidated financial statements for the year ended December 31, 2013 for the disclosure of the Company's acquisitions of Han-Chiang Development & Construction Co., Ltd. and disposal of indirect company, respectively. Refer to Note 34 for the details of subsidiaries indirectly held by the Company.

The investments accounted for by the equity method and the share of profit or loss and other comprehensive income of those investments for the years ended December 31, 2013 and 2012 were based on the associates' financial statements audited by auditors for the same year.

b. Investments in associates

	December 31, 2013	December 31, 2012	January 1, 2012
Unlisted company			
Sinyi Interior Design Co., Ltd.	$ 11,623	$ 3,528	$ 2,913

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

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

The summarized financial information in respect of the Company's associates is set out below

	December 31, 2013	December 31, 2012	January 1, 2012
Total assets	$ 61,223	$ 45,861	$ 37,615
Total liabilities	$ 50	$ 50	$ 50

	Years Ended December 31	
	2013	2012
Operating revenue	$ -	$ -
Profit for the year	$ 1,223	$ 1,389
Company's share of profits and other comprehensive income of associates for the year	$ 232	$ 264

13. PROPERTY, PLANT AND EQUIPMENT

	Year Ended December 31, 2013								
	Freehold land	Buildings	Transportation Equipment	Office Equipment	Leased Assets	Leasehold Improvements	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
Cost									
Balance at January 1, 2013	$ 2,573,292	$ 404,395	$ 3,716	$ 227,895	$ 4,671	$ 288,859	$ 166,762	$ 6,117	$ 3,675,707
Additions	-	-	1,208	16,247	-	50,591	13,733	19,550	101,329
Disposals	-	-	(2,318)	(5,004)	-	(7,516)	(118,470)	-	(133,308)
Balance at December 31, 2013	$ 2,573,292	$ 404,395	$ 2,606	$ 239,138	$ 4,671	$ 331,934	$ 62,025	$ 25,667	$ 3,643,728
Accumulated depreciation									
Balance at January 1, 2013	$ -	$ 62,969	$ 2,419	$ 141,783	$ 4,671	$ 191,693	$ 141,546	$ -	$ 545,081
Depreciation expense	-	10,305	563	33,443	-	38,856	10,441	-	93,608
Disposals	-	-	(2,005)	(4,875)	-	(5,807)	(118,411)	-	(131,098)
Balance at December 31, 2013	$ -	$ 73,274	$ 977	$ 170,351	$ 4,671	$ 224,742	$ 33,576	$ -	$ 507,591
Net book value, January 1, 2013	$ 2,573,292	$ 341,426	$ 1,297	$ 86,112	$ -	$ 97,166	$ 25,216	$ 6,117	$ 3,130,626
Net book value, December 31, 2013	$ 2,573,292	$ 331,121	$ 1,629	$ 68,787	$ -	$ 107,192	$ 28,449	$ 25,667	$ 3,136,137

	Year Ended December 31, 2012								
	Freehold land	Buildings	Transportation Equipment	Office Equipment	Leased Assets	Leasehold Improvements	Other Equipment	Construction in Progress and Prepayments for Equipment	Total
Cost									
Balance at January 1, 2012	$ 2,552,237	$ 399,776	$ 3,716	$ 221,453	$ 4,671	$ 271,794	$ 165,543	$ 4,636	$ 3,623,826
Additions	-	-	-	11,704	-	22,110	1,219	5,412	40,445
Reclassifications	21,055	4,619	-	146	-	87	-	(3,931)	21,976
Disposals	-	-	-	(5,408)		(5,132)	-	-	(10,540)
Balance at December 31, 2012	$ 2,573,292	$ 404,395	$ 3,716	$ 227,895	$ 4,671	$ 288,859	$ 166,762	$ 6,117	$ 3,675,707
Accumulated depreciation									
Balance at January 1, 2012	$ -	$ 52,481	$ 1,869	$ 112,336	$ 4,671	$ 140,629	$ 108,778	$ -	$ 420,764
Depreciation expense	-	10,268	550	34,789	-	55,347	32,768	-	133,722
Reclassifications	-	220	-	(67)	-	-	-	-	153
Disposals	-	-	-	(5,275)	-	(4,283)	-	-	(9,558)
Balance at December 31, 2012	$ -	$ 62,969	$ 2,419	$ 141,783	$ 4,671	$ 191,693	$ 141,546	$ -	$ 545,081
Net book value, January 1, 2012	$ 2,552,237	$ 347,295	$ 1,847	$ 109,117	$ -	$ 131,165	$ 56,765	$ 4,636	$ 3,203,062
Net book value, December 31, 2012	$ 2,573,292	$ 341,426	$ 1,297	$ 86,112	$ -	$ 97,166	$ 25,216	$ 6,117	$ 3,130,626

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

Buildings - main buildings	20-55 years
Transportation equipment	5 years
Office equipment	3-5 years
Leased assets	3 years
Leasehold improvements	3-5 years
Other equipment	3-5 years

a. There was no interest capitalized during the years ended December 31, 2013 and 2012.

b. Refer to Note 31 for the details of properties, plant and equipment pledged as collaterals.

14. INVESTMENT PROPERTIES

	Year Ended December 31, 2013		
	Land	Buildings	Total
Cost			
Balance at January 1, 2013	$ 2,173,616	$ 356,948	$ 2,530,564
Additions	6,925	4,617	11,542
Disposals	(58,960)	(3,990)	(62,950)
Balance at December 31, 2013	$ 2,121,581	$ 357,575	$ 2,479,156
Accumulated depreciation and impairment			
Balance at January 1, 2013	$ 16,472	$ 61,405	$ 77,877
(Reversal of) recognized impairment losses	(10,727)	162	(10,565)

(Continued)

	Year Ended December 31, 2013		
	Land	**Buildings**	**Total**
Depreciation expense	$ -	$ 8,799	$ 8,799
Disposals	-	(421)	(421)
Balance at December 31, 2013	$ 5,745	$ 69,945	$ 75,690
Net book value, January 1, 2013	$ 2,157,144	$ 295,543	$ 2,452,687
Net book value, December 31, 2013	$ 2,115,836	$ 287,630	$ 2,403,466

(Concluded)

	Year Ended December 31, 2012		
	Land	**Buildings**	**Total**
Cost			
Balance at January 1, 2012	$ 2,196,380	$ 363,729	$ 2,560,109
Additions	15,208	461	15,669
Disposals	(16,917)	(2,623)	(19,540)
Reclassifications	(21,055)	(4,619)	(25,674)
Balance at December 31, 2012	$ 2,173,616	$ 356,948	$ 2,530,564
Accumulated depreciation and impairment			
Balance at January 1, 2012	$ 16,495	$ 53,246	$ 69,741
Reversal of impairment losses	(23)	(422)	(445)
Depreciation expense	-	8,986	8,986
Disposals	-	(185)	(185)
Reclassifications	-	(220)	(220)
Balance at December 31, 2012	$ 16,472	$ 61,405	$ 77,877
Net book value, January 1, 2012	$ 2,179,885	$ 310,483	$ 2,490,368
Net book value, December 31, 2012	$ 2,157,144	$ 295,543	$ 2,452,687

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

Buildings - main buildings	23-55 years

The total fair value of the Company's investment properties and property, plant and equipment as of December 31, 2013, December 31, 2012 and January 1, 2012 was $9,206,597 thousand, $8,011,050 thousand and $7,874,996 thousand, respectively. The fair value valuation had not been performed by independent qualified professional valuers; however, the management of the Company 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 Company's investment property was held under freehold interests. The carrying amount of the investment properties that had been pledged by the Company to secure borrowings was disclosed in Note 31.

15. INTANGIBLE ASSETS

	December 31, 2013	December 31, 2012	January 1, 2012
Goodwill	$ 9,621	$ 9,621	$ -
System software costs	16,856	17,401	24,207
	$ 26,477	$ 27,022	$ 24,207

	Year Ended December 31, 2013		
	Goodwill	System Software Costs	Total
Cost			
Balance at January 1, 2013	$ 9,621	$ 65,570	$ 75,191
Additions	-	12,009	12,009
Disposals	-	(34,179)	(34,179)
Balance at December 31, 2013	$ 9,621	$ 43,400	$ 53,021
Accumulated amortization			
Balance at January 1, 2013	$ -	$ 48,169	$ 48,169
Amortization expense	-	12,554	12,554
Disposals	-	(34,179)	(34,179)
Balance at December 31, 2013	$ -	$ 26,544	$ 26,544
Net book value, January 1, 2013	$ 9,621	$ 17,401	$ 27,022
Net book value, December 31, 2013	$ 9,621	$ 16,856	$ 26,477

	Year Ended December 31, 2012		
	Goodwill	System Software Costs	Total
Cost			
Balance at January 1, 2012	$ -	$ 59,057	$ 59,057
Additions	9,621	2,882	12,503
Reclassifications	-	3,631	3,631
Balance at December 31, 2012	$ 9,621	$ 65,570	$ 75,191
Accumulated amortization			
Balance at January 1, 2012	$ -	$ 34,850	$ 34,850
Amortization expense	-	13,319	13,319
Balance at December 31, 2012	$ -	$ 48,169	$ 48,169
Net book value, January 1, 2012	$ -	$ 24,207	$ 24,207
Net book value, December 31, 2012	$ 9,621	$ 17,401	$ 27,022

The recoverable amount of the Company's goodwill had been tested for impairment using the forecast carrying amount at the end of the annual reporting period. For the year ended December 31, 2013, the Company did not recognize any impairment loss on goodwill.

16. OTHER ASSETS

	December 31, 2013	December 31, 2012	January 1, 2012
Prepaid expenses	$ 22,828	$ 19,585	$ 27,692
Temporary payments	357	416	806
Overdue receivables	2,733	3,537	2,313
Others	1,890	1,890	1,890
	$ 27,808	$ 25,428	$ 32,701
Current	$ 23,185	$ 20,001	$ 28,498
Non-current	4,623	5,427	4,203
	$ 27,808	$ 25,428	$ 32,701

17. BORROWINGS

Long-term Borrowings

	December 31, 2013	December 31, 2012	January 1, 2012
Secured borrowings			
Bank loans	$ 935,000	$ 700,000	$ -
Unsecured borrowings			
Loans unsecured	200,000	-	-
Long-term borrowings	$ 1,135,000	$ 700,000	$ -

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

	Content of Borrowings	December 31, 2013	December 31, 2012	January 1, 2012
E.Sun Bank	Long-term borrowings: $2,420,000 thousand; period: September 30, 2013 to December 31, 2015; fixed interest rate of 1.6%; interest is paid monthly and principal is repaid at maturity.	$ 885,000	$ 700,000	$ -
East Asia Bank	Long-term borrowings: $1,300,000 thousand; period: December 31, 2013 to December 30, 2015; floating interest rate of 1.89%; interest is paid monthly and principal is repaid at maturity.	50,000	-	-
Shanghai Commercial & Savings Bank	Long-term borrowings: $200,000 thousand; period: March 29, 2013 to March 29, 2016; floating interest rate of 1.8%; interest is paid monthly and principal is repaid at maturity.	200,000	-	-
Total long-term borrowings		$ 1,135,000	$ 700,000	$ -

Refer to Note 31 for the details of assets pledged as collaterals for long-term borrowings.

18. OTHER LIABILITIES

	December 31, 2013	December 31, 2012	January 1, 2012
Accrued expenses	$ 2,512,130	$ 1,794,650	$ 1,540,939
Loans from related parties (Note 30)			
Loans	160,000	-	-
Interest payable	221	-	-
Other financial liabilities	65,664	49,312	64,266
Performance bonus	922,638	840,211	1,007,884
Others	124,358	97,114	83,046
	$ 3,785,011	$ 2,781,287	$ 2,696,135
Current			
Other payables	$ 2,512,130	$ 1,794,650	$ 1,540,939
Other payables to related parties	$ 160,221	$ -	$ -
Other financial liabilities	$ 65,664	$ 49,312	$ 64,266
Other liabilities	$ 124,358	$ 97,114	$ 83,046
Non-current			
Other liabilities	$ 922,638	$ 840,211	$ 1,007,884

a. Accrued expenses were as follows:

	December 31, 2013	December 31, 2012	January 1, 2012
Performance bonus and salaries	$ 2,073,373	$ 1,461,225	$ 1,242,342
Advertisement	132,134	95,146	81,442
Labor and health insurance	88,442	60,774	42,843
Payable for annual leave	47,168	47,619	52,284
Professional fees	30,082	25,324	30,597
Employees bonuses and compensation to directors	34,899	21,521	20,192
Others	106,032	83,041	71,239
	$ 2,512,130	$ 1,794,650	$ 1,540,939

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. The performance bonuses payable under other liabilities amounted to $922,638 thousand, $840,211 thousand and $1,007,884 thousand as of December 31, 2013, December 31, 2012 and January 1, 2012, respectively.

b. Other payable to related parties

Other payable to related parties is loan from related parties. The interest expense for the year ended December 31, 2013 is calculated based on the interest rate of 1.8% and the balance of outstanding loan.

c. Other financial liabilities

	December 31, 2013	December 31, 2012	January 1, 2012
Other receipts under custody	$ 58,483	$ 45,986	$ 36,340
Compensation payable	-	-	20,000
Payable on equipment	7,181	3,326	7,926
	$ 65,664	$ 49,312	$ 64,266

The Company was involved in claims and legal proceedings that arise in the ordinary course of business. Based on an unfavorable judgment of the Taipei District Court, the Company recognized compensation loss of $20,000 thousand in 2009. The Company had placed a total of $20,000 thousand as guarantee deposits, classified as refundable deposit on January 1, 2012. The Company appealed to the Taiwan High Court and won the lawsuit in July 2012; the plaintiff gave up appeal.

19. PROVISIONS

	December 31, 2013	December 31, 2012	January 1, 2012
Service revenue allowances	$ 67,740	$ 58,587	$ 42,564
Current	$ 65,007	$ 55,050	$ 40,251
Non-current	2,733	3,537	2,313
	$ 67,740	$ 58,587	$ 42,564

	Service Allowances
Balance, January 1, 2013	$ 58,587
Additional provisions recognized	9,153
Balance, December 31, 2013	$ 67,740
Balance, January 1, 2012	$ 42,564
Additional provisions recognized	16,023
Balance, December 31, 2012	$ 58,587

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.

20. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Company adopted a pension plan under the Labor Pension Act (the “LPA”), which is a state-managed defined contribution plan. Under the LPA, an entity makes monthly contributions to employees’ individual pension accounts at 6% of monthly salaries and wages.

b. Defined benefit plans

The Company also adopted the defined benefit plan under the Labor Standards Law, under which pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name.

The actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out by qualified actuaries. The principal assumptions used for the purposes of the actuarial valuations were as follows:

	December 31, 2013	**December 31, 2012**	**January 1, 2012**
Discount rates	1.875%	1.625%	1.750%
Expected return on plan assets	2.000%	1.875%	2.000%
Expected rates of salary increase	3.000%	3.000%	3.000%

The assessment of the overall expected rate of return was based on historical return trends and analysts' predictions of the market for the asset over the life of the related obligation, by reference to the use of the plan assets and the impact of the related minimum return.

Amounts recognized in profit or loss in respect of these defined benefit plans are as follows:

	Years Ended December 31	
	2013	**2012**
Current service cost	$ 4,102	$ 3,188
Interest cost	6,933	6,912
Expected return on plan assets	(8,776)	(8,969)
	$ 2,259	$ 1,131
An analysis by function		
Operating cost	$ 1,871	$ 1,046
Operating expenses	388	85
	$ 2,259	$ 1,131

Actuarial losses recognized in other comprehensive income for the years ended December 31, 2013 and 2012 were $34,403 thousand and $26,128 thousand, respectively. The cumulative amount of actuarial losses recognized in other comprehensive income as of December 31, 2013 and 2012 was $60,531 thousand and $26,128 thousand, respectively.

The amounts included in the balance sheets in respect of the Company's obligations under its defined benefit plans were as follows:

	December 31, 2013	**December 31, 2012**	**January 1, 2012**
Present value of the defined benefit obligation	$ (466,768)	$ (426,618)	$ (394,994)
Fair value of plan assets	475,710	462,476	442,495
Surplus	8,942	35,858	47,501
Net asset of defined benefit plans	$ 8,942	$ 35,858	$ 47,501

Movements in the present value of the defined benefit obligations were as follows:

	Years Ended December 31	
	2013	2012
Opening defined benefit obligation	$ 426,618	$ 394,994
Current service cost	4,102	3,188
Interest cost	6,933	6,912
Actuarial losses	38,648	21,524
Benefits paid	(9,533)	-
Closing defined benefit obligation	$ 466,768	$ 426,618

Movements in the fair value of the plan assets were as follows:

	Years Ended December 31	
	2013	2012
Opening fair value of plan assets	$ 462,476	$ 442,495
Expected return on plan assets	8,776	8,969
Actuarial losses	(2,802)	(4,604)
Contributions from the employer	16,793	15,616
Benefits paid	(9,533)	-
Closing fair value of plan assets	$ 475,710	$ 462,476

The percentages of major categories of plan assets at the end of the reporting period were as follows:

	December 31, 2013	December 31, 2012	January 1, 2012
Equity instruments	45%	38%	41%
Cash	23%	23%	23%
Bonds	9%	11%	12%
Fixed income trading	18%	16%	16%
Short-term transactions instruments	4%	11%	8%
Others	1%	1%	-
	100%	100%	100%

The overall expected rate of return was based on historical return trends and analysts' predictions of the market for the asset over the life of the related obligation, with reference to the use of the Labor Pension Fund by the Labor Pension Fund Supervision Committee, taking into consolidation the effect of possible differences between the guaranteed minimum income and the return on local banks' two-year time deposits.

The Company chose to disclose the history of experience adjustments as the amounts determined for each accounting period prospectively from the date of transition to IFRSs; relevant information was as follows:

	December 31, 2013	December 31, 2012	January 1, 2012
Present value of defined benefit obligation	$ (466,768)	$ (426,618)	$ (394,994)
Fair value of plan assets	$ 475,710	$ 462,476	$ 442,495
Surplus	$ 8,942	$ 35,858	$ 47,501
Experience adjustments on plan liabilities	$ 50,671	$ (21,524)	$ -
Experience adjustments on plan assets	$ 3,803	$ (4,605)	$ -

The Company expects to make a contribution of $12,449 thousand and $16,793 thousand to the defined benefit plans during the years 2014 and 2013, respectively.

21. EQUITY

Share Capital

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

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

Capital Surplus

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

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%;

   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 years ended December 31, 2013 and 2012, the accrued bonus to employees was $23,266 thousand and $14,347 thousand, respectively, and the accrued remuneration to directors was $11,633 thousand and $7,174 thousand, respectively. The above accrued bonus to employees and remuneration to directors represented 1.0% and 0.5%, respectively, of distributable retained earnings (net of the bonus and remuneration). Material differences between such estimated amounts and the amounts proposed by the Board of Directors on or before the Company's financial statements are authorized for issue are adjusted in the year, the bonus and remuneration were recognized. If there is a change in the proposed amounts after the Company's financial statements are authorized for issue, the differences are recorded as a change in accounting estimate. If a share bonus is resolved to be distributed to employees, the number of shares is determined by dividing the amount of the share bonus by the closing price (after considering the effect of cash and stock dividends) of the shares of the day immediately preceding the shareholders' meeting.

d. Under Rule No. 100116 and Rule No. 0950000507 issued by the FSC, an amount equal to the net debit balance of shareholders' other equity items (including exchange differences on translating foreign operations, unrealized gain (loss) on available-for-sale financial assets, and the gain or loss on the hedging instrument relating to the effective portion of cash flow hedge) shall be transferred from unappropriated earnings to a special reserve before any appropriation of earnings generated before January 1, 2012 shall be made. Any special reserve appropriated may be reversed to the extent of the decrease in the net debit balance.

e. Under Rule No. 1010012865 issued by the FSC on April 6, 2012 and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs", on the first-time adoption of IFRSs, a company should appropriate to a special reserve of an amount that was the same as these of unrealized revaluation increment and cumulative translation differences (gains) transferred to retained earnings as a result of the Company's use of exemptions under IFRS 1. However, at the date of transitions to IFRSs, if the increase in retained earnings that resulted from all IFRSs adjustments is not sufficient for this appropriation, only the increase in retained earnings that resulted from all IFRSs adjustments will be appropriated to special reserve. The special reserve appropriated as above may be reversed in proportion to the usage, disposal or reclassification of the related assets and thereafter distributed. The special reserve appropriated on the first-time adoption of IFRSs may be used to offset deficits in subsequent years. No appropriation of earnings shall be made until any shortage of the aforementioned special reserve is appropriated in subsequent years if the Company has earnings and the original need to appropriate a special reserve is not eliminated (please refer to section special reserves appropriated following first-time adoption of IFRSs).

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

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

h. The appropriations of earnings for 2012 and 2011 had been approved in the shareholders' meeting held on June 14, 2013 and June 15, 2012, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings		**Dividends Per Share (NT$)**	
	Years Ended December 31		**Years Ended December 31**	
	2012	**2011**	**2012**	**2011**
Legal reserve	$ 135,111	$ 130,949	$ -	$ -
Cash dividends	698,357	878,436	1.5	2.0
Stock dividends	372,457	263,531	0.8	0.6

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

	Years Ended December 31			
	2012		**2011**	
	Bonus to Employees	**Remuneration to Directors**	**Bonus to Employees**	**Remuneration of Directors**
Amounts approved in shareholders' meeting	$ 12,544	$ 6,272	$ 11,803	$ 5,902
Deduct: Amounts recognized in respective financial statements	(14,347)	(7,174)	(12,620)	(7,572)
Difference	$ (1,803)	$ (902)	$ (817)	$ (1,670)

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

j. The appropriations of earnings for 2012 were proposed according to the Company's financial statements for the year ended December 31, 2012, which were prepared in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and the Generally Accepted Accounting Standard in the Republic of China ("ROC GAAP"), and by reference to the balance sheet for the year ended December 31, 2012, which was prepared in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers (revised) and International Financial Reporting Standards.

k. The appropriations of earnings for 2013 had been proposed by the Company's board of directors on March 25, 2014. The appropriations and dividends per share were as follows:

	Appropriation of Earnings	Dividends Per Share (NT$)
Legal reserve	$ 247,503	$ -
Special reserve	(120,693)	-
Cash dividends	1,307,324	2.6
Share dividends	1,106,197	2.2

The appropriations of earnings, the bonus to employees, and the remuneration to directors for 2013 are subject to the resolution of the shareholders' meeting to be held on May 30, 2014.

l. Information about the bonus to employees and remuneration to directors is available on the Market Observation Post System website of the Taiwan Stock Exchange.

Special Reserves Appropriated Following First-time Adoption of IFRSs

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

Others Equity Items

	December 31, 2013	December 31, 2012	January 1, 2012
Exchange differences on translating foreign operations	$ 39,243	$ (68,465)	$ -
Unrealized gains or losses from available-for-sale financial assets	364,397	63,048	(97,712)
	$ 403,640	$ (5,417)	$ (97,712)

a. Exchange differences on translating foreign operations

Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company'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.

22. NET PROFIT FROM CONTINUING OPERATIONS

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

Interest Income

	Years Ended December 31	
	2013	2012
Interest income		
Cash in bank	$ 9,850	$ 1,348
Loans from related parties	-	4,426
Others	57	81
	$ 9,907	$ 5,855

Other Gains and Losses

	Years Ended December 31	
	2013	2012
Reversal of impairment loss of investment properties	$ 10,565	$ 445
Impairment loss of financial assets measured at cost	(3,518)	(22,153)
Gain on disposal of investments	3,363	3,882
Net gain (loss) on fair value change of financial assets held for trading	10,479	(3,085)
Loss on disposal of property, plant and equipment	(530)	(900)
Gain (Loss) on disposal of investment properties	95	(657)
Net foreign exchange gain (loss)	777	(5,798)
Gain on reversal of bad debts	-	5,936
Others	80,687	72,996
	$ 101,918	$ 50,666

Finance Costs

	Years Ended December 31	
	2013	2012
Interest on bank loans	$ 30,712	$ 652
Interest on loans from related parties	1,343	-
Others	33	21
	$ 32,088	$ 673

Depreciation and Amortization

	Years Ended December 31	
	2013	2012
Property, plant and equipment	$ 93,608	$ 133,722
Investment property	8,799	8,986
Intangible assets	12,554	13,319
	$ 114,961	$ 156,027

(Continued)

	Years Ended December 31	
	2013	2012
An analysis of depreciation by function		
Operating costs	$ 61,686	$ 77,718
Operating expenses	31,922	56,004
Other losses	8,799	8,986
	$ 102,407	$ 142,708
An analysis of amortization by function		
Operating costs	$ 432	$ 514
Operating expenses	12,122	12,805
	$ 12,554	$ 13,319

(Concluded)

Operating Expenses Directly Related to Investment Properties

	Years Ended December 31	
	2013	2012
Direct operating expenses from investment property that generated rental income	$ 20,844	$ 20,851
Direct operating expenses from investment property that did not generate rental income	106	196
	$ 20,950	$ 21,047

Employee Benefits Expense

	Years Ended December 31	
	2013	2012
Short-term employee benefits	$ 5,540,908	$ 4,112,723
Post-employment benefits (Note 20)		
Defined contribution plans	142,421	123,901
Defined benefit plans	2,259	1,131
	144,680	125,032
Other employee benefits	174,022	150,702
Total employee benefits expense	$ 5,859,610	$ 4,388,457
An analysis of employee benefits expense by function		
Operating costs	$ 5,399,285	$ 4,021,445
Operating expenses	460,325	367,012
	$ 5,859,610	$ 4,388,457

23. INCOME TAXES RELATING TO CONTINUING OPERATIONS

Income Tax Recognized in Profit or Loss

The major components of tax expense were as follows:

	Years Ended December 31	
	2013	2012
Current tax		
In respect of the current period	$ 468,982	$ 272,712
Income tax expense of unappropriated earnings	15,761	3,657
In respect of the prior periods	(407)	10,996
Deferred tax		
In respect of the current period	3,605	25,180
Income tax expense recognized in profit or loss	$ 487,941	$ 312,545

A reconciliation of accounting profit and income tax expenses is as follows:

	Years Ended December 31	
	2013	2012
Profit before tax from continuing operations	$ 2,962,644	$ 1,668,919
Income tax expense calculated at the statutory rate (17%)	$ 503,649	$ 283,716
Nondeductible expenses in determining taxable income	466	82
Tax-exempt income	(19,395)	(12,313)
Additional income tax on unappropriated earnings	15,761	3,657
Adjustments for prior years' tax	(407)	10,996
Unrecognized deductible temporary differences	(12,133)	26,407
Income tax expense recognized in profit or loss	$ 487,941	$ 312,545

The applicable tax rate used above is the corporate tax rate of 17% payable by the Company in ROC.

As the status of 2014 appropriations of earnings is uncertain, the potential income tax consequences of 2013 unappropriated earnings are not reliably determinable.

Income Tax Recognized in Other Comprehensive Income

	Years Ended December 31	
	2013	2012
Current tax		
Actuarial losses on defined benefit plan	$ 7,047	$ -

Current Tax Liabilities

	December 31, 2013	December 31, 2012	January 1, 2012
Current tax liabilities			
Income tax payable	$ 347,925	$ 140,087	$ 60,250

Deferred Tax Assets and Liabilities

The Company has offset certain deferred tax assets and deferred tax liabilities which met the offset criteria.

The movements of deferred tax assets and deferred tax liabilities were as follows:

Year ended December 31, 2013

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred tax assets				
Temporary differences				
Allowance for doubtful accounts	$ 13,893	$ 481	$ -	$ 14,374
Incentive compensation	315	(272)	-	43
Others	12	1,878	-	1,890
	$ 14,220	$ 2,087	$ -	$ 16,307
Deferred tax liabilities				
Temporary differences				
Defined benefit obligation	$ 31,272	$ 2,471	$ (7,047)	$ 26,696
Others	(2,970)	3,221	-	251
	$ 28,302	$ 5,692	$ (7,047)	$ 26,947

Year ended December 31, 2012

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred tax assets				
Temporary differences				
Allowance for doubtful accounts	$ 12,468	$ 1,425	$ -	$ 13,893
Incentive compensation	23,328	(23,013)	-	315
Others	(2,309)	2,321	-	12
	$ 33,487	$ (19,267)	$ -	$ 14,220
Deferred tax liabilities				
Temporary differences				
Defined benefit obligation	$ 28,834	$ 2,438	$ -	$ 31,272
Others	(6,445)	3,475	-	(2,970)
	$ 22,389	$ 5,913	$ -	$ 28,302

Integrated Income Tax

	December 31, 2013	December 31, 2012	January 1, 2012
Unappropriated earnings			
Unappropriated earnings generated on and after January 1, 1998	$ 2,579,654	$ 1,345,279	$ 1,287,949
Imputation credits accounts	$ 276,214	$ 226,411	$ 266,830

The creditable ratio for distribution of earnings of 2013 and 2012 was 21.75% (expected ratio) and 20.51%, 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.

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 tax returns through 2011, except 2009, have been assessed by the tax authorities. The Company disagreed with the tax authorities' assessment of its 2011 tax return and applied for a re-examination.

24. EARNINGS PER SHARE

Unit: NT$ Per Share

	Years Ended December 31	
	2013	2012
Basic EPS	$ 4.92	$ 2.70
Diluted EPS	$ 4.92	$ 2.70

The earnings per share computation for the year ended December 31, 2012 was retrospectively adjusted for the effects of adjustments resulting from bonus stock issued on July 20, 2013. The basic and diluted after-tax earnings per share were adjusted retrospectively as followings:

Unit: NT$ Per Share

	Year Ended December 31, 2012	
	Before Adjusted Retrospectively	After Adjusted Retrospectively
Basic earnings per share	$ 2.91	$ 2.70
Diluted earnings per share	$ 2.91	$ 2.70

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 Year

	Years Ended December 31	
	2013	**2012**
Profit for the period	$ 2,475,027	$ 1,356,200

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

	Years Ended December 31	
	2013	**2012**
Weighted average number of ordinary shares in computation of basic earnings per share	502,817	502,817
Effect of dilutive potential ordinary shares:		
Bonus issue to employee	680	338
Weighted average number of ordinary shares used in the computation of diluted earnings per share	503,497	503,155

If the Company may settle the bonus to employees by cash or shares, the Company 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.

25. ACQUISITION OF SUBSIDIARIES WITH OBTAINED CONTROL

Subsidiaries Acquired

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

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

26. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

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

The above transactions were accounted for as equity transactions, since the Company did not cease to have control over the subsidiary. For the details about the acquisition of Sinyi Development, please refer to Note 27 to the consolidated financial statements for the year ended December 31, 2013.

27. OPERATING LEASE ARRANGEMENTS

The Company 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 Company does not have a bargain purchase option to acquire the leased office at the expiry of the lease periods.

As of December 31, 2013, December 31, 2012 and January 1, 2012, refundable deposits paid under operating lease amounted to $76,121 thousand, $71,485 thousand and $69,857 thousand, respectively.

Method of Calculation and Payment of Rentals	Year	Amount
Settlement on monthly basis	2014	$ 376,502
	2015	265,161
	2016	153,280
	2017	94,772
	2018	50,672
		$ 940,387

The Company as Lessor

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

As of December 31, 2013, December 31, 2012 and January 1, 2012, deposits received under operating leases amounted to $21,239 thousand, $21,279 thousand and $21,248 thousand, respectively.

As of December 31, 2013, future rentals receivable were summarized as follows:

Method of Calculation and Collection of Rentals	Year	Amount
Settlement on monthly basis	2014	$ 86,577
	2015	87,612
	2016	87,551
	2017	61,295
	2018	4,815
		$ 327,850

28. CAPITAL RISK MANAGEMENT

The Company manages its capital to ensure that entities in the Company 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 Company 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 Company 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.

29. FINANCIAL INSTRUMENTS

Fair Value of Financial Instruments

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

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

b. Fair value measurements recognized in the 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).

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	$ 23,965	$ -	$ -	$ 23,965
Available-for-sale financial assets				
Domestic listed stocks - equity investments	$ 277,431	$ -	$ -	$ 277,431

December 31, 2012

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic listed stocks - equity investments	$ 13,486	$ -	$ -	$ 13,486

(Continued)

	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets				
Domestic listed stocks - equity investments	$ 223,241	$ -	$ -	$ 223,241

(Concluded)

January 1, 2012

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Non-derivative financial assets held for trading				
Domestic listed stocks - equity investments	$ 16,175	$ -	$ -	$ 16,175
Mutual funds	485,389	-	-	485,389
	$ 501,564	$ -	$ -	$ 501,564
Available-for-sale financial assets				
Domestic listed stocks - equity investments	$ 178,572	$ -	$ -	$ 178,572

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

	December 31, 2013	December 31, 2012	January 1, 2012
Financial assets			
FVTPL			
Held for trading	$ 23,965	$ 13,486	$ 501,564
Loans and receivables (Note 1)	2,365,299	2,040,676	1,660,948
Available-for-sale financial assets (Note 2)	407,484	307,916	286,933
Financial liabilities			
Amortized cost (Note 3)	4,869,353	3,420,257	2,650,013

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

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 notes payables, other payable, other payables to related parties, other financial liabilities, 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 Company's major financial instruments included equity, mutual funds, trade receivables other payables and borrowings. The Company's Corporate Treasury function provides services to the business and manages the financial risks relating to the operations of the Company 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 Company 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 Company's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

1) Foreign currency exchange

Most of the Company'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 Company took foreign operations as strategic investments, and did not hedge the risk.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period please refer to Note 33.

<u>Foreign currency sensitivity analysis</u>

The following table details the Company'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.

	Years Ended December 31	
	2013	2012
	USD	USD
Equity	$ 57,319	$ 23,024
Profit or loss	-	-

2) Interest rate risk

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

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

	December 31, 2013	December 31, 2012	January 1, 2012
Fair value interest rate risk			
Financial assets	$ 637,616	$ 115,150	$ 695,315
Financial liabilities	1,045,000	700,000	-
Cash flow interest rate risk			
Financial liabilities	250,000	-	-

Interest rate sensitivity analysis

The Company 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 Company's cash outflow will increase by $2,500 thousand.

b. Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company 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 Company is mainly engaged in the operation of real-estate brokerage business and the customers of the Company 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 Company's Corporate Treasury function. The counterparties to the foregoing financial instruments are reputable financial institutions and business organizations. Management does not expect the Company's exposure to default by those parties to be material.

c. Liquidity risk

The Company manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Company'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 Company has sufficient working capital to pay all debts; thus, there is no liquidity risk.

30. TRANSACTIONS WITH RELATED PARTIES

Details of transactions between the Company and related parties were disclosed below:

a. Trade receivables from related parties, net

Related Parties Types	December 31, 2013	December 31, 2012	January 1, 2012
Trade receivables			
Subsidiaries	$ 185,432	$ 175,829	$ 102,001

Trade receivables from related parties represent amounts collected the related parties on behalf of the Company. The related parties will transfer the amount to the Company after finishing the services.

b. Loan to related parties

Related Parties Types	December 31, 2013	December 31, 2012	January 1, 2012
Other receivables from related parties			
Subsidiaries	$ -	$ 2,307	$ 123,486

Other receivable is financing to Shanghai Sinyi Real Estate Inc. for short-term operating requirements. Information on the financing for the year ended December 31, 2012 were as follows:

For the year ended December 31, 2013: None.

	Year Ended December 31, 2012				
	Highest Balance During the Period	Amount	Interest Rate %	Interest Income	Interest Receivable
Shanghai Sinyi Real Estate Inc.	$ 121,100	$ -	3.726-3.896	$ 4,426	$ 2,307

In 2012, the receivable of $116,200 thousand from Shanghai Sinyi Real Estate Inc. was transferred into equity through Sinyi Limited by debt-to-equity swap.

c. Loans from related parties

Related Parties Types	December 31, 2013	December 31, 2012	January 1, 2012
Other payables to related parties			
Subsidiaries	$ 160,221	$ -	$ -

Other payables to related parties were financing. Information on the financing for the years ended December 31, 2013 and 2012 were as follows:

	Year Ended December 31, 2013				
	Highest Balance During the Period	Amount	Interest Rate %	Interest Expense	Interest Payable
Subsidiaries	$ 200,000	$ 160,000	1.8	$ 1,343	$ 221

For the year ended December 31, 2012: None.

The financing from related parties was unsecured.

d. Other transactions with related parties

1) Rental income

	Years Ended December 31	
	2013	2012
Other related parties		
The person in charge of other related parties is the president of the Company	$ 5,315	$ 5,742
Related parties in substance	9,249	11,540
Subsidiaries	10,848	10,324
Associates	34	34
	$ 25,446	$ 27,640

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

2) Other benefit

	Years Ended December 31	
	2013	2012
Other related parties		
The person in charge of other related parties is the president of the Company	$ 3,308	$ 3,139
Related parties in substance	10,716	7,760
Subsidiaries	38,879	30,060
	$ 52,903	$ 40,959

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

3) Professional fee

	Years Ended December 31	
	2013	**2012**
Other related parties		
The person in charge of other related parties is the president of the Company	$ 117,779	$ 98,646
Related parties in substance	13,803	17,594
Subsidiaries	37,851	33,108
	$ 169,433	$ 149,348

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

4) Donation

	Years Ended December 31	
	2013	**2012**
Related parties in substance	$ -	$ 597

5) Other receivables from related parties

	December 31, 2013	**December 31, 2012**	**January 1, 2012**
Other related parties			
The person in charge of other related parties is the president of the Company	$ 1,398	$ 1,383	$ 2,350
Related parties in substance	343	302	1,221
Subsidiaries	6,443	7,550	2,689
	$ 8,184	$ 9,235	$ 6,260

Other receivables from related parties are mainly management consulting services receivable and rental receivable.

6) Other payables

	December 31, 2013	**December 31, 2012**	**January 1, 2012**
Other related parties			
The person in charge of other related parties is the president of the Company	$ 12,260	$ 9,369	$ 9,147
Related parties in substance	-	1,057	400
Subsidiaries	3,071	3,639	4,014
	$ 15,331	$ 14,065	$ 13,561

7) Property transaction

The Company acquired five thousand and one thousand shares of Sinyi Development Inc. from the Company's president, Mr. Chou Chun-Chi, and vice president, Ms. Chou Wang Mei-Wen, at the price of $54 thousand and $11 thousand, respectively, during the year ended December 31, 2012. The price of the above transaction was based on the book value of Sinyi Development Inc.

8) Endorsement and guarantee

As of December 31, 2013 and 2012, the Company endorsed and guaranteed Suzhou Sinyi Real Estate Inc.'s and Shanghai Sinyi Real Estate Inc.'s bank loan for $877,816 thousand and $326,200 thousand, respectively.

As of December 31, 2013 and 2012, the Company provided $632,616 thousand and $100,650 thousand of guarantee deposits, respectively, which was recorded as other current financial assets.

e. Compensation of key management personnel

	2013	2012
Short-term employee benefits	$ 87,120	$ 61,735
Other long-term employee benefits	4,125	11,295
	$ 91,245	$ 73,030

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 when they continue to serve for three years starting the following year after 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 since January 1, 2013; the bonus is calculated on the basis of Company's operating performance instead of the Company's share price increase.

31. MORTGAGED OR PLEDGED ASSETS

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

	December 31, 2013	December 31, 2012	January 1, 2012
Property, plant and equipment (including investment properties)			
Land	$ 3,290,251	$ 3,290,251	$ 2,004,088
Building	418,939	436,194	280,983
Other financial assets - current			
Pledged time deposits and demand deposits	637,616	105,650	105,315
	$ 4,346,806	$ 3,832,095	$ 2,390,386

32. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED COMMITMENTS

a. The Company is involved in claims that arise in the ordinary course of business; the other party may claim against the Company through legal proceedings. Management of the Company believe, based on legal advice, that the Company has strong and likely successful defense and the ultimate outcome of these unresolved matters will not have a material adverse impact on the Company's financial results.

b. Guarantee notes submitted as guarantees for real-estate brokerage business amounted to $5,000 thousand.

c. The Company has endorsed Shanghai Sinyi Real Estate and Suzhou Sinyi Real Estate in obtaining financing limit for $343,280 thousand (RMB70,000 thousand) and $534,536 thousand (RMB109,000 thousand), respectively. Refer to Note 34 Table 2 for the details.

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

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

	December 31, 2013		
	Foreign Currencies (In Thousands)	**Exchange Rate**	**New Taiwan Dollars (In Thousands)**
<u>Financial assets</u>			
Monetary items			
RMB	$ 129,031	4.89	$ 632,768
Non-monetary items			
USD	192,312	29.81	5,732,559

	December 31, 2012		
	Foreign Currencies (In Thousands)	**Exchange Rate**	**New Taiwan Dollars (In Thousands)**
<u>Financial assets</u>			
Monetary items			
JPY	$ 8,885	0.34	$ 3,082
USD	140	29.04	4,772
Non-monetary items			
USD	79,284	29.04	2,302,407

	January 1, 2012		
	Foreign Currencies (In Thousands)	**Exchange Rate**	**New Taiwan Dollars (In Thousands)**
<u>Financial assets</u>			
Monetary items			
JPY	$ 5,777	0.39	$ 2,257
USD	4,081	30.28	123,561
Non-monetary items			
USD	39,038	30.28	1,182,072

34. 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: Table 5 (attached)

i. Information about derivative: None

j. 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

35. SEGMENT INFORMATION

The Company had disclosures of segment information in accordance with Regulations in the consolidated financial statements as of and for the years ended December 31, 2013 and 2012. The disclosure of segment information is not required for the Company's financial statements.

36. FIRST-TIME ADOPTION OF IFRSs

The Company's date of transition to the Regulations was January 1, 2012 the impact of the transition to the Regulations on the Company's balance sheets and statement of comprehensive income is stated as follows:

a. Reconciliation of statement of balance sheet for the year ended January 1, 2012

ROC GAAP		Effect of the Transition from ROC GAAP to IFRSs		IFRSs		
Item	Amount	Measurement or Recognition Difference	Presentation Difference	Amount	Item	Note
Assets						
Current assets						
Cash and cash equivalents	$ 681,120	$ -	$ (24,000)	$ 657,120	Cash and cash equivalents	6)
Financial assets at fair value through profit or loss - current	501,564	-	-	501,564	Financial assets at fair value through profit or loss - current	
Available-for-sale financial assets - current	178,572	-	-	178,572	Available-for-sale financial assets - current	
Notes receivable, net	27,906	-	-	27,906	Notes receivable, net	
Accounts receivable, net	398,730	-	40,251	438,981	Trade receivables, net	7)
Account receivable - related party	102,001	-	-	102,001	Trade receivable from related parties	
Other receivable - related party	129,746	-	-	129,746	Trade receivable from related parties	
Other current financial assets	44,805	-	-	44,805	Other receivable	
〃	105,315	-	24,000	129,315	Other financial assets - current	6)
Deferred income tax assets - current	33,487	-	(33,487)	-		
Other assets	28,498	-	-	28,498	Other current assets	1)
Total current assets	2,231,744	-	6,764	2,238,508		
Long-term investments						
Financial assets carried at cost - non-current	108,361	-	-	108,361	Financial assets measured at cost - non-current	
Investments accounted for by the equity method	1,373,662	(4,933)	-	1,368,729	Investments accounted for using equity method	8)
Total long-term investments	1,482,023	(4,933)	-	1,477,090		
Properties	3,146,297	-	56,765	3,203,062	Property, plant and equipment	5)
Intangible assets						
Intangible assets	-	-	24,207	24,207	Intangible assets	5)
Other assets						
Assets leased to others	2,438,124	-	-	2,438,124	Investment properties	
Idle assets	52,244	-	-	52,244	Investment properties	
Refundable deposits	131,074	-	-	131,074	Refundable deposits	
Deferred charges	80,972	-	(80,972)	-		5)
Deferred income tax assets - non-current	-	-	33,487	33,487	Deferred tax assets	1)
Others	50,067	(2,566)	-	47,501	Prepaid pension cost	2)
〃	1,890	-	2,313	4,203		
Total other assets	2,754,371	(2,566)	(45,172)	2,706,633	Other non-current assets	7)
Total	$ 9,614,435	$ (7,499)	$ 42,564	$ 9,649,500		

(Continued)

ROC GAAP Item	ROC GAAP Amount	Effect of the Transition from ROC GAAP to IFRSs: Measurement or Recognition Difference	Effect of the Transition from ROC GAAP to IFRSs: Presentation Difference	IFRSs Amount	IFRSs Item	Note
Liabilities and shareholders' equity						
Current liabilities						
Notes payable	$ 4,576	$ -	$ -	$ 4,576	Notes payable	
Income tax payable	60,250	-	-	60,250	Current tax liabilities	
	-	-	40,251	40,251	Provisions - current	7)
Accrued expenses	1,488,655	52,284	-	1,540,939	Other payables	3)
Other current financial liabilities	64,266	-	-	64,266	Other current financial liabilities	
Other current liabilities	83,046	-	-	83,046	Other current liabilities	
Total current liabilities	1,700,793	52,284	40,251	1,793,328		
Other liabilities						
	-	-	2,313	2,313	Provisions - non-current	7)
Guarantee deposits received	32,348	-	-	32,348	Guarantee deposits received	
Deferred income tax liabilities - noncurrent	22,389	-	-	22,389	Deferred income tax liabilities	
Others	1,007,884	-	-	1,007,884	Other non-current liabilities	
Total other liabilities	1,062,621	-	2,313	1,064,934		
Total liabilities	2,763,414	52,284	42,564	2,858,262		
Shareholders' equity						
Common stock	4,392,182	-	-	4,392,182	Ordinary shares	
Capital surplus					Capital surplus	
Employee stock options	63,896	-	-	63,896	Employee stock options	
Retained earnings						
Legal reserve	1,024,230	-	-	1,024,230	Legal reserve	
Special reserve	120,693	-	-	120,693	Special reserve	
Unappropriated earnings	1,311,265	(23,316)	-	1,287,949	Unappropriated earnings	2), 3), 4), 8)
Other equity						
Cumulative translation adjustments	36,467	(36,467)	-	-	Exchange differences on foreign operations	4)
Unrealized valuation loss on financial instruments	(97,712)	-	-	(97,712)	Unrealized loss from available-for-sale financial assets	
Total shareholders' equity	6,851,021	(59,783)	-	6,791,238		
Total	$ 9,614,435	$ (7,499)	$ 42,564	$ 9,649,500		

(Concluded)

b. Reconciliation of statement of balance sheet for the year ended December 31, 2012

ROC GAAP Item	ROC GAAP Amount	Effect of the Transition from ROC GAAP to IFRSs: Measurement or Recognition Difference	Effect of the Transition from ROC GAAP to IFRSs: Presentation Difference	IFRSs Amount	IFRSs Item	Note
Assets						
Current assets						
Cash and cash equivalents	$ 1,046,065	$ -	$ -	$ 1,046,065	Cash and cash equivalents	
Financial assets at fair value through profit or loss - current	13,486	-	-	13,486	Financial assets at fair value through profit or loss - current	
Available-for-sale financial assets - current	223,241	-	-	223,241	Available-for-sale financial assets - current	
Notes receivable, net	25,158	-	-	25,158	Notes receivable	
Accounts receivable, net	485,047	-	55,050	540,097	Trade receivables	7)
Account receivable - related party	175,829	-	-	175,829	Trade receivable from related parties	
Other receivable - related party	11,542	-	-	11,542	Trade receivable from related parties	
Other current financial assets	38,647	-	-	38,647	Other current assets	
〃	105,650	-	-	105,650	Other financial assets - current	
Deferred income tax assets - current	14,220	-	(14,220)	-		1)
Other assets	20,001	-	-	20,001	Other current assets	
Total current assets	2,158,886	-	40,830	2,199,716		

(Continued)

ROC GAAP Item	ROC GAAP Amount	Effect of the Transition from ROC GAAP to IFRSs: Measurement or Recognition Difference	Effect of the Transition from ROC GAAP to IFRSs: Presentation Difference	IFRSs Amount	IFRSs Item	Note
Long-term investments						
Financial assets carried at cost - non-current	$ 84,675	$ -	$ -	$ 84,675	Financial assets measured at cost - non-current	
Prepayments for long-term investments	773,333	-	-	773,333	Investments accounted for using equity method	
Investments accounted for by the equity method	2,262,922	(4,484)	-	2,258,438	Investments accounted for using equity method	8)
Total long-term investments	3,120,930	(4,484)	-	3,116,446		
Properties	3,105,410	-	25,216	3,130,626	Property, plant and equipment	5)
Intangible assets						
Goodwill	9,621	-	-	9,621	Goodwill	
	-	-	17,401	17,401	Intangible assets	5)
Total intangible assets	9,621	-	17,401	27,022		
Other assets						
Assets leased to others	2,404,103	-	-	2,404,103	Investment properties	
Idle assets	48,584	-	-	48,584	Investment properties	
Refundable deposits	97,688	-	-	97,688	Refundable deposits	
Deferred charges	42,617	-	(42,617)	-		5)
Deferred income tax assets - non-current	-	-	14,220	14,220	Deferred tax assets	1)
Others	64,407	(28,549)	-	35,858	Prepaid pension cost	2)
〃	1,890	-	3,537	5,427	Other non-current assets	7)
Total other assets	2,659,289	(28,549)	(24,860)	2,605,880		
Total	$ 11,054,136	$ (33,033)	$ 58,587	$ 11,079,690		
Liabilities and shareholders' equity						
Current liabilities						
Notes payable	$ 3,405	$ -	$ -	$ 3,405	Notes payable	
Income tax payable	140,087	-	-	140,087	Current tax liabilities	
	-	-	55,050	55,050	Provisions - current	7)
Accrued expenses	1,747,031	47,619	-	1,794,650	Other payables	3)
Other current financial liabilities	49,312	-	-	49,312	Other current financial liabilities	
Other current liabilities	97,114	-	-	97,114	Other current liabilities	
Total current liabilities	2,036,949	47,619	55,050	2,139,618		
	700,000	-	-	700,000		
Other liabilities						
	-	-	3,537	3,537	Provisions - non-current	7)
Guarantee deposits received	32,679	-	-	32,679	Guarantee deposits received	
Deferred income tax liabilities - noncurrent	28,302	-	-	28,302	Deferred income tax liabilities	
Others	840,211	-	-	840,211	Other non-current liabilities	
Total other liabilities	901,192	-	3,537	904,729		
Total liabilities	3,638,141	47,619	58,587	3,744,347		
Shareholders' equity						
Common stock	4,655,713	-	-	4,655,713	Ordinary shares	
Capital surplus					Capital surplus	
Employee stock options	63,896	-	-	63,896	Employee stock options	
Retained earnings						
Legal reserve	1,155,179	-	-	1,155,179	Legal reserve	
Special reserve	120,693	-	-	120,693	Special reserve	
Unappropriated earnings	1,389,464	(44,185)	-	1,345,279	Unappropriated earnings	2), 3), 4), 8)
Other equity						
Cumulative translation adjustments	(31,998)	(36,467)	-	(68,465)	Exchange differences on foreign operations	4)
Unrealized valuation loss on financial instruments	63,048	-	-	63,048	Unrealized loss from available-for-sale financial assets	
Total shareholders' equity	7,415,995	(80,652)	-	7,335,343		
Total	$ 11,054,136	$ (33,033)	$ 58,587	$ 11,079,690		

(Concluded)

c. Reconciliation of statement of comprehensive income for the year ended December 31, 2012:

ROC GAAP		Effect of the Transition from ROC GAAP to IFRSs		IFRSs		
Item	Amount	Measurement or Recognition Difference	Presentation Difference	Amount	Item	Note
Operating revenue					Operating revenue	
Service revenue	$ 8,263,236	$ -	$ -	$ 8,263,236	Service revenue	
Service returns and allowances	(352,174)	-	-	(352,174)	Service returns and allowances	
Total operating revenue	7,911,062	-	-	7,911,062	Total operating revenue	
Operating costs	(5,558,374)	4,105	-	(5,554,269)	Operating costs	2), 3)
Gross profit	2,352,688	4,105	-	2,356,793	Gross profit	
Operating expenses	(769,529)	705	-	(768,824)	Operating expenses	2), 3)
Operating income	1,583,159	4,810	-	1,587,969	Operating income	
Nonoperating income and expenses	80,501	449	-	80,950	Nonoperating income and expenses	8)
Income before income tax	1,663,660	5,259	-	1,668,919	Income before income tax	
Income tax	(312,545)	-	-	(312,545)	Income tax	
Net income	$ 1,351,115	$ 5,259	$ -	1,356,374	Net income	
				(68,465)	Exchange differences on translating foreign operations	
				160,760	Unrealized gain on available-for-sale financial assets	
				(26,128)	Actuarial loss arising from defined benefit plans	2)
				66,167	Other comprehensive income for the period, net of income tax	
				$ 1,422,541	Total comprehensive income	

d. Exemptions

Except for optional exemptions and mandatory exceptions to retrospective application provided under the Regulations, the Company retrospectively applied the Regulations to prepare its opening balance sheet at the date of transition, January 1, 2012. The major optional exemptions the Company elected are summarized as follows:

Investments in subsidiaries, associates and joint ventures

The Company elected to measure the investments in subsidiaries, associates and joint ventures acquired before the date of transition, at the same carrying amount as recognized under ROC GAAP as of December 31, 2011.

Employee benefits

The Company elected to recognize all cumulative actuarial gains and losses in retained earnings as of the date of transition.

Cumulative translation differences

The Company elected to reset the cumulative translation differences to zero at the date of transition to IFRSs and adjusted retained earnings accordingly. Gains or losses of a subsequent disposal of any foreign operations will exclude the translation differences that arose before the date of transition to IFRSs.

For details about the impact at above mentioned optional exemptions to the Company, please refer to the following section e.

e. Explanations of significant reconciling items in the transition to Regulations

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

1) Under ROC GAAP, a deferred income tax asset or liability should be classified as current or noncurrent in accordance with the classification of the related asset or liability for financial reporting. However, a deferred income tax asset or liability that is not related to an asset or liability for financial reporting should be classified as current or noncurrent on the basis of the expected length of time before it is realized or settled. By contrast, under the Regulations, a deferred income tax asset or liability is always classified as noncurrent. Thus, as of December 31, 2012 and January 1, 2012, the reclassification adjustment resulted in decreases of $33,487 thousand and $14,220 thousand, respectively, in "deferred income tax asset - current" and increases of the same amounts in "deferred income tax assets - non-current."

2) Under the Regulations, the Company elected to recognize all cumulative actuarial gains and losses relating to employee benefits at the date of transition to IFRSs. As of January 1, 2012, the IFRS adjustment resulted in decreases in accumulated earnings of $2,566 thousand, and defined benefit plan assets of $2,566 thousand.

   For the year ended December 31, 2012, the Regulation adjustment resulted in decreases in defined benefit plan assets of $28,549 thousand, operating costs of $125 thousand, operating expenses of $20 thousand, and in accumulated earnings of 28,549 thousand, and increase in actuarial loss arising from defined benefit plans of $26,128 thousand.

3) Accrual for accumulated compensated absences is not addressed in existing ROC GAAP; thus, the Company has not recognized the expected cost of employee benefits in the form of accumulated compensated absences at the end of reporting periods. However, under the Regulations, when the employees render services that increase their entitlement to future compensated absences, an entity should recognize the expected cost of employee benefits at the end of reporting periods. Therefore, the Regulation adjustment as of January 1, 2012, resulted in decreases in accumulated earnings of $52,284 thousand, and increase in accrued expenses of $52,284 thousand.

   In addition, the evaluation adjustment made on December 31, 2012 resulted in increases in accrued expenses of $47,619 thousand. The Regulation adjustment resulted in decreases in operating costs of $3,980 thousand and operating expenses of $685 thousand, resulted in decreases in accumulated earnings of $47,619 thousand.

4) The Company elected to reset the cumulative translation differences to zero at the date of transition to the Regulations, and the recognition has been used to increase accumulated earnings as of January 1, 2012. The gain or loss on any subsequent disposals of any foreign operations shall exclude cumulative translation differences that arose before the date of transition to the Regulations. The Regulation adjustment resulted in a decrease in cumulative translation differences of $36,467 thousand and a corresponding increase in accumulated earnings $36,467 thousand.

5) Reclassification of deferred charges

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

   As of December 31, 2012 and January 1, 2012, the Company reclassified $25,216 thousand and $56,765 thousand, respectively, of "deferred charges" to "property, plant and equipment" and reclassified $17,401 thousand and $24,207 thousand, respectively, of "deferred charges" to "intangible assets".

6) Under ROC GAAP, the term “cash” used in the financial statements includes cash on hand, demand deposits, check deposits, time deposits that are cancellable but without any loss of principal. However, under the Regulations, cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value. An investment normally qualifies as a cash equivalent only when it has a short maturity of three months or less from the date of acquisition. Some certificates of deposit the Company held had maturity of more than 3 months from the date of investment. Thus, as of January 1, 2012, the reclassification adjustment resulted in decreases of $24,000 thousand, in “cash and cash equivalents” and increases of the same amounts in “other financial assets - current.”

7) Under ROC GAAP, the allowance for service discounts is recorded as a deduction in accounts receivable. Under the Regulations, the allowance for service discounts is a present obligation with uncertain timing and an amount that arises from past events and is therefore reclassified as provisions. As of December 31, 2012 and January 1, 2012, the allowance for service discounts (under trade receivables) of $55,050 thousand and $40,251 thousand, respectively, was reclassified to provisions - current. As of December 31, 2012 and January 1, 2012, the allowance for services discounts - overdue receivable (under other assets) of $3,537 thousand and $2,313 thousand, respectively, was reclassified to provisions - non-current.

8) Under the Regulations, the Company used equity method to account for its investments in subsidiaries. As of December 31, 2012 and January 1, 2012, investments accounted for using equity method decreased by $4,484 thousand and $4,933 thousand and retained earnings decreased by $4,484 thousand and $4,933 thousand, respectively. In addition, the share of profit or loss of subsidiaries increased by $499 thousand for the year ended December 31, 2012.

SINYI REALTY INC.

FINANCING PROVIDED
YEAR ENDED DECEMBER 31, 2013
(In Thousands of New Taiwan Dollars)

No.	Financing Company	Borrower	Financial Statement Account	Maximum Balance for the Period	Ending Balance	Actual Appropriation	Interest Rate	Type of Financing	Transaction Amounts	Reasons for Short-term Financing	Allowance for Doubtful Accounts	Ending Balance		Financing Limit for Each Borrowing Company	Financing Company's Financing Amount Limits
												Item	Value		
1	Sinyi Development Inc. (original name: Da-Chia Construction Co., Ltd.)	Shin Hau Real Estate Co., Ltd.	Other receivables	$ 200,000	$ 200,000	$ 200,000	10.0%	Business activity	$ 201,000	-	$ -	Land	$ 312,000	$ 201,000 (Note 1)	$ 274,152 (Note 2)
		Sinyi Realty Inc.	〃	200,000	160,000	160,000	1.8%	Short-term financing	-	Need for group funds	-	-	-	219,259 (Note 3)	548,147 (Note 3)
2	Suzhou Sinyi Real Estate Inc.	Sinyi Real Estate (Shanghai) Limited	〃	490,400 (RMB 100,000 thousand)	490,400 (RMB 100,000 thousand)	490,400 (RMB 100,000 thousand)	7.4%	〃	-	Need for operation	-	-	-	610,994 (Note 4)	1,832,982 (Note 4)
		Shanghai Sinyi Real Estate Inc.	〃	98,080 (RMB 20,000 thousand)	98,080 (RMB 20,000 thousand)	88,272 (RMB 18,000 thousand)	4.0%	〃	-	Participation in the capital increase of strategic investment plan	-	-	-	610,994 (Note 4)	1,832,982 (Note 4)

Note 1: The total amount of Sinyi Development Inc.'s. lending to others for business activity should not exceed the amount of transaction during the latest year.

Note 2: The maximum total financing provided should not exceed 50% of Sinyi Development Inc.'s net worth.

Note 3: The maximum total financing provided by Sinyi Development Inc. for the borrowing company which holds 100% ownership of Sinyi Development Inc. should not exceed 40% of Sinyi Development Inc.'s net worth. Total financing provided should not exceed 100% of Sinyi Development Inc.'s net worth.

Note 4: Total financing provided by the Suzhou Sinyi Real Estate Inc. for each borrowing company which was held 100% ownership directly or indirectly by the same parent company of Suzhou Sinyi Real Estate Inc. should not exceed 150% of the Suzhou Sinyi Real Estate Inc.'s net worth. Total financing provided should not exceed 300% of Suzhou Sinyi Real Estate Inc.'s net worth.

SINYI REALTY INC.

ENDORSEMENT/GUARANTEE PROVIDED TO OTHER
YEAR ENDED DECEMBER 31, 2013
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No.	Endorser/Guarantor	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party (Note 1)	Maximum Balance for the Period	Ending Balance	Actual Appropriation	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity Per Financial Statement (%)	Maximum Total Endorsement/ Guarantee Allowed to Be Provided by the Endorser/ Guarantor (Note 2)	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	$ 7,592,835	$ 343,280 (RMB 70,000 thousand)	$ 343,280 (RMB 70,000 thousand)	$ 98,080 (RMB 20,000 thousand)	$ 98,080 (Deposits)	4	$ 9,491,044	Y		Y	
		Suzhou Sinyi Real Estate Inc.	〃	7,592,835	534,536 (RMB 109,000 thousand)	534,536 (RMB 109,000 thousand)	534,536 (RMB 109,000 thousand)	534,536 (Deposits)	6	9,491,044	Y		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.

SINYI REALTY INC.

MARKETABLE SECURITIES HELD
DECEMBER 31, 2013
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Holding Company Name	Marketable Securities Type and Name	Relationship with the Holding Company	Financial Statement Account	December 31, 2013				Note
				Shares/Units	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
Sinyi Realty Inc.	Listed stock							
	E. SUN Financial Holding Co., Ltd.	-	Available-for-sale financial assets - current	14,011,684	$ 277,431	-	$ 277,431	
	PChome Online Inc.	〃	Financial assets at fair value through profit or loss - current	100,271	23,965	-	23,965	
	Stock							
	Rakuya International Info. Co., Ltd.	-	Financial assets measured at cost - non-current	1,900,000	6,442	12	6,442	
	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	
	PChome Investment Inc.	-	〃	196,350	-	8	-	
	Kun Gee Venture Capital Co., Ltd.	〃	〃	2,333,333	6,784	3	6,784	
	Cite’ Publishing Holding Ltd.	〃	〃	7,637	4,874	1	4,874	
	Cite’ Information Services Co., Ltd.	〃	〃	106,392	890	1	890	
	The Journalist Co., Ltd.	〃	〃	-	-	1	-	
Sinyi Limited	Stock							
	Orix Corp.	-	Available-for-sale financial assets - current	1,180,800	619,058	-	619,058	
	Monetary market fund							
	SBGH U.S. Dollar Reserve Fund CL A Dist Units	〃	〃	43,265	1,290	-	1,290	
Shanghai Sinyi Real Estate Inc.	Stock							
	Cura Investment Management (Shanghai) Co., Ltd.	-	Financial assets measured at cost - non-current	-	155,436	2	155,436	
An-Sin Real Estate Management Ltd.	Fund							
	Taishin 1699 Monetary Market Fund	-	Financial assets at fair value through profit or loss - current	8,578,087	113,333	-	113,333	
Sinyi Development Inc. (original name: Da-Chia Construction Co., Ltd.)	Stock							
	CTCI Corporation	〃	〃	170,940	8,256	-	8,256	
Global Assets Management	Stock							
	Taishin 1699 Monetary Market Fund	-	Financial assets at fair value through profit or loss - current	5,554,554	73,386	-	73,386	
Sinyi Real Estate (Shanghai) Limited	Financial product							
	Ding-Ding-Cheng-Jin No. 65034	〃	Other financial assets - current	15,000,000	73,328	-	73,328	
	Ding-Ding-Cheng-Jin No. 68068	〃		8,000,000	39,109	-	39,109	
	Ding-Ding-Cheng-Jin No. 68069	〃		54,000,000	263,982	-	263,982	

TABLE 4

SINYI REALTY INC.

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
YEAR ENDED DECEMBER 31, 2013
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company Name	Marketable Securities Type and Name	Financial Statement Account	Counterparty	Nature of Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Amount	Costs	Gain or Loss	Shares/Units	Amount
Sinyi Realty Inc.	Stock Sinyi International Limited	Investments accounted for using equity method	-	Subsidiary	29,342,189	$ 860,470	104,503,706	$ 3,095,414	-	$ -	$ -	$ -	133,845,895	$ 3,955,884 (Note)
Sinyi International Limited	Stock Sinyi Development Ltd.	〃	-	〃	26,496,294	773,333	104,503,906	3,095,414	-	-	-	-	131,000,200	3,868,747 (Note)
Sinyi Development Ltd.	Sinyi Real Estate (Hong Kong) Limited	〃	〃	〃	26,496,294	773,333	104,503,906	3,095,414	-	-	-	-	131,000,200	3,868,747 (Note)
Sinyi Real Estate (Hong Kong) Limited	Sinyi Real Estate (Shanghai) Limited	〃	〃	〃	-	-	-	3,868,747	-	-	-	-	-	3,868,747 (Note)

Note: The ending balance presents historical cost.

SINYI REALTY INC.

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$300 MILLION OR 20% OF PAID-IN CAPITAL
DECEMBER 31, 2013
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company Name	Counterparty	Nature of Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
					Amounts	Action Taken		
Sinyi Realty Inc.	An-Sin Real Estate Management Ltd.	Subsidiary	$ 185,432	- (Note)	$ -	-	$ 185,432	$ -

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

SINYI REALTY INC.

INFORMATION ON INVESTEES
YEAR ENDED DECEMBER 31, 2013
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of December 31, 2013			Net Income (Loss) of the Investee	Investment Income (Loss) Recognized	Note
				Ending Balance	Beginning Balance	Shares	Percentage of Ownership (%)	Carrying Value			
Sinyi Realty Inc.	Sinyi International Limited	Equity Trust Chamber, P.O. Box 3269, Apia, Samoa	Investment holding	$ 3,955,884	$ 860,470	133,845,895	100	$ 4,068,842	$ 72,502	$ 72,502	
	Sinyi Limited	Citco Building P.O. Box 662, Road Town, Torola, B.V.I.	Investment holding	2,026,224	2,026,224	62,075,721	100	1,663,717	(1,974)	(1,974)	
	Sinyi Development Inc. (original name: Da-Chia Construction Co., Ltd.)	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Construction	535,005	535,005	53,500,000	100	548,147	3,346	3,346	
	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	62,966	35,202	35,202	
	Heng-Yi Real Estate Consulting	16F-1, NO. 262, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City 106, Taiwan (R.O.C.)	Development, construction, rental and sale of residential building and factories	20,000	-	2,000,000	100	16,636	(3,364)	(3,364)	
	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	4,431	170	170	
	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	251	76	76	
	Sinyi Culture Publishing Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Publication	4,960	4,960	496,000	99	1,576	64	64	
	An-Sin Real Estate Management Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate management	25,500	25,500	6,630,000	51	133,293	87,391	44,359	
	Sinyi Interior Design Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Interior design	950	950	95,000	19	11,623	1,223	232	
Sinyi Limited	Inane International Limited	Citco Building P.O. Box 662, Road Town, Torola, B.V.I.	Investment holding	1,434,497	1,434,497	44,890,999	100	942,846	(66,448)	(66,448)	
	Ke Wei HK Realty Limited	Rooms 3703-4 37/F West Tower Shun Tak Centre 168-200 Connaught Road, Central HK	Investment holding	29,140	29,140	475,000	95	(37,756)	(9,887)	(9,887)	
Sinyi International Limited	Forever Success International Limited	2nd Floor, Felix House, 24 Dr. Joseph Riviere Street, Port Louis, Mauritius	Investment holding	28,276	28,276	930,000	100	6,817	(10,394)	(10,394)	
	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	119,762	63,837	63,837	
	Sinyi Development Ltd.	TMF Chambers, P.O. Box 3269, Asia Samoa	Investment holding	3,868,747	773,333	131,000,200	100	3,913,789	(8,426)	(8,426)	
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	396,498	7,300	7,300	
An-Sin Real Estate Management Ltd.	An-Shin Real Estate Management Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District, Taipei City, Taiwan	Real estate management	10,000	10,000	1,000,000	100	10,143	100	100	
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	10,284	872	872	
Sinyi Development Ltd.	Sinyi Real Estate (Hong Kong) Limited	Suite 2302-6, 23/F Great Eagle CTR 23, Harhour Rd., Wan Chai HK	Investment holding	3,868,747	773,333	131,000,200	100	3,912,187	(10,714)	(10,714)	

SINYI REALTY INC.

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
YEAR ENDED DECEMBER 31, 2013
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Investee Company Name	Main Businesses and Products	Total Amount of Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2013	Investment Flows		Accumulated Outflow of Investment from Taiwan as of December 31, 2013	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized (Note 1)	Carrying Value as of December 31, 2013 (Note 2)	Accumulated Inward Remittance of Earnings as of December 31, 2013
					Outflow	Inflow						
Shanghai Kunlun Taiwan Shang Cheng Real Estate Inc.	General merchandise retail sales, dining service and entertainment	RMB 335,625	Investment in company located in Mainland China indirectly through Sinyi Limited	$ 238,231	$ -	$ 73,076	$ - (Note 6)	$ -	-	$ -	$ -	$ -
Ke Wei Shanghai Real Estate Management Consulting Inc.	Real estate brokerage and management consulting	RMB 6,160	Investment in company located in Mainland China indirectly through Ke Wei HK Realty Limited	15,870	-	-	15,870	(9,887)	95	(9,887)	(37,052)	-
Shanghai Sinyi Real Estate Inc. (Note 3)	Real estate brokerage	RMB 209,186	Investment in company located in Mainland China indirectly through Inane International Limited	888,456	-	-	888,456	(34,636)	100	(34,636)	554,682	-
Beijing Sinyi Real Estate Ltd. (Note 3)	Real estate brokerage and management consulting	RMB 21,883	〃	86,157	-	-	86,157	(23,974)	100	(23,974)	(42,130)	-
Shanghai Sinyi Limited Corporation of Land Administration and Real Estate Counseling (Note 4)	Real estate brokerage	RMB 4,138	〃	17,095	-	-	17,095	(7,889)	100	(7,889)	11,523	-
Suzhou Sinyi Real Estate Inc. (Note 3)	Real estate brokerage and management consulting	RMB 68,000	〃	355,249	-	-	355,249	11,635	100	11,635	407,329	-
Cura Investment Management (Shanghai) Co., Ltd. (Note 4)	Real estate fund investment management	RMB 1,025,700	〃	-	-	-	-	-	2	-	155,436	-
Zhejiang Sinyi Real Estate Co., Ltd. (Note 3)	Real estate brokerage and management consulting	RMB 20,200	〃	44,543	-	-	44,543	(6,553)	100	(6,553)	(2,783)	-
Shanghai Shin Chen Real Estate Brokerage Inc. (Note 4)	Real estate brokerage	RMB 1,000	Investment in company located in Mainland China indirectly through Ke Wei HK Realty Limited	-	-	-	-	-	94	-	103	-
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	(10,336)	100	(10,336)	6,200	-
Chengdu Sinyi Real Estate Co., Ltd.	Real estate brokerage and management consulting	RMB 8,000	Investment in company located in Mainland China indirectly through Inane International Limited	29,342	-	-	29,342	(5,147)	80	(4,118)	4,574	-
Qingdao Chengjian & Sinyi Real Estate Co., Ltd. (Note 5)	Real estate brokerage and management consulting	RMB 8,000	〃	29,225	-	-	29,225	(4,579)	65	(3,211)	2,750	-
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	(11,236)	100	(11,236)	3,911,668	-

Accumulated Outflow for Investment in Mainland China as of December 31, 2013	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note 7)
$5,362,116	$5,798,954	$ -

(Continued)

Note 1: Amount was based on financial statements audited by the parent company's auditor.

Note 2: Carrying value was converted into New Taiwan dollars based on the exchange rate of US$1=NT$29.805 and US$1=RMB6.969 at December 31, 2013.

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

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

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

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

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

(Concluded)