Sinyi Realty Inc. and Subsidiaries

Consolidated Financial Statements for the Three Months Ended March 31, 2013 and 2012 and Independent Accountants' Review Report

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors and Stockholders
Sinyi Realty Inc.

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

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

As stated in Note 4 to the consolidated financial statements, the subsidiaries' financial statements were unreviewed, and, as of March 31, 2013 and 2012, these subsidiaries' total assets were 23% ($3,217,239 thousand) and 26% ($2,602,001 thousand), respectively, of the consolidated assets, and their total liabilities were 11% ($643,989 thousand) and 13% ($374,138 thousand), respectively, of the consolidated liabilities. The total service revenue was 11% ($271,758 thousand) and 8% ($150,546 thousand) of consolidated service revenue for the three months ended March 31, 2013 and 2012, respectively. Net income was 6% ($27,747 thousand) and net loss was 19% ($32,935 thousand) of consolidated net income for the three months ended March 31, 2013 and 2012, respectively.

As disclosed in Note 13 to the consolidated financial statements, we did not review the financial statements for the three months ended March 31, 2013 and 2012 of the investees in which investments were accounted for by the equity method. The carrying values of those investments as of March 31, 2013 and 2012 amounted to $3,810 thousand and $3,411 thousand, respectively. The related investment net loss for the three months ended March 31, 2013 and 2012 both amounted to $1 thousand. These amounts as well as the related financial information of the investees were based on the investees' unreviewed financial statements for the same periods.

Based on our reviews, except for the effects on the consolidated financial statements as of and for the three months ended March 31, 2013 and 2012 of such adjustments and disclosures, if any, as might have been required had the financial statements of consolidated subsidiaries and equity-method investees mentioned in the third and fourth paragraphs above been reviewed, we are not aware of any material modifications that should be made to the consolidated financial statements referred to in the first paragraph in order for them to be in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, International Financial Reporting Standard 1 "First-time Adoption of International Financial Reporting Standards" and International Accounting Standard 34 "Interim Financial Reporting" endorsed by the Financial Supervisory Commission of the Republic of China.

April 30, 2013

Notice to Readers

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

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

SINYI REALTY INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

ASSETS	March 31, 2013 Amount	%	December 31, 2012 Amount	%	March 31, 2012 Amount	%	January 1, 2012 Amount	%
CURRENT ASSETS								
Cash and cash equivalents (Note 6)	$ 3,748,515	27	$ 2,194,434	19	$ 832,751	8	$ 1,270,145	12
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	312,269	2	75,534	1	607,996	6	510,756	5
Available-for-sale financial assets - current (Notes 4 and 8)	676,139	5	609,407	5	571,336	6	476,263	5
Notes receivable (Notes 4 and 10)	57,243	1	55,517	-	30,962	-	43,904	-
Trade receivables (Notes 4, 5 and 10)	1,019,327	8	830,751	7	792,436	8	615,549	6
Other receivables (Notes 4, 5, 10, 30 and 31)	52,858	-	350,739	3	60,778	1	55,799	1
Inventories (Notes 4, 12 and 32)	480,631	4	467,980	4	-	-	-	-
Other financial assets - current (Notes 4, 11 and 31)	248,313	2	356,661	3	332,943	3	336,718	3
Other current assets (Note 18)	54,934	-	57,480	1	76,406	1	68,800	1
Total current assets	6,650,229	49	4,998,503	43	3,305,608	33	3,377,934	33
NON-CURRENT ASSETS								
Financial assets measured at cost - non-current (Notes 4 and 9)	185,282	1	128,640	1	152,976	2	154,084	2
Investment accounted for using equity method (Notes 4 and 13)	3,810	-	3,528	-	3,411	-	2,913	-
Property, plant and equipment (Notes 4, 14 and 31)	3,522,816	26	3,282,920	28	3,351,628	34	3,364,620	33
Investment properties (Notes 4, 15 and 31)	2,855,656	21	2,860,617	24	2,886,416	29	2,930,161	29
Intangible assets (Notes 4, 5, 16 and 33)	89,977	1	89,436	1	85,476	1	90,423	1
Deferred tax assets (Notes 4 and 5)	15,857	-	15,108	-	14,634	-	33,896	-
Refundable deposits (Note 27)	122,532	1	122,452	1	145,764	1	152,839	2
Long-term accounts receivable (Note 17)	219,169	1	214,237	2	-	-	-	-
Prepaid pension cost - non-current (Note 22)	38,962	-	33,628	-	49,790	-	44,820	-
Other non-current assets (Note 18)	5,275	-	5,427	-	4,589	-	4,203	-
Total non-current assets	7,059,336	51	6,755,993	57	6,694,684	67	6,777,959	67
TOTAL	$ 13,709,565	100	$ 11,754,496	100	$ 10,000,292	100	$ 10,155,893	100

LIABILITIES AND EQUITY	March 31, 2013 Amount	%	December 31, 2012 Amount	%	March 31, 2012 Amount	%	January 1, 2012 Amount	%
CURRENT LIABILITIES								
Short-term borrowings (Notes 19 and 31)	$ 71,364	1	$ 69,302	1	$ 250,326	3	$ 72,073	1
Notes payable	2,487	-	3,405	-	3,861	-	4,576	-
Other payables (Notes 20 and 30)	1,680,533	12	1,969,216	17	1,192,484	12	1,659,805	16
Other payables to related parties (Notes 19, 20 and 30)	71,463	1	68,624	1	66,884	1	60,481	1
Current tax liabilities (Note 4)	271,396	2	162,583	1	96,257	1	67,540	1
Provisions - current (Notes 4 and 21)	63,763	-	58,352	1	46,785	-	41,075	-
Other current financial liabilities (Note 20)	300,477	2	174,797	1	188,513	2	146,842	1
Current portion of long-term borrowings (Notes 19 and 31)	141,316	1	-	-	-	-	-	-
Other current liabilities (Note 20)	112,161	1	120,310	1	85,414	1	99,117	1
Total current liabilities	2,714,960	20	2,626,589	23	1,930,524	20	2,151,509	21
NON-CURRENT LIABILITIES								
Long-term borrowings (Notes 19 and 31)	2,200,913	16	700,000	6	-	-	-	-
Provisions - non-current (Notes 4 and 21)	3,385	-	3,537	-	2,699	-	2,313	-
Guarantee deposits received (Note 27)	47,192	-	50,892	-	44,296	-	41,940	1
Other non-current liabilities (Note 20)	626,064	5	890,252	8	857,635	9	1,041,914	10
Deferred tax liabilities (Note 4)	29,908	-	28,302	-	23,221	-	22,389	-
Total non-current liabilities	2,907,462	21	1,672,983	14	927,851	9	1,108,556	11
Total liabilities	5,622,422	41	4,299,572	37	2,858,375	29	3,260,065	32
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 23)								
Share capital								
Ordinary shares	4,655,713	34	4,655,713	40	4,392,182	44	4,392,182	43
Capital surplus	63,896	-	63,896	-	63,896	-	63,896	1
Retained earnings								
Legal reserve	1,155,179	9	1,155,179	10	1,024,230	10	1,024,230	10
Special reserve	120,693	1	120,693	1	120,693	1	120,693	1
Unappropriated earnings	1,814,289	13	1,345,279	11	1,457,854	15	1,287,949	13
Total retained earnings	3,090,161	23	2,621,151	22	2,602,777	26	2,432,872	24
Other equity (Note 4)								
Exchange differences on translating foreign operations	14,106	-	(68,465)	(1)	(35,372)	-	-	-
Unrealized gain or loss from available-for-sale financial assets	134,697	1	63,048	1	10,191	-	(97,712)	(1)
Total other equity	148,803	1	(5,417)	-	(25,181)	-	(97,712)	(1)
Total equity attributable to owners of the Company	7,958,573	58	7,335,343	62	7,033,674	70	6,791,238	67
NON-CONTROLLING INTERESTS	128,570	1	119,581	1	108,243	1	104,590	1
Total equity	8,087,143	59	7,454,924	63	7,141,917	71	6,895,828	68
TOTAL	$ 13,709,565	100	$ 11,754,496	100	$ 10,000,292	100	$ 10,155,893	100

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

(With Deloitte & Touche review report dated April 30, 2013)

SINYI REALTY INC. AND SUBSIDIARIES

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

	Three Months Ended March 31			
	2013		2012	
	Amount	%	Amount	%
OPERATING REVENUE				
Service revenue (Note 4)	$ 2,553,355	100	$ 1,816,507	100
OPERATING COSTS (Notes 24 and 30)	1,720,153	67	1,392,218	76
GROSS PROFIT	833,202	33	424,289	24
OPERATING EXPENSES (Notes 24 and 30)	277,463	11	239,344	13
OPERATING INCOME	555,739	22	184,945	11
NON-OPERATING INCOME AND EXPENSES				
Rental income (Note 30)	26,422	1	31,454	2
Dividend income	-	-	6,714	-
Interest income (Notes 17 and 24)	7,899	-	1,747	-
Other gains and losses (Notes 24 and 30)	18,679	1	1,276	-
Finance costs (Notes 24 and 30)	(8,095)	-	(2,309)	-
Total non-operating income and expenses	44,905	2	38,882	2
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	600,644	24	223,827	13
INCOME TAX EXPENSE (Notes 4 and 25)	(122,034)	(5)	(50,028)	(3)
NET PROFIT FOR THE PERIOD	478,610	19	173,799	10
OTHER COMPREHENSIVE INCOME				
Exchange differences on translating foreign operations	82,571	3	(35,372)	(2)
Unrealized gain on available-for-sale financial assets	71,649	3	107,903	6
Other comprehensive income for the period, net of income tax	$ 154,220	6	$ 72,531	4
TOTAL COMPREHENSIVE INCOME	$ 632,830	25	$ 246,330	14
NET PROFIT ATTRIBUTABLE TO:				
Owner of the Company	$ 469,010	18	$ 169,905	10
Non-controlling interests	9,600	1	3,894	-
	$ 478,610	19	$ 173,799	10

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SINYI REALTY INC. AND SUBSIDIARIES

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

	Three Months Ended March 31			
	2013		2012	
	Amount	**%**	**Amount**	**%**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owner of the Company	$ 623,230	25	$ 242,436	14
Non-controlling interests	9,600	-	3,894	-
	$ 632,830	25	$ 246,330	14
EARNINGS PER SHARE (Note 26)				
From continuing operations				
Basic	$1.01		$0.36	
Diluted	$1.01		$0.36	

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

(With Deloitte & Touche review report dated April 30, 2013) (Concluded)

SINYI REALTY INC. AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company									
			Retained Earnings			Other Equity				
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations	Gain or Loss from Available-for-sale Financial Assets	Total	Non-controlling Interests	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	$ 104,590	$ 6,895,828
Net profit for the three months ended March 31, 2012	-	-	-	-	169,905	-	-	169,905	3,894	173,799
Other comprehensive income (loss) for the three months ended March 31, 2012, net of income tax	-	-	-	-	-	(35,372)	107,903	72,531	-	72,531
Total comprehensive income (loss) for the three months ended March 31, 2012	-	-	-	-	169,905	(35,372)	107,903	242,436	3,894	246,330
Change in non-controlling interest	-	-	-	-	-	-	-	-	(241)	(241)
BALANCE AT MARCH 31, 2012	$ 4,392,182	$ 63,896	$ 1,024,230	$ 120,693	$ 1,457,854	$ (35,372)	$ 10,191	$ 7,033,674	$ 108,243	$ 7,141,917
BALANCE AT JANUARY 1, 2013	$ 4,655,713	$ 63,896	$ 1,155,179	$ 120,693	$ 1,345,279	$ (68,465)	$ 63,048	$ 7,335,343	$ 119,581	$ 7,454,924
Net profit for the three months ended March 31, 2013	-	-	-	-	469,010	-	-	469,010	9,600	478,610
Other comprehensive income for the three months ended March 31, 2013, net of income tax	-	-	-	-	-	82,571	71,649	154,220	-	154,220
Total comprehensive income for the three months ended March 31, 2013	-	-	-	-	469,010	82,571	71,649	623,230	9,600	632,830
Change in non-controlling interest	-	-	-	-	-	-	-	-	(611)	(611)
BALANCE AT MARCH 31, 2013	$ 4,655,713	$ 63,896	$ 1,155,179	$ 120,693	$ 1,814,289	$ 14,106	$ 134,697	$ 7,958,573	$ 128,570	$ 8,087,143

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

(With Deloitte & Touche review report dated April 30, 2013)

SINYI REALTY INC. AND SUBSIDIARIES

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

	Three Months Ended March 31	
	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 600,644	$ 223,827
Adjustments for:		
Depreciation expenses	35,672	48,959
Amortization expenses	4,258	4,457
Net (gain) loss on fair value change of financial assets held for trading	(1,709)	788
Finance costs	8,095	2,309
Interest income	(7,899)	(1,747)
Dividend income	-	(6,714)
Share of loss of associates and joint ventures	1	1
Loss on disposal of property, plant and equipment	11	138
Loss on disposal of investment properties	116	-
Gain on disposal of investments	(3,270)	(748)
Reversal of impairment loss on non-financial assets	(4,212)	-
Net changes in operating assets and liabilities		
Increase in financial assets held for trading	(234,923)	(97,280)
(Increase) decrease in notes receivable	(1,726)	12,942
Increase in trade receivables	(188,576)	(176,887)
Decrease (increase) in other receivables	297,881	(4,979)
Decrease (increase) in other current assets	2,546	(7,606)
Increase in other operating assets	(5,334)	(4,970)
Decrease in notes payable	(918)	(715)
Decrease in other payables	(291,131)	(467,401)
Decrease in other payables to related parties	-	(5)
Increase in provisions	5,259	6,096
Increase in other financial liabilities	125,680	41,671
Decrease in other current liabilities	(8,149)	(13,703)
Decrease in other operating liabilities	(264,188)	(184,279)
Cash generated from (used in) operations	68,128	(625,846)
Interest received	2,815	1,722
Interest paid	(4,850)	(1,456)
Income taxes paid	(12,364)	(1,217)
Net cash generated from (used in) operating activities	53,729	(626,797)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds of sale of available-for-sale financial assets	17,368	2,970
Purchase of financial assets measured at cost	(62,000)	-
Proceeds of return of capital of financial assets measured at cost	6,667	-
Payments for property, plant and equipment	(269,719)	(7,135)
Proceeds of disposal of property, plant and equipment	-	197
Increase in refundable deposits	(80)	-

(Continued)

SINYI REALTY INC. AND SUBSIDIARIES

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

	Three Months Ended March 31	
	2013	2012
Decrease in refundable deposits	$ -	$ 7,075
Payment for intangible assets	(3,200)	(1,129)
Proceeds of disposal of investment properties	19,366	-
Decrease in other financial assets	108,500	3,800
Increase in other non-current assets	-	(386)
Decrease in other non-current assets	152	-
Dividends received	-	6,714
Net cash (used in) generated from investing activities	(182,946)	12,106
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds of short-term borrowings	-	180,000
Proceeds of long-term borrowings	2,435,000	-
Repayment of long-term borrowings	(792,771)	-
Proceeds of guarantee deposits received	-	2,356
Refund of guarantee deposits received	(3,700)	-
Increase in other payables to related parties	-	5,635
Change in non-controlling interest	(611)	(241)
Net cash generated from financing activities	1,637,918	187,750
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	45,380	(10,453)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,554,081	(437,394)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	2,194,434	1,270,145
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 3,748,515	$ 832,751

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

(With Deloitte & Touche review report dated April 30, 2013) (Concluded)

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 whole 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 had 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 functional currency of the Company is New Taiwan dollars. For greater comparability and consistency of financial reporting, the consolidated financial statements are presented in New Taiwan dollars since the Company's stocks are listed on the Taiwan Stock Exchange.

The Company and its consolidated subsidiaries (collectively, the "Group") had 4,533 and 4,226 employees as of March 31, 2013 and 2012, respectively.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors and authorized for issue on April 30, 2013.

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

The Company and its entire controlled subsidiaries (the "Group") have not applied the following new and revised IFRSs that have been issued by the IASB.

As of the date that the consolidated financial statements were approved and authorized for issue, the Financial Supervisory Commission ("FSC") has not announced the effective dates for the following new and revised standards, amendments and interpretations:

New, Revised Standards, Amendments and Interpretations		Effective Date Announced by IASB (Note)
Approved by FSC		
Amendments to IFRSs	Improvements to 2009 IFRS, which amends IAS 39	January 1, 2009 or January 1, 2010
IFRS 9	Financial instruments	January 1, 2015
Amendments to IAS 39	Embedded derivatives	Effective for fiscal years ending on or after June 30, 2009
Not Approved by FSC		
Amendments to IFRSs	Improvements to 2010 IFRS, which amends IAS 39	July 1, 2010 or January 1, 2011
Amendments to IFRSs	Annual improvements to IFRSs 2009-2011 cycle	January 1, 2013
Amendments to IFRS 1	Limited exemption from comparative IFRS 7 disclosures for first-time adopters	July 1, 2010
Amendments to IFRS 1	Government loans	January 1, 2013
Amendments to IFRS 1	Severe hyperinflation and removal of fixed dates for first-time adopters	July 1, 2011
Amendments to IFRS 7	Disclosure - offsetting financial assets and financial liabilities	January 1, 2013
Amendments to IFRS 9 and IFRS 7	Mandatory effective date of IFRS 9 and transition disclosures	January 1, 2015
Amendments to IFRS 7	Disclosure - transfer of financial assets	July 1, 2011
Amendments to IFRS 9	Financial instruments	January 1, 2015
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, IFRS 12 and IAS 27	Investment entities	January 1, 2014
IFRS 13	Fair value measurement	January 1, 2013
Amendments to IAS 1	Presentation of other comprehensive income	July 1, 2012
Amendments to IAS 12	Deferred tax: Recovery of underlying assets	January 1, 2012
Amendments to IAS 19	Employee benefits	January 1, 2013
Amendments to IAS 27	Separate financial statements	January 1, 2013
Amendments to IAS 28	Investments in associates and joint ventures	January 1, 2013
Amendments 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

Note: Unless otherwise noted, the above new and revised standards, amendments and interpretations are effective for annual periods beginning on or after the respective effective dates.

Since the FSC has not announced the effective date for the above new and revised Standards, Amendments and Interpretations, it is not practicable to provide a reasonable estimate of the impact of the initial application of the Standards, Amendments and Interpretations on the financial position and results of the Group until a detailed review has been completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICY

On May 14, 2009, the FSC announced the "Framework for the Adoption of IFRSs by Companies in the ROC." In this framework, starting 2013, companies with shares listed on the Taiwan Stock Exchange or traded on the Taiwan GreTai Securities Market or Emerging Stock Market should prepare their consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, and Interpretations approved by the FSC.

The consolidated financial statements of the Company and its entire controlled subsidiaries are the first IFRS interim financial statements for part of the period covered by its first IFRS financial statements, the consolidated financial statements for 2013. The date of transition to IFRSs was January 1, 2012. Refer to Note 37 for the impact of IFRS conversion on the consolidated financial statements.

Statement of Compliance

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

Basis of Presentation

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

The opening consolidated balance sheets as of the date of transition to IFRSs was prepared in accordance with IFRS 1 "First-time Adoption of International Financial Reporting Standards". The applicable IFRSs have been applied retrospectively by the Group except for some aspects where other IFRSs prohibit retrospective application and specified areas where IFRS 1 grants limited exemptions from the requirements of other IFRSs. For the exemptions that the Group elected, refer to Note 37. The significant accounting policies are set out as below.

Classification of Current and Non-current Assets and Liabilities

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

Basis of Consolidation

a. Principles for preparing consolidated financial statements

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (i.e. its subsidiaries). Control is achieved when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intra-group transactions, balances, income and expenses are eliminated upon consolidation.

Non-controlling interests are presented in the consolidated balance sheets within equity, separately from the equity of the owners of the Company.

Attribution of total comprehensive income to non-controlling interests

Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

b. Subsidiaries included in consolidated financial statement

The consolidated entities as of March 31, 2013, December 31, 2012, March 31, 2012 and January 1, 2012 were as follows:

			% of Ownership				
Investor	**Investee**	**Main Businesses**	**March 31, 2013**	**December 31, 2012**	**March 31, 2012**	**January 1, 2012**	**Remark**
Sinyi Realty Inc.	Sinyi Limited	Investment holding	100	100	100	100	
	Da-Chia Construction Co., Ltd. (Da-Chia Construction)	Construction	100	100	100	100	
	Sinyi International Limited (Sinyi International)	Investment holding	100	100	100	100	
	Han-Chiang Development & Construction Co., Ltd. (Han-Chiang Construction)	Real estate development and construction	-	-	-	-	Note 1
	Global Asset Management Co., Ltd. (Global)	Real estate brokerage	100	100	100	100	
	Jui-Inn Consultants Co., Ltd. (Jui-Inn)	Management consulting	100	100	100	100	
	Shin Cheng Property Insurance Agency Co., Ltd. (Shin Cheng)	Property insurance agency	100	100	100	100	
	Sinyi Culture Publishing Inc. (Sinyi Culture)	Publication	99	99	99	99	
	An-Sin Real Estate Management Ltd. (An-Sin)	Real estate management	51	51	51	51	
Sinyi Limited	Ke Wei HK Realty Limited (Ke Wei HK)	Investment holding	95	95	95	95	
	Inane International Limited (Inane)	Investment holding	100	100	100	100	
Inane	Shanghai Sinyi Real Estate Inc. (Shanghai Sinyi Real Estate)	Real estate brokerage	100	100	100	100	
	Beijing Sinyi Real Estate Ltd. (Beijing Sinyi)	Real estate brokerage and management consulting	100	100	100	100	
	Shanghai Sinyi Limited Corporation of Land Administration and Real Estate Counseling (Shanghai Sinyi of Land Administration and Real Estate Counseling)	Real estate brokerage	100	100	100	100	
	Chengdu Sinyi Real Estate Co., Ltd. (Chengdu Sinyi)	Real estate brokerage and management consulting	80	80	80	80	
	Qingdao Chengjian & Sinyi Real Estate Co., Ltd. (Qingdao Sinyi)	Real estate brokerage and management consulting	80	80	80	80	
	Max Success International Limited (Max Success)	Investment holding	100	100	100	100	

(Continued)

Investor	Investee	Main Businesses	% of Ownership March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012	Remark
Shanghai Sinyi Real Estate	Zhejiang Sinyi Real Estate Co., Ltd. (Zhejiang Sinyi)	Real estate brokerage and management consulting	38	38	38	38	
	Suzhou Sinyi Real Estate Inc. (Suzhou Sinyi)	Real estate brokerage and management consulting	2	2	19	19	Note 2
Max Success	Zhejiang Sinyi	Real estate brokerage and management consulting	62	62	62	62	
	Suzhou Sinyi	Real estate brokerage and management consulting	98	98	81	81	Note 2
Ke Wei HK	Ke Wei Shanghai Real Estate Management Consulting Inc. (Ke Wei Shanghai)	Real estate brokerage and management consulting	100	100	100	100	
Ke Wei Shanghai	Shanghai Shin Cheng Real Estate Brokerage Inc. (Shanghai Shin Cheng)	Real estate brokerage	99	99	99	99	
Sinyi International	Forever Success International Limited (Forever Success)	Investment holding	100	100	100	100	
	Sinyi Realty Inc. Japan (Japan Sinyi)	Real estate brokerage, management and identification	100	100	100	100	
	Sinyi Development Limited	Investment holding	100	100	-	-	Note 3
Forever Success	Shanghai Shang Tuo Investment Management Consulting Inc. (Shanghai Shang Tuo)	Real estate brokerage and management consulting	100	100	100	100	
An-Sin	An-Shin Real Estate Management Ltd. (An-Shin)	Real estate management	100	100	100	100	
Japan Sinyi	Richesse Management Co., Ltd. (Richesse Management)	Real estate brokerage	100	100	100	100	
Sinyi Development Limited	Sinyi Real Estate (Hong Kong) Limited	Investment holding	100	100	-	-	Note 3

(Concluded)

Note 1: The Company acquired 100% equity interest in Han-Chiang Construction with the price $34,627 thousand in June 2012, and merged with Han-Chiang Construction by short-form merger in July 2012.

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

Note 3: Incorporated in November 2012, with capital collected in advance US$26,496 thousand. For the three months ended March 31, 2013, the capital was increased by US$4,619 thousand and as of March 31, 2013, total capital collected in advance was US$31,115 thousand.

Note 4: The financial statements of the consolidated entities had been reviewed by the independent accounts, except for those of Sinyi International, Sinyi Development Limtied and Sinyi Real Estate (Hong Kong) Limited as of and for the three months ended March 31, 2013.

Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date (i.e., the day when the Group obtains control) fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

At the acquisition, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date.

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

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. Functional currency is the currency of the primary economic environment in which the entity operates. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. 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. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Exchange differences arising on the retranslation of non-monetary assets (such as equity instruments) or liabilities measured at fair value at the rates prevailing at the end of reporting period are included in profit or loss for the period except for exchange differences arising on 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.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations 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, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising are recognized in other comprehensive income and accumulated in equity attributed to the owners of the Company and non-controlling interests as appropriate.

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.

Inventories

Inventories are real estate to be developed.

The real estate to be developed is the land use right reclassified as construction in process when the Group has positive intention to construct.

Before acquiring land use right and before completing the construction, the interest incurred on land payment and the actual construction cost are capitalized as cost of land use right and as development costs, respectively.

Investment in Associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee without having control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated 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 Group's share of the profit or loss and other comprehensive income of the associate. The Group also recognizes the Group's share of the changes in equity of associates attributable to the Group.

When the Group 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 Group's proportionate interest in the associate. The Group records such a difference as an adjustment to investments with the corresponding amount charged or credited to capital surplus. If the Group's ownership interest is reduced due to the non-proportionate 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.

Property, Plant, and Equipment

Property, plant and equipment are tangible items that are held for own use or for administrative purposes, and are expected to be used during more than one period. Property, plant and equipment are recognized if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably, and stated at cost, less subsequent accumulated depreciation and subsequent accumulated impairment loss.

Freehold land is not depreciated.

Depreciation is recognized so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. 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 in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. 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.

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, in which case, the land is regarded as held for capital appreciation.

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 so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. 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.

Goodwill

Goodwill recognized on acquisition of a business is carried at the cost established at the date of acquisition of the business less accumulated impairment loss.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is 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. 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 on goodwill is recognized directly in profit or loss. An impairment loss recognized on goodwill is not reversed in subsequent periods.

Intangible Assets

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 over their estimated useful lives. 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 being accounted for on a prospective basis which is in accordance with IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”. The residual value of an intangible asset with a finite useful life shall be assumed to be zero unless the Group expects to dispose of the intangible asset before the end of its economic life.

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.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. 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.

Impairment of Tangible and Intangible Assets Other Than Goodwill

At the end of each reporting period, the Group 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. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to the individual cash-generating units; otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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 subsequently is 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 immediately in profit or loss.

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.

<u>Financial assets</u>

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

a. Measurement category

   Financial assets are classified into the following specified categories: Financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

   The categories of financial assets held by the Company are as follows:

   1) 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.

      A financial asset is classified as held for trading if:

      - It has been acquired principally for the purpose of selling it in the near term; or
      - On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
      - It is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition when doing so results in more relevant information and if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

- The financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis.

In addition, if a contract contains one or more embedded derivatives, the entire combined contract (asset or liability) can be 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. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the other gains and losses line item. Fair value is determined in the manner described in Note 29.

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 recognized in a separate line item as financial assets carried at cost. The financial assets are measured at fair value if they can be carried at fair value subsequently. The difference between the carrying amount and the fair value is recognized in profit or loss.

2) 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.

Fair value is determined in the manner described in Note 29.

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 accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss that was previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

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 recognized in a separate line item as financial assets carried at cost. If, in a subsequent period, the fair value of the financial assets cannot 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.

3) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. 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. Interest income is recognized by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

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 certain categories of financial assets, 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, an increase in the number of delayed payments as well as observable changes in national or local economic conditions that correlate with default on receivables.

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; or
- Breach of contract, such as a default or delinquency in interest or principal payments; or
- 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 is not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognized in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, 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 accounts receivable 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.

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 and accumulated in equity is recognized in profit or loss.

Financial liabilities

a. Subsequent measurement

All the financial liabilities are measured at amortized cost using the effective interest method, less any impairment.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

b. Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Derivative financial instruments

The Company enters into a derivative financial instrument which is a foreign exchange forward contract to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group 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.

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.

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 Group; and

c. The degree of completion of transaction can be measured reliably at the end of the reporting period.

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

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 Group 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 Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

Leasing

Lease contracts have been classified as financing lease and operating lease in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, IAS 17 and Interpretation No. 4 approved by the FSC.

The Company leases has operating. Rental payments and income from operating lease are recognized as operating expense and rental income, respectively, on a straight-line basis over the lease term.

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, with actuarial valuations being carried out at the end of each reporting period. 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, past service cost 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 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.

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

Taxation

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

Current tax

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

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.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated 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 if 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, except where the Group 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 the differences 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 Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the period

Current tax 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 tax 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 Group's accounting policies, which are described in Note 4, 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 to be 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.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimated Impairment of Trade Receivables

When there is objective evidence of impairment loss, the Group 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.

The carrying amount of trade receivables and allowance are disclosed in Note 10.

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.

The Company did not recognize any impairment loss on tangible and intangible assets other than goodwill for the three months ended March 31, 2013 and 2012, respectively.

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.

Please refer to Note 21 for the amount of provision.

Income Tax

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.

Fair Value of Derivatives and Other Financial Instruments

The fair value of derivatives and other financial instruments that are not traded in active market is determined by using valuation techniques. The fair of a financial instrument is evaluated by the use of similar financial instrument's observable data or model. If there are no available observable data, the fair value of financial instruments is determined by making appropriate assumptions. Valuation techniques commonly used by market practitioners are applied. For derivative financial instruments, assumptions were based on quoted market rates adjusted for specific features of the instruments.

Useful Lives of Property, Plant and Equipment

As described in Note 4 above, the Group reviews the estimated useful lives of property, plant and equipment at each balance sheet date.

6. CASH AND CASH EQUIVALENTS

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Cash on hand	$ 39,433	$ 38,248	$ 33,206	$ 32,986
Checking accounts and demand deposits	1,195,411	1,780,468	637,400	510,628
Cash equivalents	2,513,671	375,718	162,145	726,531
	$ 3,748,515	$ 2,194,434	$ 832,751	$ 1,270,145

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

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Interest rates range	0.17%-0.935%	0.17%-0.935%	0.17%-0.935%	0.17%-0.935%

As of March 31, 2013, December 31 2012, March 31, 2012 and January 1, 2012, the carrying amounts of time deposits with original maturities more than three months were $140,200 thousand, $248,700 thousand, $225,000 thousand and $229,000 thousand, respectively, which were classified as other financial assets - current (Note 11).

7 FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Financial assets held for trading				
Derivative financial assets (not under hedge accounting)				
Foreign exchange forward contracts	$ 1,799	$ -	$ -	$ -
Non-derivative financial assets				
Domestic quoted shares	22,918	23,298	22,791	23,235
Mutual funds	287,552	52,236	585,205	487,521
	310,470	75,534	607,996	510,756
	$ 312,269	$ 75,534	$ 607,996	$ 510,756

The Group entered into foreign exchange forward contracts during the three months ended March 31, 2013 to manage exposures due to exchange rate fluctuations of foreign currency denominated assets. However, those contracts did not meet the criteria of hedge effectiveness and therefore were not accounted for by using hedge accounting.

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

	March 31, 2013		
	Currency	Maturity Date	Notional Amount (In Thousands)
Forward Contract	Buy USD/Sell RMB	2013.06.06-2013.06.07	USD16,000/RMB99,964

December 31, 2012: None

March 31, 2012: None

January 1, 2012: None

8. AVAILABLE-FOR-SALE FINANCIAL ASSETS - CURRENT

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Domestic investments				
Quoted shares	$ 228,645	$ 223,241	$ 221,676	$ 178,572
Foreign investments				
Quoted shares	446,204	384,910	348,384	293,354
Mutual funds	1,290	1,256	1,276	4,337
	447,494	386,166	349,660	297,691
Available-for-sale financial assets	$ 676,139	$ 609,407	$ 571,336	$ 476,263

9. FINANCIAL ASSETS MEASURED AT COST - NON-CURRENT

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Domestic unlisted common shares	$ 135,135	$ 79,801	$ 103,487	$ 103,487
Overseas unlisted common shares	50,147	48,839	49,489	50,597
	$ 185,282	$ 128,640	$ 152,976	$ 154,084

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

10. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Notes receivable and trade receivables				
Notes receivable - operating	$ 57,243	$ 55,517	$ 30,962	$ 43,904
Trade receivables	1,051,081	862,350	834,634	654,199
Less: Allowance for doubtful accounts	(31,754)	(31,599)	(42,198)	(38,650)
	$ 1,076,570	$ 886,268	$ 823,398	$ 659,453
Other receivables				
Receivable - tender deposit	$ -	$ 301,475	$ -	$ -
Others	59,420	55,826	65,599	60,620
Less: Allowance for doubtful accounts	(6,562)	(6,562)	(4,821)	(4,821)
	$ 52,858	$ 350,739	$ 60,778	$ 55,799

a. Trade receivables

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

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

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

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

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
61-90 days	$ 18,996	$ 4,130	$ 1,165	$ 5,389
91-180 days	11,098	13,164	2,417	25,149
181-360 days	5,783	2,692	16,201	12,851
Over 360 days	3,271	11,733	1,816	-
	$ 39,148	$ 31,719	$ 21,599	$ 43,389

Above analysis was based on the billing date.

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

	2013		2012	
	Trade Receivables	Other Receivables	Trade Receivables	Other Receivables
Balance at January 1	$ 31,599	$ 6,562	$ 38,650	$ 4,821
Add (deduct): Impairment losses recognized (reversed) on receivables	(98)	-	3,694	-
Foreign exchange translation gains and losses	253	-	(146)	-
Balance at March 31	$ 31,754	$ 6,562	$ 42,198	$ 4,821

b. Other receivables

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

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

11. OTHER FINANCIAL ASSETS - CURRENT

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Time deposits with original maturity more than three months (a)	$ 140,200	$ 248,700	$ 225,200	$ 229,000
Restricted assets - current (b)	108,113	107,961	107,743	107,718
	$ 248,313	$ 356,661	$ 332,943	$ 336,718

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

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Time deposits with original maturity more than three months	1.09%-1.355%	1.08%-1.355%	1.08%-1.355%	1.08%-1.355%

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

12. INVENTORIES

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Prepayment for land purchase				
Malu Town, Jiading District, Shanghai	$ 480,631	$ 467,980	$ -	$ -

Inventories were the land which the Group won the bid in 2012, located in Malu town, Jiading district, Shanghai, China. Please refer to Note 32.

13. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Investments in associates	$ 3,810	$ 3,528	$ 3,411	$ 2,913

a. Investments in associates

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Unlisted company				
Sinyi Interior Design Co., Ltd.	$ 3,810	$ 3,528	$ 3,411	$ 2,913

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

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

The summarized financial information in respect of the Group's associate was set out below:

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Total assets	$ 50,123	$ 45,861	$ 46,507	$ 37,615
Total liabilities	$ 51	$ 50	$ 50	$ 50

	Three Months Ended March 31	
	2013	2012
Revenue	$ -	$ -
Profit for the period	$ (3)	$ (6)
Other comprehensive income	$ 4,264	$ 8,899

14. PROPERTY, PLANT AND EQUIPMENT

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Carrying amounts				
Freehold land	$ 2,670,039	$ 2,670,039	$ 2,670,039	$ 2,648,984
Buildings	351,050	353,718	361,723	359,956
Transportation equipment	3,812	4,055	2,333	2,652
Office equipment	94,016	101,473	118,498	126,886
Leased assets	-	-	-	-
Leasehold improvements	108,444	117,683	145,611	164,657
Other equipment	22,741	25,215	48,419	56,765
Prepayments for equipment	272,714	10,737	5,005	4,720
	$ 3,522,816	$ 3,282,920	$ 3,351,628	$ 3,364,620

	Three Months Ended March 31, 2013								
	Freehold land	Buildings	Transportation Equipment	Office Equipment	Leased Assets	Leasehold Improvements	Other Equipment	Prepayments for Equipment	Total
Cost									
Balance, beginning of period	$ 2,670,039	$ 418,777	$ 8,016	$ 267,163	$ 4,671	$ 372,907	$ 166,762	$ 10,737	$ 3,919,072
Additions	-	-	-	2,151	-	5,283	446	261,839	269,719
Disposals	-	-	-	(526)	-	(80)	-	-	(606)
Effect of foreign currency exchange differences	-	-	128	959	-	2,160	-	138	3,385
Balance, end of period	2,670,039	418,777	8,144	269,747	4,671	380,270	167,208	272,714	4,191,570
Accumulated depreciation									
Balance, beginning of period	$ -	$ 65,059	$ 3,961	$ 165,690	$ 4,671	$ 255,224	$ 141,547	$ -	$ 636,152
Depreciation expense	-	2,668	322	9,926	-	14,863	2,920	-	30,699
Disposals	-	-	-	(515)	-	(80)	-	-	(595)
Effect of foreign currency exchange differences	-	-	49	630	-	1,819	-	-	2,498
Balance, end of period	-	67,727	4,332	175,731	4,671	271,826	144,467	-	668,754
Net book value, end of period	$ 2,670,039	$ 351,050	$ 3,812	$ 94,016	$ -	$ 108,444	$ 22,741	$ 272,714	$ 3,522,816

	Three Months Ended March 31, 2012								
	Freehold land	Buildings	Transportation Equipment	Office Equipment	Leased Assets	Leasehold Improvements	Other Equipment	Prepayments for Equipment	Total
Cost									
Balance, beginning of period	$ 2,648,984	$ 414,158	$ 6,907	$ 259,735	$ 4,671	$ 354,863	$ 165,543	$ 4,720	$ 3,859,581
Additions	-	-	-	2,147	-	4,153	550	285	7,135
Reclassifications	21,055	4,619	-	244	-	(244)	-	-	25,674
Disposals	-	-	(1,380)	(734)	-	(2,714)	-	-	(4,828)
Effect of foreign currency exchange differences	-	-	(77)	(960)	-	(1,992)	-	-	(3,029)
Balance, end of period	2,670,039	418,777	5,450	260,432	4,671	354,066	166,093	5,005	3,884,533
Accumulated depreciation									
Balance, beginning of period	-	54,202	4,255	132,849	4,671	190,206	108,778	-	494,961
Depreciation expense	-	2,632	233	10,310	-	21,941	8,896	-	44,012
Reclassifications	-	220	-	8	-	(8)	-	-	220
Disposals	-	-	(1,313)	(704)	-	(2,476)	-	-	(4,493)
Effect of foreign currency exchange differences	-	-	(58)	(529)	-	(1,208)	-	-	(1,795)
Balance, end of period	-	57,054	3,117	141,934	4,671	208,455	117,674	-	532,905
Net book value, end of period	$ 2,670,039	$ 361,723	$ 2,333	$ 118,498	$ -	$ 145,611	$ 48,419	$ 5,005	$ 3,351,628

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

Buildings	15-55 years
Transportation equipment	5 years
Office equipment	3-12 years
Leased assets	3 years
Leasehold improvements	3-5 years
Other equipment	3-5 years

a. As of March 31, 2013, prepayments for equipment were mainly the pre-sold property located in Suzhou City purchased by the Group. The transaction price has been paid according to the real estate sales contract.

b. There was no interest capitalized during the three months ended March 31, 2013 and 2012.

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

15. INVESTMENT PROPERTIES

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Land	$ 2,048,638	$ 2,062,510	$ 2,064,196	$ 2,085,251
Buildings	807,018	798,107	822,220	844,910
	$ 2,855,656	$ 2,860,617	$ 2,886,416	$ 2,930,161

	Three Months Ended March 31					
	2013			2012		
	Land	Buildings	Total	Land	Buildings	Total
Cost						
Balance, beginning of period	$ 2,081,392	$ 890,089	$ 2,971,481	$ 2,104,156	$ 918,759	$ 3,022,915
Disposals	(17,739)	(1,903)	(19,642)	-	-	-
Reclassifications	-	-	-	(21,055)	(4,619)	(25,674)
Effect of foreign currency exchange differences	-	16,291	16,291	-	(13,803)	(13,803)
Balance, end of period	2,063,653	904,477	2,968,130	2,083,101	900,337	2,983,438
Accumulated depreciation						
Balance, beginning of period	-	90,983	90,983	-	72,428	72,428
Depreciation expense	-	4,973	4,973	-	4,947	4,947
Disposals	-	(160)	(160)	-	-	-
Reclassifications	-	-	-	-	(220)	(220)
Effect of foreign currency exchange differences	-	1,009	1,009	-	(459)	(459)
Balance, end of period	-	96,805	96,805	-	76,696	76,696
Accumulated impairment						
Balance, beginning of period	18,882	999	19,881	18,905	1,421	20,326
Reversal of impairment losses	(3,867)	(345)	(4,212)	-	-	-
Balance, end of period	15,015	654	15,669	18,905	1,421	20,326
Net book value, end of period, net	$ 2,048,638	$ 807,018	$ 2,855,656	$ 2,064,196	$ 822,220	$ 2,886,416

The investment properties held by the Group are depreciated over estimated useful lives of 9-56 years, using the straight-line method.

The fair value of the Group's investment properties as of March 31, 3013, December 31, 2012, March 31, 2012 and January 1, 2012 was $9,279,949 thousand, $8,760,693 thousand, $8,529,138 thousand and $8,539,110 thousand, respectively. The fair value valuation had not been performed by independent qualified professional valuers; however, the management of the Group used the valuation model that market participants generally use in determining the fair value. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

All of the Group's investment property was held under freehold interests. The carrying amounts of the investment properties that had been pledged by the Group to secure borrowings were reflected in Note 31.

16. OTHER INTANGIBLE ASSETS

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Franchise (Note 33)	$ 60,435	$ 59,399	$ 61,863	$ 64,238
Goodwill	9,621	9,621	-	-
System software costs	19,921	20,416	23,613	26,185
	$ 89,977	$ 89,436	$ 85,476	$ 90,423

	Three Months Ended March 31, 2013			
	Franchise	Goodwill	System Software Costs	Total
Cost				
Balance, beginning of period	$ 88,733	$ 9,621	$ 70,302	$ 168,656
Additions				
Acquisitions	-	-	3,200	3,200
Effect of foreign currency exchange differences	2,399	-	-	2,399
Balance, end of period	91,132	9,621	73,502	174,255
Accumulated amortization				
Balance, beginning of period	29,334	-	49,886	79,220
Amortization expense	563	-	3,695	4,258
Effect of foreign currency exchange differences	800	-	-	800
Balance, end of period	30,697	-	53,581	84,278
Net book value, end of period, net	$ 60,435	$ 9,621	$ 19,921	$ 89,977

	Three Months Ended March 31, 2012			
	Franchise	Goodwill	System Software Costs	Total
Cost				
Balance, beginning of period	$ 92,507	$ -	$ 62,271	$ 154,778
Additions				
Acquisitions	-	-	1,129	1,129
Effect of foreign currency exchange differences	(2,337)	-	-	(2,337)
Balance, end of period	90,170	-	63,400	153,570
Accumulated amortization				
Balance, beginning of period	28,269	-	36,086	64,355
Amortization expense	756	-	3,701	4,457
Effect of foreign currency exchange differences	(718)	-	-	(718)
Balance, end of period	28,307	-	39,787	68,094
Net book value, end of period, net	$ 61,863	$ -	$ 23,613	$ 85,476

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

17. LONG-TERM RECEIVABLES

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Shin Hau Real Estate Co., Ltd.	$ 219,169	$ 214,237	$ -	$ -

Long-term accounts receivable from Shin Hau Real Estate Co., Ltd. are financing for business activities. Under the loan agreement, Shin Hau Real Estate Co., Ltd. provided with the land located in Da-an District, Taipei City as collateral; the loan and interests should be fully paid before April 30, 2015. Information on the financing for the three months ended March 31, 2013 and 2012 was as follows:

	Three Months Ended March 31, 2013				
	Highest Balance During the Period	Amount	Interest Rate %	Interest Income	Interest Receivable
Shin Hau Real Estate Co., Ltd.	$ 200,000	$ 200,000	10%	$ 4,932	$ 19,169

Three months ended March 31, 2012: None.

18. OTHER ASSETS

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Prepaid expenses	$ 49,562	$ 53,728	$ 71,915	$ 64,901
Temporary payments	3,725	2,094	2,845	2,237
Overdue receivables	3,385	3,537	2,699	2,313
Others	3,537	3,548	3,536	3,552
	$ 60,209	$ 62,907	$ 80,995	$ 73,003
Current	$ 54,934	$ 57,480	$ 76,406	$ 68,800
Non-current	5,275	5,427	4,589	4,203
	$ 60,209	$ 62,907	$ 80,995	$ 73,003

19. BORROWINGS

a. Short-term borrowings

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Secured borrowings				
Bank loans (1)	$ 71,364	$ 69,302	$ 250,326	$ 72,073
Unsecured borrowings				
Loans from related parties (2) (Note 30)	64,228	62,372	63,293	57,658
	$ 135,592	$ 131,674	$ 313,619	$ 129,731

1) The interest rates on the bank loans for the three months ended March 31, 2013 and 2012 were 6.9% and 1.20%-7.872% per annum, respectively.

2) Interest rates of the loans from related parties were 3.75%-6.10% and 4.68%-6.10% for the three months ended March 31, 2013 and 2012, respectively.

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

b. Long-term borrowings

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Secured borrowings				
Bank loans	$ 2,142,229	$ 700,000	$ -	$ -
Unsecured borrowings				
Bank loans	200,000	-	-	-
Less: Current portion	(141,316)	-	-	-
Long-term borrowings	$ 2,200,913	$ 700,000	$ -	$ -

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

	Content of Borrowings	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
E.Sun Bank	Long-term borrowings: $1,050,000 thousand; period: February 6, 2013 to February 5, 2020; fixed interest rate of 2.0%; Interest and equal principal payments are paid monthly.	$ 1,042,229	$ -	$ -	$ -
E.Sun Bank	Long-term borrowings: $1,000,000 thousand; period: December 27, 2012 to December 26, 2014; fixed interest rate of 1.6%; interest is paid monthly and principal is repaid at maturity.	1,000,000	700,000	-	-
East Asia Bank	Long-term borrowings: $100,000 thousand; period: February 4, 2013 to February 3, 2016; fixed interest rate of 2.5%. Total 7 quarterly installments beginning 18 months after February 4, 2013; 5% of principal for each of the first six installments, while the rest will be paid at maturity.	100,000	-	-	-
Shanghai Commercial & Savings Bank	Long-term borrowings: $200,000 thousand; period: March 22, 2013 to March 21, 2016; 1st-year interest rate is based on Post Office two-year deposit floating interest rate plus a margin of 0.425%; the interest rate from the 2nd year is based on Post Office two-year deposit floating interest rate plus a margin of 0.65% (but annual interest rate is no less than 2%); interest is paid monthly and principal is repaid at maturity.	200,000	-	-	-
Total long-term borrowings		$ 2,342,229	$ 700,000	$ -	$ -

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

20. OTHER LIABILITIES

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Accrued expenses	$ 1,680,533	$ 1,969,216	$ 1,192,484	$ 1,659,805
Loans from related parties (Note 30)				
Loans	64,228	62,372	63,293	57,658
Interest payable	7,235	6,252	3,591	2,818
Other payables to related parties	-	-	-	5
Other financial liabilities	300,477	174,797	188,513	146,842
Performance bonus	626,064	890,252	857,635	1,041,914
Others	112,161	120,310	85,414	99,117
	$ 2,790,698	$ 3,223,199	2,390,930	$ 3,008,159

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Current				
Other payables	$ 1,680,533	$ 1,969,216	$ 1,192,484	$ 1,659,805
Other payables to related parties	$ 71,463	$ 68,624	$ 66,884	$ 60,481
Other financial liabilities	$ 300,477	$ 174,797	$ 188,513	$ 146,842
Other liabilities	$ 112,161	$ 120,310	$ 85,414	$ 99,117
Non-current				
Other liabilities	$ 626,064	$ 890,252	$ 857,635	$ 1,041,914

a. Accrued expenses were as follows:

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Performance bonus and salaries	$ 1,327,754	$ 1,609,238	$ 907,222	$ 1,336,405
Advertisement	86,426	105,017	50,808	81,654
Labor and health insurance	62,101	63,060	43,161	44,627
Payable for annual leave	58,296	52,246	61,670	57,363
Professional fees	24,023	26,897	30,405	31,526
Employees bonuses and compensation to directors	32,462	23,652	24,140	21,517
Others	89,471	89,106	75,078	86,713
	$ 1,680,533	$ 1,969,216	$ 1,192,484	$ 1,659,805

Employees and senior management who meet the performance standards under the bonus rules are eligible for performance bonuses. Performance bonuses to be paid one year later are recorded as other liabilities - others. The performance bonuses payable under other liabilities - others amounted to $626,064 thousand, $890,252 thousand, $857,635 thousand and $1,041,914 thousand as of March 31, 2013, December 31, 2012, March 31, 2012 and January 1, 2012.

b. Other financial liabilities

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Receipts under custody from real estate transactions	$ 227,803	$ 90,519	$ 108,853	$ 61,025
Other receipts under custody	40,878	58,291	32,365	39,648
Compensation payable	-	-	20,000	20,000
Payable on equipment	5,797	3,326	6,578	7,926
Receipts under custody - escrow service	1,655	1,720	1,114	1,188
Others	24,344	20,941	19,603	17,055
	$ 300,477	$ 174,797	$ 188,513	$ 146,842

1) Receipts under custody from real estate transactions were the money received by real estate brokers - Shanghai Sinyi Real Estate, Zhejing Sinyi, Suzhou Sinyi, Beijing Sinyi, Chengdo Sinyi and Qingdao Sinyi from buyers that had concluded transactions, but not yet transferred to the sellers.

2) The Group was involved in claims and legal proceedings that arise in the ordinary course of business. Based on an unfavorable judgment of the Taipei District Court, the Group recognized compensation loss of $20,000 thousand in 2009. The Group had placed a total of $20,000 thousand as guarantee deposits, classified as refundable deposit on December 31, 2011. The Group appealed to the Taiwan High Court and won the lawsuit in July 2012; the plaintiff gave up appeal.

3) Receipts under custody from escrow service were the money received by An-Sin from buyers but not yet transferred to the sellers. Composition was as follows:

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Receipts under custody - escrow service	$ 14,683,656	$ 11,069,385	$ 8,431,153	$ 7,491,033
Interest payable	17,572	17,238	7,414	7,442
Deposit accounts	(14,698,680)	(11,084,172)	(8,437,046)	(7,496,498)
Interest receivable	(893)	(731)	(407)	(789)
	$ 1,655	$ 1,720	$ 1,114	$ 1,188

1) Receipts under custody - performance guarantee were receipts under custody from sellers with interest rate of 0.17%-0.26%, 0.17%-0.26%, 0.26% and 0.17%-0.26% as of March 31, 2013, December 31, 2012, March 31, 2012 and January 1, 2012.

2) Deposit accounts were receipts which had been paid by buyers but not transferred to the sellers yet. The Group deposited these receipts in bank accounts in order to earn interest for sellers.

21. PROVISIONS

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Service revenue allowances	$ 67,148	$ 61,889	$ 49,484	$ 43,388
Current	$ 63,763	$ 58,352	$ 46,785	$ 41,075
Non-current	3,385	3,537	2,699	2,313
	$ 67,148	$ 61,889	$ 49,484	$ 43,388

	Service Allowances
Balance, January 1, 2013	$ 61,889
Additional provisions recognized	6,920
Reversal of unused balances	(1,621)
Effect of foreign currency exchange differences	(40)
Balance, March 31, 2013	$ 67,148
Balance, January 1, 2012	$ 43,388
Additional provisions recognized	5,776
Reclassifications	386
Effect of foreign currency exchange differences	(66)
Balance, March 31, 2012	$ 49,484

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

22. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The pension plan under the Labor Pension Act (the "LPA") is a defined contribution plan. Based on the LPA, the Company, An-Sin, Global, Da-Chia Construction and Jui-Inn make monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

The employees of the Group's subsidiary are members of a state-managed retirement benefit plan operated by local government. The subsidiary is required to contribute amounts calculated at a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions to the fund.

Sinyi Limited, Sinyi International, Forever Success, Inane, Ke Wei HK, Max Success, Sinyi Development Limited, Sinyi Real Estate (Hong Kong) Limited, An-Shin, Shin Cheng and Sinyi Culture have no full-time employees. Thus, there are no related pension obligations or pension costs.

The total expenses recognized in the consolidated statement of comprehensive income were $33,587 thousand and $31,277 thousand, representing the contributions payable to these plans by the Group at the rates specified in the plans for the three months ended March 31, 2013 and 2012, respectively. As of March 31, 2013, December 31, 2012, March 31, 2012 and January 1, 2012, the amounts of contributions payable were $35,479 thousand, $36,995 thousand, $11,440 thousand and $22,499 thousand, respectively, representing contributions not yet paid for the reporting period. The amounts were paid subsequent to the end of the reporting period.

b. Defined benefit plans

Based on the defined benefit plan under the Labor Standards Law (the "LSL"), pension benefits are calculated on the basis of the length of service and average monthly salaries of the six months before retirement. The Company and An-Sin contributed 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 Bank of Taiwan in the committee's name.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at December 31, 2012 by Mr. George Yeh. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	Valuation at	
	December 31, 2012	**January 1, 2012**
Discount rates	1.625%	1.75%
Expected return on plan assets	1.875%	2.00%
Expected rates of salary increase	2.25%-3.00%	2.25%-3.00%

Employee benefit expenses recognized in profit or loss in respect of these defined benefit plans were as follows:

	Three Months Ended March 31	
	2013	2012
Operating cost	$ 700	$ 337
Operating expense	$ 67	$ 110

The amounts included in the consolidated balance sheets in respect of the obligations of the Company and An-Sin under the defined benefit plans were as follows:

	December 31, 2012	January 1, 2012
Present value of funded defined benefit obligation	$ 434,745	$ 403,375
Fair value of plan assets	(468,373)	(448,195)
Deficit	(33,628)	(44,820)
Past service cost not yet recognized	-	-
Defined benefit assets	$ (33,628)	$ (44,820)

The percentages for the major categories of plan assets at December 31, 2012 and January 1, 2012 were as follows:

	December 31, 2012	January 1, 2012
Equity instruments	38%	41%
Cash	23%	23%
Debt instruments	22%	20%
Fixed Income	16%	16%
Others	1%	-
	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 Labor Pension Fund Supervision Committee, taking into consideration the effect of possible differences between the guaranteed minimum income and the return on local banks' two-year time deposits.

The Group chose to disclose the history of experience adjustments as the amounts determined for each accounting period prospectively from the date of transition to IFRSs:

	December 31, 2012	January 1, 2012
Present value of defined benefit obligation	$ (434,745)	$ (403,375)
Fair value of plan assets	$ 468,373	$ 448,195
Deficit	$ 33,628	$ 44,820
Experience adjustments on plan liabilities	$ (21,123)	$ -
Experience adjustments on plan assets	$ (4,664)	$ -

The Group expects to make a contribution of $5,454 thousand to the defined benefit plans during the next year from March 31, 2013.

23. EQUITY

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Share capital - ordinary shares	$ 4,655,713	$ 4,655,713	$ 4,392,182	$ 4,392,182
Capital surplus	63,896	63,896	63,896	63,896
Retained earnings	3,090,161	2,621,151	2,602,777	2,432,872
Other equity	148,803	(5,417)	(25,181)	(97,712)
Non-controlling interest	128,570	119,581	108,243	104,590
	$ 8,087,143	$ 7,454,924	$ 7,141,917	$ 6,895,828

Share Capital - Ordinary Shares

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Numbers of shares authorized (in thousands)	500,000	500,000	500,000	500,000
Shares authorized	$ 5,000,000	$ 5,000,000	$ 5,000,000	$ 5,000,000
Number of shares issued and fully paid (in thousands)	465,571	465,571	439,218	439,218
Shares issued	$ 4,655,713	$ 4,655,713	$ 4,392,182	$ 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

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Employee stock options	$ 63,896	$ 63,896	$ 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 and treasury stock transactions) 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 cash for present and future expansion plans, the Company follows a residual dividend policy which 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 three months ended March 31, 2013 and 2012, the bonus to employees was $5,525 thousand and $3,011 thousand, respectively, and the remuneration to directors was $2,218 thousand and $1,806 thousand, respectively. For the three months ended March 31, 2013, the bonus to employees and remuneration to directors represented 1.0% and 0.5%, respectively, of distributable retained earnings (net of the bonus and remuneration). For the three months ended March 31, 2012, the bonus to employees and remuneration to directors represented 1.0% and 0.6%, respectively, of distributable retained earnings (net of the bonus and remuneration). Material differences between such estimated amounts and the amounts proposed by the Board of Directors in the following year are adjusted for in the current year. If the actual amounts subsequently resolved by the shareholders differ from the proposed amounts, the differences are recorded in the year of shareholders' resolution as a change in accounting estimate. If a share bonus is resolved to be distributed to employees, the number of shares is determined by dividing the amount of the share bonus by the closing price (after considering the effect of cash and stock dividends) of the shares of the day immediately preceding the shareholders' meeting.

d. Under Rule No. 100116 and Rule No. 0950000507 issued by the FSC, an amount equal to the net debit balance of certain shareholders' equity accounts (including unrealized revaluation increment, unrealized gain or loss on financial instruments, net loss not recognized as pension cost, cumulative translation adjustments) 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 special reserve the total amount 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 enough for this appropriation, i.e. smaller than the total revaluation and translation amount, 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 to retained earnings 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 deficit in subsequent years. No appropriation of earnings shall be made until any shortage of the aforementioned special reserve is appropriated (i.e. the amount used to offset deficit is reverted back) in subsequent years when the company has earnings and if the original need to appropriate a special reserve is not eliminated.

f. Appropriation for legal reserve shall be made until it has reached the Company's paid-in capital. Legal reserve may be used to offset a 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 had been proposed in the board of directors' meeting held on March 26, 2013 and the appropriations of earnings for 2011 had been approved in the shareholders' meeting held on June 15, 2012. The appropriations and dividends per share were as follows:

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

i. The bonus to employees and the remuneration to directors for 2012 had been proposed in the board of directors' meeting held on March 26, 2013 and the bonus to employees and remuneration to directors for 2011 had been approved in the shareholders' meeting held on June 15, 2012. The amounts were as follows:

	For Year 2012		For Year 2011	
	Bonus to Employees	**Remuneration to Directors**	**Bonus to Employees**	**Remuneration to Directors**
Amounts proposed and approved	$ 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 proposed and approved amounts of the bonus to employees and the remuneration to directors and the accrual amounts reflected in the financial statements for the years 2012 and 2011 were primarily due to changes in estimates; they had been adjusted in profit and loss for the three months ended March 31, 2013 and 2012, respectively.

j. The appropriations of earnings for 2012 were proposed according to the Company's financial statements for the year ended December 31, 2012, which were prepared in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, and by reference to the balance sheet for the year ended December 31, 2012, which was prepared in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards. Thus, they are still subject to the resolution in the shareholders' meeting to be held on June 14, 2013.

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

Special Reserves Appropriated Following First-time Adoption of IFRSs

The Company had a decrease in retained earnings that resulted from all IFRSs adjustments; therefore, no special reserve was appropriated.

Others Equity Items

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Exchange differences on translating foreign operations	$ 14,106	$ (68,465)	$ (35,372)	$ -
Unrealized gains or losses from available-for-sale financial assets	134,697	63,048	10,191	(97,712)
	$ 148,803	$ (5,417)	$ (25,181)	$ (97,712)

a. Exchange differences on translating foreign operations

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

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

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

Non-controlling Interests

	Three Months Ended March 31	
	2013	2012
Balance, beginning of period	$ 119,581	$ 104,590
Net income attributed to non-controlling interests	9,600	3,894
Exchange differences on translating foreign operations	(611)	(241)
Balance, end of period	$ 128,570	$ 108,243

24. NET PROFIT FROM CONTINUING OPERATIONS

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

Interest Income

	Three Months Ended March 31	
	2013	2012
Interest income		
Cash in bank	$ 2,815	$ 1,722
Long-term receivables	4,932	-
Others	152	25
	$ 7,899	$ 1,747

Other Gains and Losses

	Three Months Ended March 31	
	2013	**2012**
Reversal of impairment loss of investment properties	$ 4,212	$ -
Gain on disposal of investments	3,270	748
Net gain (loss) on fair value change of financial assets held for trading	1,709	(788)
Losses on disposal of property, plant and equipment	(11)	(138)
Losses on disposal of investment properties	(116)	-
Net foreign exchange (losses) gains	(781)	332
Share of loss of associates and joint ventures	(1)	(1)
Others	10,397	1,123
	$ 18,679	$ 1,276

Financial Costs

	Three Months Ended March 31	
	2013	**2012**
Interest on bank loans	$ 7,308	$ 1,464
Interest on loans from related parties	787	845
	$ 8,095	$ 2,309

Depreciation and Amortization

	Three Months Ended March 31	
	2013	**2012**
Property, plant and equipment	$ 30,699	$ 44,012
Investment property	4,973	4,947
Intangible assets	4,258	4,457
	$ 39,930	$ 53,416
An analysis of depreciation by function		
Operating costs	$ 30,717	$ 41,777
Operating expenses	4,955	7,182
	$ 35,672	$ 48,959
An analysis of amortization by function		
Operating costs	$ 3,667	$ 3,803
Operating expenses	591	654
	$ 4,258	$ 4,457

Operating Expenses Directly Related to Investment Properties

	Three Months Ended March 31	
	2013	2012
Direct operating expenses from investment property that generated rental income	$ 9,936	$ 8,301
Direct operating expenses from investment property that did not generate rental income	38	56
	$ 9,974	$ 8,357

Employee Benefits Expense

	Three Months Ended March 31	
	2013	2012
Post-employment benefits (Note 22)		
Defined contribution plans	$ 33,587	$ 31,277
Defined benefit plans	767	447
	34,354	31,724
Other employee benefits	48,229	41,646
Total employee benefits expense	$ 82,583	$ 73,370
An analysis of employee benefits expense by function		
Operating costs	$ 52,229	$ 49,300
Operating expenses	30,354	24,070
	$ 82,583	$ 73,370

25. INCOME TAXES RELATING TO CONTINUING OPERATIONS

Income Tax Recognized in Profit or Loss

The major components of tax expense were as follows:

	Three Months Ended March 31	
	2013	2012
Current tax		
In respect of the current period	$ 107,515	$ 29,934
Deferred tax		
In respect of the current period	14,519	20,094
Income tax expense recognized in profit or loss	$ 122,034	$ 50,028

Integrated Income Tax

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Unappropriated earnings generated on and after January 1, 1998	$ 1,814,289	$ 1,345,279	$ 1,457,854	$ 1,287,949
Imputation credits account	$ 226,428	$ 226,411	$ 266,926	$ 266,830

The creditable ratio for distribution of earnings of 2011 was 20.52%

For distribution of earnings generated after January 1, 1998, the ratio for the imputation credits allocated to shareholders of the Company was based on the balance of the ICA as of the date of dividend distribution.

The estimated creditable ratio for distribution of earnings of 2012 was 20.87%. The expected creditable ratio for the 2012 earnings may be adjusted, depending on the ICA balance on the date of dividend distribution.

Income Tax Assessments

Except for year 2009, the Company's tax returns through 2010 have been assessed by the tax authorities. An-Sin, Da-Chia Construction, Jui-Inn, Shin Cheng and Sinyi Culture's tax returns through 2011 had been assessed by the tax authorities. Global's tax returns through 2010 had been assessed by the tax authorities.

26. EARNINGS PER SHARE

	Three Months Ended March 31	
	2013	2012
Basic EPS	$ 1.01	$ 0.36
Diluted EPS	$ 1.01	$ 0.36

The weighted average number of shares outstanding used for the earnings per share computation was adjusted retroactively for the issuance of shares bonus to employees on July 22, 2012. This adjustment caused the basic and diluted after-tax earnings per share for the three months ended March 31, 2012 to decrease from NT$0.39 to NT$0.36.

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

Net Profit for the Period

	Three Months Ended March 31	
	2013	2012
Profit for the period attributable to owner of the Company	$ 469,010	$ 169,905

Weighted Average Number of Ordinary Shares Outstanding

(In Thousand Shares)

	Three Months Ended March 31	
	2013	2012
Weighted average number of ordinary shares outstanding in computation of basic earnings per share	465,571	465,539
Effect of dilutive potential ordinary shares:		
Share bonus to employees	388	315
Weighted average number of ordinary shares used in the computation of diluted earnings per share	465,959	465,854

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

27. OPERATING LEASE ARRANGEMENTS

The Group as Lessee

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

As of March 31, 2013, December 31, 2012, March 31, 2012 and January 1, 2012, refundable deposits paid under operating lease amounted to $96,413 thousand, $95,323 thousand, $91,685 thousand and $91,232 thousand, respectively.

Method of Calculation and Payment of Rentals	Year	Amount
Settlement on monthly basis	2nd to 4th quarter of 2013	$ 310,256
	2014	327,401
	2015	201,823
	2016	92,521
	2017	38,204
	1st quarter of 2018	13,002
		$ 983,207

The Group as Lessor

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

As of March 31, 2013, December 31, 2012, March 31, 2012 and January 1, 2012, deposits received under operating leases amounted to $31,860 thousand, $33,934 thousand, $26,205 thousand and $28,629 thousand, respectively.

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

Method of Calculation and Collection of Rentals	Year	Amount
Settlement on monthly basis	2nd to 4th quarter of 2013	$ 83,671
	2014	102,026
	2015	109,929
	2016	113,510
	2017	115,934
	1st quarter of 2018	9,817
		$ 534,887

28. CAPITAL RISK MANAGEMENT

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

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

29. FINANCIAL INSTRUMENTS

Fair Value of Financial Instruments

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

The management has considered fair value cannot be reliably measured for the carrying amounts of financial assets in the consolidated financial statement.

b. Fair value measurements recognized in the consolidated balance sheet

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

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

March 31, 2013

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	$ -	$ 1,799	$ -	$ 1,799
Non-derivative financial assets held for trading				
Domestic listed stocks - equity investments	22,918	-	-	22,918
Mutual funds	287,552	-	-	287,552
	$ 310,470	$ 1,799	$ -	$ 312,269

(Continued)

	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets				
Domestic listed stocks - equity investments	$ 228,645	$ -	$ -	$ 228,645
Foreign listed stocks - equity investments	446,204	-	-	446,204
Mutual funds	1,290	-	-	1,290
	$ 676,139	$ -	$ -	$ 676,139

(Concluded)

December 31, 2012

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

March 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	$ 22,791	$ -	$ -	$ 22,791
Mutual funds	585,205	-	-	585,205
	$ 607,996	$ -	$ -	$ 607,996
Available-for-sale financial assets				
Domestic listed stocks - equity investments	$ 221,676	$ -	$ -	$ 221,676
Foreign listed stocks - equity investments	348,384	-	-	348,384
Mutual funds	1,276	-	-	1,276
	$ 571,336	$ -	$ -	$ 571,336

January 1, 2012

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

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 liquid markets are determined with reference to quoted market prices. Where such prices were not available, valuation techniques were applied. The estimates and assumptions used by the Group are consistent with those that market participants would use in setting a price for the financial instrument;

- The fair values of derivative instruments were calculated using quoted prices. Where such prices were not available, a discounted cash flow analysis was performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives. The estimates and assumptions used by the Group were consistent with those that market participants would use in setting a price for the financial instrument.

  Foreign currency forward contracts were measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts.

- The fair values of other financial assets and financial liabilities (excluding those described above) were determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

Categories of Financial Instruments

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Financial assets				
FVTPL				
Held for trading	$ 312,269	$ 75,534	$ 607,996	$ 510,756
Loans and receivables (Note 1)	5,467,957	4,124,791	2,195,634	2,474,954
Available-for-sale financial assets (Note 2)	861,421	738,047	724,312	630,347
Financial liabilities				
Amortized cost (Note 3)	5,141,809	3,926,488	2,603,999	3,027,631

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

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

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

Financial Risk Management Objectives and Policies

The Group's major financial instruments included equity, mutual funds, trade receivables other payables and borrowings. The Group's Corporate Treasury function provides services to the business and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group seeks to ensure sufficient funding readily available when needed with the objective to reduce the potentially adverse effects the market uncertainties may have on its financial performance.

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

a. Market risk

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

1) Foreign currency risk

Most of the Group's operating activities in Taiwan are denominated in New Taiwan dollars. Therefore, the operating activities in Taiwan are not exposed to foreign currency risk.

Sinyi Real Estate (Hong Kong) which is an investee indirectly invested by the Group won the bid for a land located in Malu town, Jiading district, Shanghai, China in November 2012 and as the contract required, the Group had paid deposits in U.S. dollars in Shanghai Municipal Government Bid Bond account. In February 2013, the Group entered into a foreign currency forward contract to hedge its currency exposure. The instruments help to reduce, but do not eliminate, the impact of foreign currency exchange rate movements.

Except for the foreign currency exchange rate risk stated in the above paragraph, the Group took foreign operations as strategic investments; therefore, the Group did not hedge the risk.

The carrying amounts of the Group’s foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period were as follows:

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Assets				
RMB	$ 641,907	$ 741,651	$ 511,051	$ 496,562
JPY	87,969	94,807	88,084	76,483
USD	1,886,015	84,201	80,845	82,093
Liabilities				
RMB	562,901	415,538	511,093	472,717
JPY	12,202	10,964	9,044	8,462
USD	1,003	992	1,125	1,154

The carrying amounts of the Group’s derivatives exposed to foreign currency risk at the end of reporting period were as follows:

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Assets				
USD	$ 1,799	$ -	$ -	$ -

Foreign currency sensitivity analysis

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

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

	Three Months Ended March 31					
	2013			2012		
	RMB	JPY	USD	RMB	JPY	USD
Equity	$ (790)	$ (758)	$ (18,850)	$ -	$ (790)	$ (797)
Profit or loss	(5)	-	-	-	-	-

2) Interest rate risk

Interest rate risk refers to the change in market interest rate that causes changes in the fair value or future cash flows of the financial instruments. The Group is exposed to interest rate risk on investments and borrowings; interest rates could be fixed or floating.

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

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Fair value interest rate risk				
Financial assets	$ 2,961,984	$ 932,379	$ 495,088	$ 1,063,249
Financial liabilities	2,142,229	700,000	180,000	-
Cash flow interest rate risk				
Financial liabilities	335,592	131,674	133,619	129,731

Interest rate sensitivity analysis

The Group's sensitivity to interest rate is analyzed by measuring the effect of a 0.5% increase or decrease in interest rate on the asset or liability. If interest rates were higher by 0.5%, with other conditions held constant and capitalized interest not considered, the Group's profit for the three months ended March 31, 2012 and 2013 would have been lower by $420 thousand and $167 thousand, respectively.

b. Credit risk

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

Business related credit risk

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

Financial credit risk

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

c. Liquidity risk

The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of bank borrowings and ensures compliance with loan covenants. The Group has sufficient working capital to pay all debts; thus, there is no liquidity risk.

30. TRANSACTIONS WITH RELATED PARTIES

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

Loans from Related Parties

Other payables to related parties

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Other related parties - related parties in substance	$ 36,245	$ 34,705	$ 33,645	$ 26,871
Other - vice president of the Company	35,218	33,919	33,239	33,605
	$ 71,463	$ 68,624	$ 66,884	$ 60,476

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

	Three Months Ended March 31, 2013				
	Highest Balance During the Period	Amount	Interest Rate %	Interest Expense	Interest Payable
Other related parties - related parties in substance	$ 33,303	$ 33,303	6.10%	$ 501	$ 2,942
Other - vice president of the Company	30,925	30,925	3.75%	286	4,293
	$ 64,228	$ 64,228		$ 787	$ 7,235

	Three Months Ended March 31, 2012				
	Highest Balance During the Period	Amount	Rate %	Interest Expense	Interest Payable
Other related parties - related parties in substance	$ 32,818	$ 32,818	6.10%	$ 395	$ 827
Other - vice president of the Company	30,475	30,475	4.68%-5.88%	450	2,764
	$ 63,293	$ 63,293		$ 845	$ 3,591

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

Compensation of Key Management Personnel

The remuneration of directors and other members of key management personnel for the three months ended March 31, 2013 and 2012 included the following:

	Three Months Ended March 31	
	2013	**2012**
Short-term benefits	$ 35,549	$ 26,715
Other long-term benefits	5,683	646
	$ 41,232	$ 27,361

Other long-term benefits included a long-term incentive to encourage senior management to contribute further to the sustainable growth of the Company. Under the plan, the Company granted the senior management a fixed-amount bonus which would be paid after they have continued to serve for three years from year 2013.

Other Transactions with Related Parties

a. Rental income

	Three Months Ended March 31	
	2013	**2012**
Other related parties		
The person in charge of other related parties is the president of the Company	$ 1,341	$ 1,452
Related parties in substance	1,371	2,918
Associates	8	6
	$ 2,720	$ 4,376

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

b. Other benefit

	Three Months Ended March 31	
	2013	**2012**
Other related parties		
The person in charge of other related parties is the president of the Company	$ 828	$ 733
Related parties in substance	2,713	2,121
	$ 3,541	$ 2,854

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

c. Professional fee

	Three Months Ended March 31	
	2013	2012
Other related parties		
The person in charge of other related parties is the president of the Company	$ 24,069	$ 21,434
Related parties in substance	878	730
	$ 24,947	$ 22,164

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

d. Other receivables

	Three Months Ended March 31	
	2013	2012
Other related parties		
The person in charge of other related parties is the president of the Company	$ 1,358	$ 1,284
Related parties in substance	7,458	7,656
	$ 8,816	$ 8,940

e. Other payable

	Three Months Ended March 31	
	2013	2012
Other related parties		
The person in charge of other related parties is the president of the Company	$ 10,292	$ 9,012
Related parties in substance	71	292
	$ 10,363	$ 9,304

f. Other payables - related parties

	Three Months Ended March 31	
	2013	2012
Other related parties		
The person in charge of other related parties is the president of the Company	$ -	$ 5

g. Property transaction

The Group acquired five thousand and one thousand shares of Da-Chia Construction Co., Ltd. from the Company’s president, Mr. Chou Chun-Chi, and vice president, Ms. Chou Wang Mei-Wen, at the price of $54 thousand and $11 thousand, respectively, during the three months ended March 31, 2012. The price of the above transaction was based on the book value of Da-Chia Construction Co., Ltd.

31. MORTGAGED OR PLEDGED ASSETS

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

	March 31, 2013	December 31, 2012	March 31, 2012	January 1, 2012
Property, plant and equipment (including investment properties)				
Land	$ 3,290,251	$ 3,290,251	$ 2,004,088	$ 2,004,088
Building	403,782	436,194	278,932	280,983
Other receivables				
Pledged time deposits	108,113	107,961	107,743	107,718
	$ 3,802,146	$ 3,834,406	$ 2,390,763	$ 2,392,789

32. SIGNIFICANT CONTINGENCIES AND UNRECOGNIZED COMMITMENTS

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

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

c. The Group has endorsed Shanghai Sinyi Real Estate for $336,210 thousand (RMB70,000 thousand) in obtaining financing limit. Refer to Note 35 Table 2 for the details.

d. In 2012, the Group won the bid for a land located in Malu town, Jiading district, Shanghai, China through public auction at the amount of RMB780,080 thousand with 20% of total amount payable upon signing of the contract, and the remaining 30% and 50% shall be paid within 10 and 90 working days after the contract date, respectively. As of March 31, 2013, Sinyi Real Estate (Hong Kong) Limited had paid deposits of US$16,115 thousand (equivalent to RMB101,023 thousand), which will be part of the 20% down payment. The remaining RMB697,057 thousand is not yet paid.

33. SIGNIFICANT FRANCHISE CONTRACTS

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

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

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

March 31, 2013 and 2012

	March 31, 2013			March 31, 2012		
	Foreign Currencies (In Thousands)	**Exchange Rate**	**New Taiwan Dollars (In Thousands)**	**Foreign Currencies (In Thousands)**	**Exchange Rate**	**New Taiwan Dollars (In Thousands)**
Financial assets						
Monetary items						
RMB	$ 134,922	4.76	$ 641,907	$ 109,004	4.69	$ 511,051
JPY	277,340	0.32	87,969	245,225	0.36	88,084
USD	61,566	29.83	1,836,207	1,181	29.51	34,857
Non-monetary items						
RMB	9,516	4.76	45,274	9,516	4.69	44,615
JPY	1,406,745	0.32	446,204	969,901	0.36	348,384
USD	104	29.83	3,809	43	29.51	1,276
Financial liabilities						
Monetary items						
RMB	107,847	4.76	513,093	73,297	4.69	343,643
JPY	38,469	0.32	12,202	19,379	0.36	6,961
USD	34	29.83	1,003	38	29.51	1,125

December 31, 2012 and January 1, 2012

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

35. SEPARATELY DISCLOSED ITEMS

Information on significant transactions and information on investees:

a. Financing provided: Table 1 (attached)

b. Endorsements/guarantees provided to others: Table 2 (attached)

c. Marketable securities held: Table 3 (attached)

d. Marketable securities acquired or disposed of at costs or prices of at least NT$100 million or 20% of the paid-in capital: Table 4 (attached)

e. Acquisition of individual real estate at costs of at least NT$100 million or 20% of the paid-in capital: Table 5 (attached)

f. Disposal of individual real estate at prices of at least NT$100 million or 20% of the paid-in capital: None

g. Total purchases from or sales to related parties of at least NT$100 million or 20% of the paid-in capital: None

h. Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 6 (attached)

i. Information about derivative: Note 7

j. Others: The business relationship between the parent and the subsidiaries and between each subsidiary, and significant transactions between them: Table 7 (attached)

k. Information on investees: Table 8 (attached)

Information on investments in mainland China:

a. Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, shareholding ratio, investment gain or loss, carrying amount of the investment at the end of the period, repatriated investment gains, and limit on the amount of investment in the mainland China area: Table 9 (attached)

b. Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third area, and their prices, payment terms, and unrealized gains or losses:

   1) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period: None

   2) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period: None

   3) The amount of property transactions and the amount of the resultant gains or losses: None

   4) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: Table 2 (attached)

   5) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: None

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

36. SEGMENT INFORMATION

a. The Group is in the operation of local and international real-estate brokerage business. The Group provides information to the chief operating decision maker for the purpose of resources allocation and assessment of segment performance. The information gives emphasis on related laws on real-estate transactions in different countries that needed different marketing strategies. According to SFAS No. 41, "Operating Segments," management has determined two reportable segments as follows:

1) Companies in Taiwan

2) Companies in mainland China and other foreign companies.

The following table summarizes the revenue, result of operations and assets of segments for the three months ended March 31, 2013 and 2012:

	Taiwan	Mainland China and Others	Adjustment and Eliminations	Consolidated
2013				
Revenue from unaffiliated customers	$ 2,366,615	$ 186,740	$ -	$ 2,553,355
Revenue among consolidated entities	9,264	-	(9,264)	-
Total revenue	$ 2,375,879	$ 186,740	$ (9,264)	$ 2,553,355
Gross profit	$ 763,508	$ 78,958	$ (9,264)	$ 833,202
Operating expenses	(224,123)	(72,867)	19,527	(277,463)
Operating income (loss)	$ 539,385	$ 6,091	$ 10,263	555,739
Nonoperating income and expenses				44,905
Income before income tax				$ 600,644
Identified assets	$ 8,835,488	$ 4,890,633	$ (20,366)	$ 13,705,755
Investments accounted for by the equity method				3,810
Total assets				$ 13,709,565
2012				
Revenue from unaffiliated customers	$ 1,717,822	$ 98,685	$ -	$ 1,816,507
Revenue among consolidated entities	7,517	-	(7,517)	-
Total revenue	$ 1,725,339	$ 98,685	$ (7,517)	$ 1,816,507
Gross profit	$ 421,337	$ 10,469	$ (7,517)	$ 424,289
Operating expenses	(186,255)	(67,629)	14,540	(239,344)
Operating income (loss)	$ 235,082	$ (57,160)	$ 7,023	184,945
Nonoperating income and expenses				38,882
Income before income tax				$ 223,827
Identified assets	$ 8,465,947	$ 1,665,337	$ (134,403)	$ 9,996,881
Investments accounted for by the equity method				3,411
Total assets				$ 10,000,292

Segment profit refers to the profit earned by each segment without allocation of nonoperating income and gains, nonoperating expenses and losses. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

b. Industry and service information

The Group operates only in real-estate brokerage business; therefore, the disclosure of industry and service financial information is not applicable to the Group.

c. Geographic information

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

d. Major customers

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

37. FIRST-TIME ADOPTION OF IFRSs

a. Basis of the preparation of financial information under IFRSs

The Group's consolidated financial statements for the three months ended March 31, 2013 were the first IFRS interim financial statements. The Group not only follows the significant accounting policies stated in Note 4 but also applies the requirements under IFRS 1 "First-time Adoption of IFRS" as the basis for the preparation.

b. Effects of transition to IFRSs

After transition to IFRSs, the effects on the Group's consolidated balance sheets and consolidated statements of comprehensive income are stated as follows:

1) Reconciliation of consolidated balance sheet as of 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	$ 1,499,145	$ -	$ (229,000)	$ 1,270,145	Cash and cash equivalents	f)
Financial assets at fair value through profit or loss - current	510,756	-	-	510,756	Financial assets at fair value through profit or loss - current	
Available-for-sale financial assets - current	476,263	-	-	476,263	Available-for-sale financial assets - current	
Notes receivable, net	43,904	-	-	43,904	Notes receivable	
Accounts receivable, net	574,474	-	41,075	615,549	Trade receivable	g)
Other current financial assets	55,799	-	-	55,799	Other receivables	
Other current financial assets	107,718	-	229,000	336,718	Other financial assets - current	f)
Deferred income tax assets - current	33,663	-	(33,663)	-		a)
Other current assets	68,604	-	196	68,800	Other current assets	e)
Total current assets	3,370,326	-	7,608	3,377,934		

(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	$ 154,084	$ -	$ -	$ 154,084	Financial assets measured at cost - non-current	
Investments accounted for by the equity method	2,913	-	-	2,913	Investments accounted for using equity method	
Total long-term investments	156,997	-	-	156,997		
Properties	3,306,892	-	57,728	3,364,620	Property, plant and equipment	e)
Intangible assets						
Franchise	64,238	-	-	64,238	Franchise	
	-	-	26,185	26,185	Intangible assets	e)
Total intangible assets	64,238	-	26,185	90,423		
Other assets						
Assets leased to others	2,875,804	-	-	2,875,804	Investment properties	
Idle assets	54,357	-	-	54,357	Investment properties	
Refundable deposits	152,839	-	-	152,839	Refundable deposits	
Deferred charges	84,109	-	(84,109)	-		e)
Deferred income tax assets - noncurrent	233	-	33,663	33,896	Deferred tax assets	a)
Others	49,773	(3,063)	2,313	49,023	Other non-current assets	b), g)
Total other assets	3,217,115	(3,063)	(48,133)	3,165,919		
Total	$ 10,115,568	$ (3,063)	$ 43,388	$ 10,155,893		
Liabilities and shareholders' equity						
Current liabilities						
Short-term loans	$ 72,073	$ -	$ -	$ 72,073	Short-term borrowings	
Notes payable	4,576	-	-	4,576	Notes payable	
Income tax payable	67,540	-	-	67,540	Current tax liabilities	
	-	-	41,075	41,075	Provisions - current	g)
Accrued expenses	1,602,442	57,363	-	1,659,805	Other payables	c)
Other payables to related parties	60,481	-	-	60,481	Other payables to related parties	
Other current financial liabilities	146,842	-	-	146,842	Other current financial liabilities	
Other current liabilities	99,117	-	-	99,117	Other current liabilities	
Total current liabilities	2,053,071	57,363	41,075	2,151,509		
Other liabilities						
	-	-	2,313	2,313	Provisions - non-current	g)
Guarantee deposits received	41,940	-	-	41,940	Guarantee deposits received	
Deferred income tax liabilities - non-current	22,389	-	-	22,389	Deferred tax liabilities	
Others	1,041,914	-	-	1,041,914	Other non-current liabilities	
Total other liabilities	1,106,243	-	2,313	1,108,556		
Total liabilities	3,159,314	57,363	43,388	3,260,065		
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	b), c), d)
Other equity						
Cumulative translation adjustments	36,467	(36,467)	-	-	Exchange differences on translating foreign operations	d)
Unrealized valuation losses on financial instruments	(97,712)	-	-	(97,712)	Unrealized losses from available-for-sale financial assets	
Total equity attributable to shareholders of the parent	6,851,021	(59,783)	-	6,791,238		
Minority interest in subsidiaries	105,233	(643)	-	104,590	Non-controlling interests	b), c)
Total shareholders' equity	6,956,254	(60,426)	-	6,895,828		
Total	$ 10,115,568	$ (3,063)	$ 43,388	$ 10,155,893		

(Concluded)

2) Reconciliation of consolidated balance sheet as of March 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**
Assets						
Current assets						
Cash and cash equivalents	$ 1,057,951	$ -	$ (225,200)	$ 832,751	Cash and cash equivalents	f)
Financial assets at fair value through profit or loss - current	607,996	-	-	607,996	Financial assets at fair value through profit or loss - current	
Available-for-sale financial assets - current	571,336	-	-	571,336	Available-for-sale financial assets - current	
Notes receivable, net	30,962	-	-	30,962	Notes receivable	
Accounts receivable, net	745,651	-	46,785	792,436	Trade receivable	g)
Other current financial assets	60,778	-	-	60,778	Other receivables	
Other current financial assets	107,743	-	225,200	332,943	Other financial assets - current	f)
Deferred income tax assets - current	14,401	-	(14,401)	-		a)
Other current assets	76,241	-	165	76,406	Other current assets	e)
Total current assets	3,273,059	-	32,549	3,305,608		
Long-term investments						
Financial assets carried at cost - non-current	152,976	-	-	152,976	Financial assets measured at cost - non-current	
Investments accounted for by the equity method	3,411	-	-	3,411	Investments accounted for using equity method	
Total long-term investments	156,387	-	-	156,387		
Properties	3,302,402	-	49,226	3,351,628	Property, plant and equipment	e)
Intangible assets						
Franchise	61,863	-	-	61,863	Franchise	
	-	-	23,613	23,613	Intangible assets	e)
Total intangible assets	61,863	-	23,613	85,476		
Other assets						
Assets leased to others	2,832,115	-	-	2,832,115	Investment properties	
Idle assets	54,301	-	-	54,301	Investment properties	
Refundable deposits	145,764	-	-	145,764	Refundable deposits	
Deferred charges	73,004	-	(73,004)	-		e)
Deferred income tax assets - non-current	233	-	14,401	14,634	Deferred tax assets	a)
Others	54,680	(3,000)	2,699	54,379	Other non-current assets	b), g)
Total other assets	3,160,097	(3,000)	(55,904)	3,101,193		
Total	$ 9,953,808	$ (3,000)	$ 49,484	$ 10,000,292		
Liabilities and shareholders' equity						
Current liabilities						
Short-term loans	$ 250,326	$ -	$ -	$ 250,326	Short-term borrowings	
Notes payable	3,861	-	-	3,861	Notes payable	
Income tax payable	96,257	-	-	96,257	Current tax liabilities	
	-	-	46,785	46,785	Provisions - current	g)
Accrued expenses	1,130,814	61,670	-	1,192,484	Other payables	c)
Other payables to related parties	66,884	-	-	66,884	Other payables to related parties	
Other current financial liabilities	188,513	-	-	188,513	Other current financial liabilities	
Other current liabilities	85,414	-	-	85,414	Other current liabilities	
Total current liabilities	1,822,069	61,670	46,785	1,930,524		
Other liabilities						
	-	-	2,699	2,699	Provisions - non-current	g)
Guarantee deposits received	44,296	-	-	44,296	Guarantee deposits received	
Deferred income tax liabilities - noncurrent	23,221	-	-	23,221	Deferred income tax liabilities	
Others	857,635	-	-	857,635	Other non-current liabilities	
Total other liabilities	925,152	-	2,699	927,851		
Total liabilities	2,747,221	61,670	49,484	2,858,375		

(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
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	1,485,482	(27,628)	-	1,457,854	Unappropriated earnings	b), c), d)
Other equity						
Cumulative translation adjustments	1,095	(36,467)	-	(35,372)	Exchange differences on foreign operations	d)
Unrealized valuation gain on financial instruments	10,191	-	-	10,191	Unrealized gains from available-for-sale financial assets	
Total equity attributable to shareholders of the parent	7,097,769	(64,095)	-	7,033,674		
Minority interest in subsidiaries	108,818	(575)	-	108,243	Non-controlling interests	b), c)
Total shareholders' equity	7,206,587	(64,670)	-	7,141,917		
Total	$ 9,953,808	$ (3,000)	$ 49,484	$ 10,000,292		

(Concluded)

3) Reconciliation of consolidated balance sheet as of 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	$ 2,443,134	$ -	$ (248,700)	$ 2,194,434	Cash and cash equivalents	f)
Financial assets at fair value through profit or loss - current	75,534	-	-	75,534	Financial assets at fair value through profit or loss - current	
Available-for-sale financial assets - current	609,407	-	-	609,407	Available-for-sale financial assets - current	
Notes receivable, net	55,517	-	-	55,517	Notes receivable	
Accounts receivable, net	772,399	-	58,352	830,751	Trade receivable	g)
Other current financial assets	350,739	-	-	350,739	Other receivables	
Other current financial assets	107,961	-	248,700	356,661	Other financial assets - current	f)
Inventories	467,980	-	-	467,980	Inventories	
Deferred income tax assets - current	14,831	-	(14,831)	-		a)
Other current assets	57,480	-	-	57,480	Other current assets	
Total current assets	4,954,982	-	43,521	4,998,503		
Long-term investments						
Financial assets carried at cost - noncurrent	128,640	-	-	128,640	Financial assets carried at cost - non-current	
Investments accounted for by the equity method	3,528	-	-	3,528	Investments accounted for using equity method	
Total long-term investments	132,168	-	-	132,168		
Properties	3,257,354	-	25,566	3,282,920	Property, plant and equipment	e)
Intangible assets						
Franchise	59,399	-	-	59,399	Franchise	
Goodwill	9,621	-	-	9,621	Goodwill	
	-	-	20,416	20,416	Intangible assets	e)
Total intangible assets	69,020	-	20,416	89,436		

(Continued)

ROC GAAP Item	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
Other assets						
Assets leased to others	$ 2,809,920	$ -	$ -	$ 2,809,920	Investment properties	
Idle assets	50,697	-	-	50,697	Investment properties	
Refundable deposits	122,452	-	-	122,452	Refundable deposits	
Deferred charges	45,982	-	(45,982)	-		e)
Long-term accounts receivable	214,237	-	-	214,237	Long-term accounts receivable	
Deferred income tax assets - non-current	277	-	14,831	15,108	Deferred tax assets	a)
Others	64,160	(28,642)	3,537	39,055	Other non-current assets	b), g)
Total other assets	3,307,725	(28,642)	(27,614)	3,251,469		
Total	$ 11,721,249	$ (28,642)	$ 61,889	$ 11,754,496		
Liabilities and shareholders' equity						
Current liabilities						
Short-term loans	$ 69,302	$ -	$ -	$ 69,302	Short-term borrowings	
Notes payable	3,405	-	-	3,405	Notes payable	
Income tax payable	162,583	-	-	162,583	Current tax liabilities	
	-	-	58,352	58,352	Provisions - current	g)
Accrued expenses	1,916,970	52,246	-	1,969,216	Other payables	c)
Other payables to related parties	68,624	-	-	68,624	Other payables to related parties	
Other current financial liabilities	174,797	-	-	174,797	Other current financial liabilities	
Other current liabilities	120,310	-	-	120,310	Other current liabilities	
Total current liabilities	2,515,991	52,246	58,352	2,626,589		
Long-term liabilities						
Long-term debt	700,000	-	-	700,000	Long-term debt	
Other liabilities						
	-	-	3,537	3,537	Provisions - non-current	g)
Guarantee deposits received	50,892	-	-	50,892	Guarantee deposits received	
Deferred income tax liabilities - non-current	28,302	-	-	28,302	Deferred tax liabilities	
Others	890,252	-	-	890,252	Other non-current liabilities	
Total other liabilities	969,446	-	3,537	972,983		
Total liabilities	4,185,437	52,246	61,889	4,299,572		
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	b), c), d)
Other equity						
Cumulative translation adjustments	(31,998)	(36,467)	-	(68,465)	Exchange differences on translating foreign operations	d)
Unrealized valuation gain on financial instruments	63,048	-	-	63,048	Unrealized gains from available-for-sale financial assets	
Total equity attributable to shareholders of the parent	7,415,995	(80,652)	-	7,335,343		
Minority interest in subsidiaries	119,817	(236)	-	119,581	Non-controlling interests	b), c)
Total shareholders' equity	7,535,812	(80,888)	-	7,454,924		
Total	$ 11,721,249	$ (28,642)	$ 61,889	$ 11,754,496		

(Concluded)

4) Reconciliation of consolidated statement of comprehensive income for the three months ended March 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	$ 1,888,632	$ -	$ -	$ 1,888,632	Service revenue	
Service returns and allowances	(72,125)	-	-	(72,125)	Service returns and allowances	
Total operating revenue	1,816,507	-	-	1,816,507	Total operating revenue	
Operating costs	(1,388,597)	(3,621)	-	(1,392,218)	Operating costs	b), c)
Gross profit	427,910	(3,621)	-	424,289	Gross profit	
Operating expenses	(238,721)	(623)	-	(239,344)	Operating expenses	b), c)
Operating income	189,189	(4,244)	-	184,945	Operating income	
Nonoperating income and gains					Nonoperating income and gains	
Interest income	1,747	-	-	1,747	Interest income	
Dividend income	6,714	-	-	6,714	Dividend income	
Gain on sale of investments	748	-	-	748	Gain on sale of investments	
Rental income	31,454	-	-	31,454	Rental income	
Miscellaneous income	9,383	-	-	9,383	Miscellaneous income	
Total nonoperating income and gains	50,046	-	-	50,046	Total nonoperating income and gains	
Nonoperating expenses and losses					Nonoperating expenses and losses	
Interest expense	2,309	-	-	2,309	Interest expense	
Investment loss recognized under equity method	1	-	-	1	Investment loss recognized under equity method	
Losses on disposal of properties	138	-	-	138	Losses on disposal of properties	
Valuation loss on financial assets, net	788	-	-	788	Valuation loss on financial assets, net	
Miscellaneous loss	7,928	-	-	7,928	Miscellaneous loss	
Total nonoperating expenses and losses	11,164	-	-	11,164	Total nonoperating expenses and losses	
Income before income tax	228,071	(4,244)	-	223,827	Income before income tax	
Income tax	(50,028)	-	-	(50,028)	Income tax	
Net income	$ 178,043	$ (4,244)	$ -	173,799	Net income	
				(35,372)	Exchange differences on translating foreign operations	
				107,903	Unrealized gain on available-for-sale financial assets	
				72,531	Other comprehensive income for the period, net of income tax	
				$ 246,330	Total comprehensive income	

5) Reconciliation of consolidated 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	$ 9,128,151	$ -	$ -	$ 9,128,151	Service revenue	
Service returns and allowances	(377,905)	-	-	(377,905)	Service returns and allowances	
Total operating revenue	8,750,246	-	-	8,750,246	Total operating revenue	
Operating costs	(6,164,553)	4,545	-	(6,160,008)	Operating costs	b), c)
Gross profit	2,585,693	4,545	-	2,590,238	Gross profit	
Operating expenses	(1,044,329)	780	-	(1,043,549)	Operating expenses	b), c)
Operating income	1,541,364	5,325	-	1,546,689	Operating income	
Nonoperating income and gains					Nonoperating income and gains	
Interest income	22,288	-	-	22,288	Interest income	
Investment income recognized under equity method	264	-	-	264	Investment income recognized under equity method	
Dividend income	21,125	-	-	21,125	Dividend income	
Gain on sale of investments	5,372	-	-	5,372	Gain on sale of investments	
Rental income	124,133	-	-	124,133	Rental income	
Gain on reversal of bad debts	2,138	-	-	2,138	Gain on reversal of bad debts	
Miscellaneous income	82,702	-	-	82,702	Miscellaneous income	
Total nonoperating income and gains	258,022	-	-	258,022	Total nonoperating income and gains	
Nonoperating expenses and losses					Nonoperating expenses and losses	
Interest expense	9,601	-	-	9,601	Interest expense	
Losses on disposal of properties	1,621	-	-	1,621	Losses on disposal of properties	
Exchange loss, net	5,245	-	-	5,245	Exchange loss, net	
Loss on assets revaluation	21,708	-	-	21,708	Loss on assets revaluation	
Valuation loss on financial assets, net	258	-	-	258	Valuation loss on financial assets, net	
Miscellaneous loss	33,268	-	-	33,268	Miscellaneous loss	
Total nonoperating expenses and losses	71,701	-	-	71,701	Total nonoperating expenses and losses	
Income before income tax	1,727,685	5,325	-	1,733,010	Income before income tax	
Income tax	(346,276)	-	-	(346,276)	Income tax	
Net income	$ 1,381,409	$ 5,325	$ -	1,386,734	Net income	
				(68,465)	Exchange differences on translating foreign operations	
				160,760	Unrealized gain on available-for-sale financial assets	
				(25,787)	Actuarial loss from defined benefit pension	b)
				66,508	Other comprehensive income for the period, net of income tax	
				$ 1,453,242	Total comprehensive income	

6) Exemptions from IFRS 1

IFRS 1 establishes the procedures for the Group's first consolidated financial statements prepared in accordance with IFRSs. According to IFRS 1, the Group is required to determine the accounting policies under IFRSs and retrospectively apply those accounting policies in its opening balance sheet at the date of transition to IFRSs, January 1, 2012; except for optional exemptions and mandatory exceptions to such retrospective application provided under IFRS 1. The major optional exemptions the Group adopted are summarized as follows:

Business combinations

The Group elected not to apply IFRS 3 - "Business Combination", retrospectively to past business combinations that occurred before the date of transition to IFRSs. Therefore, the carrying amounts of assets, liabilities and non-controlling interests from business combinations presented in the opening IFRS consolidated balance sheet are the carrying amounts in accordance with previous ROC GAAP as of December 31, 2011.

Employee benefits

The Group elected to recognize all cumulative actuarial gains and losses relating to employee benefits in accumulated earnings at the date of transition to IFRSs.

Cumulative translation differences

The Group elected to reset the cumulative translation differences to zero at the date of transition to IFRSs by offsetting accumulated earnings as of December 31, 2011. Thus, the gain or loss on any subsequent disposal of foreign operations shall exclude translation differences that arose before the date of transition to IFRSs.

The management's consideration and assessment of the optional exemptions may change; therefore, the actual results may vary.

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

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

a) Under ROC GAAP, a deferred income tax asset or liability should be classified as current or noncurrent in accordance with the classification of the related asset or liability for financial reporting. However, a deferred income tax asset or liability that is not related to an asset or liability for financial reporting should be classified as current or noncurrent on the basis of the expected length of time before it is realized or settled. By contrast, under IFRSs, a deferred income tax asset or liability is always classified as noncurrent. Thus, as of January 1, 2012, March 31, 2012, and December 31, 2012, the reclassification adjustment resulted in decreases of $33,663 thousand, $14,401 thousand and $14,831 thousand, respectively, in "deferred income tax asset - current" and increases of the same amounts in "deferred income tax assets - non-current."

b) Under IFRS 1, the Group elected to recognize all cumulative actuarial gains and losses relating to employee benefits at the date of transition to IFRSs. Thus, as of January 1, 2012, the IFRS adjustment resulted in decreases in defined benefit plan assets of $3,063 thousand, accumulated earnings of $2,820 thousand and non-controlling interests of $243 thousand.

   As of March 31, 2012, the IFRS adjustment resulted in decreases in accumulated earnings of $2,770 thousand, non-controlling interests of $230 thousand and defined benefit plan assets of $3,000 thousand. The IFRS adjustment also resulted in decreases in operating costs of $54 thousand and operating expenses of $9 thousand.

   As of December 31, 2012, the IFRS adjustment resulted in decreases in defined benefit plan assets of $28,642 thousand, operating costs of $178 thousand and operating expenses of $30 thousand. Thus, accumulated earnings decreased by $28,430, non-controlling interests decreased by $212 thousand, and actuarial loss from defined benefit plans increased by $25,787 thousand.

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

   In addition, the evaluation adjustment made on March 31, 2012 resulted in increases in accrued expenses of $4,307 thousand, operating costs of $3,675 thousand and operating expenses of $632 thousand. Accumulated earnings decreased by $4,362 thousand and non-controlling interests increased by $55 thousand.

   Also, the evaluation adjustment made on December 31, 2012 resulted in increase in accrued expenses of $52,246 thousand, decreases in operating costs of $4,367 thousand and operating expenses of $750 thousand. Accumulated earnings increased by $4,741 thousand and non-controlling interests increased by $376 thousand.

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

e) Reclassification of deferred charges

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

   As of January 1, 2012, March 31, 2012, and December 31, 2012, the Group reclassified $196 thousand, $165 thousand and $0 thousand, respectively, of “deferred charges” to “other current assets”; and reclassified $57,728 thousand, $49,226 thousand and $25,566 thousand, respectively, of “deferred charges” to “property, plant and equipment” and reclassified $26,185 thousand, $23,613 thousand and $20,416 thousand, respectively, of “deferred charges” to “intangible assets”.

f) Under ROC GAAP, the term “cash” used in the financial statements includes cash on hand, demand deposits, check deposits, time deposits that are cancellable but without any loss of principal. However, under IFRSs, cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value. An investment normally qualifies as a cash equivalent only when it has a short maturity of three months or less from the date of acquisition. Some certificates of deposit the Group held had maturity of more than 3 months from the date of investment. Thus, as of January 1, 2012, March 31, 2012, and December 31, 2012, the reclassification adjustment resulted in decreases of $229,000 thousand, $225,200 thousand and $248,700 thousand, respectively, in “cash and cash equivalents” and increases of the same amounts in “other financial assets - current.”

g) Under ROC GAAP, the allowance for service discounts is recorded as a deduction in accounts receivable. Under IFRS, the allowance for service discounts is a present obligation with uncertain timing and an amount that arises from past events and is therefore reclassified as provisions. As of January 1, 2012, March 31, 2012 and December 31, 2012, the allowance for service discounts (under trade receivables) of $41,075 thousand, $46,785 thousand and $58,352 thousand, respectively, was reclassified to provisions - current. As of January 1, 2012, March 31, 2012 and December 31, 2012, the allowance for services discounts - overdue receivable (under other assets) of $2,313 thousand, $2,699 thousand and $3,537 thousand, respectively, was reclassified to provisions - non-current.

SINYI REALTY INC. AND SUBSIDIARIES

FINANCING PROVIDED
THREE MONTHS ENDED MARCH 31, 2013
(In Thousands of New Taiwan Dollars)

No.	Financing Company	Borrower	Financial Statement Account	Maximum Balance for the Period	Ending Balance	Interest Rate	Type of Financing	Transaction Amounts	Reasons for Short-term Financing	Allowance for Doubtful Accounts	Ending Balance		Financing Limit for Each Borrowing Company (Note 1)	Financing Company's Financing Amount Limits (Note 2)
											Item	Value		
1	Da-Chia Construction Co., Ltd.	Shin Hau Real Estate Co., Ltd.	Other receivables	$ 200,000	$ 200,000	10%	Business activity	$ 201,000	-	$ -	Land	$ 312,000	$ 201,000	$ 273,323

Note 1: The total amount for lending to a company for business activity should not exceed the amount of transaction during the latest year.

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

TABLE 2

SINYI REALTY INC. AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED TO OTHER
THREE MONTHS ENDED MARCH 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)
		Name	Nature of Relationship							
0	Sinyi Realty Inc.	Shanghai Sinyi Real Estate Inc.	Indirect subsidiary	$ 6,366,858	$ 336,210 (RMB 70,000 thousand)	$ 336,210 (RMB 70,000 thousand)	$ 72,045 (RMB 15,000 thousand)	$ 100,734 (Deposits)	4	$ 7,958,573

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. AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
MARCH 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	March 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	12,737,895	$ 228,645	-	$ 228,645	
	PChome Online Inc.	-	Financial assets at fair value through profit or loss - current	100,271	12,935	-	12,935	
	Stock							
	Sinyi Limited	Subsidiary	Investments accounted for using equity method	64,538,684	1,539,474 (Note 2)	100	1,539,474 (Note 2)	
	Da-Chia Construction Co., Ltd.	〃	〃	53,500,000	546,647 (Note 2)	100	546,647 (Note 2)	
	Sinyi International Limited	〃	〃	94,342,189	2,816,407 (Note 2)	100	2,816,407 (Note 2)	Includes prepayments of $2,687,219 thousand
	Global Asset Management Co., Ltd.	〃	〃	2,000,000	52,249 (Note 2)	100	52,249 (Note 2)	
	Jui-Inn Consultants Co., Ltd.	〃	〃	500,000	4,269 (Note 2)	100	4,269 (Note 2)	
	Shin Cheng Property Insurance Agency Co., Ltd.	〃	〃	300,000	3,737 (Note 2)	100	3,737 (Note 2)	
	Sinyi Culture Publishing Inc.	〃	〃	496,000	1,496 (Note 2)	99	1,496 (Note 2)	
	An-Sin Real Estate Management Ltd.	〃	〃	6,630,000	130,350 (Note 2)	51	130,350 (Note 2)	
	Sinyi Interior Design Co., Ltd.	Investee company accounted for by the equity method	〃	95,000	3,810	19	3,810	
	Giga House Co., Ltd.	-	Financial assets measured at cost - non-current	518,256	-	17	-	
	Rakuya International Info. Co., Ltd.	〃	〃	1,900,000	9,960	12	9,960	
	Han Yu Venture Capital Co., Ltd.	〃	〃	5,000,000	49,063	11	49,063	
	Chien Hsiang Securities Service Co., Ltd.	〃	〃	3,100,000	62,000	10	62,000	
	PChome Investment Inc.	〃	〃	196,350	-	8	-	
	World Biotechnology Venture Capital Co., Ltd.	〃	〃	406,977	799	6	799	
	Kun Gee Venture Capital Co., Ltd.	〃	〃	2,666,666	10,118	3	10,118	
	Han Shin Venture Capital Co., Ltd.	〃	〃	411,600	2,305	1	2,305	
	Cite' Publishing Holding Ltd.	〃	〃	7,637	4,874	1	4,874	

(Continued)

Holding Company Name	Marketable Securities Type and Name	Relationship with the Holding Company	Financial Statement Account	March 31, 2013 Shares/Units	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	Note
	Cite' Information Services Co., Ltd.	-	Financial assets measured at cost - non-current	106,392	$ 890	1	$ 890	
	The Journalist Co., Ltd.	〃	〃	2,903	-	1	-	
Sinyi Limited	Stock							
	Inane International Limited	Subsidiary	Investments accounted for using equity method	44,890,999	988,049 (Note 2)	100	988,049 (Note 2)	
	Ke Wei HK Realty Limited	〃	〃	475,000	(30,431) (Note 2)	95	(30,431) (Note 2)	
	Asiadawn Ventures Inc.	-	Financial assets carried at cost	2,462,963	-	9	-	
	Orix Corp.	-	Available-for-sale financial assets - current	118,080	446,204	-	446,204	
	Monetary market fund							
	SBGH U.S. Dollar Reserve Fund CL A Dist Units	-	Available-for-sale financial assets - current	43,257	1,290	-	1,290	
Ke Wei HK Realty Limited	Stock							
	Ke Wei Shanghai Real Estate Management Consulting Inc.	Subsidiary	Investments accounted for using equity method	-	(29,727) (Note 2)	100	(29,727) (Note 2)	
Ke Wei Shanghai Real Estate Management Consulting Inc.	Stock							
	Shanghai Shin Chen Real Estate Brokerage Inc.	〃	〃	-	100 (Note 2)	99	100 (Note 2)	
Sinyi International	Stock							
	Forever Success International Limited	〃	〃	930,000	12,894 (Note 2)	100	12,894 (Note 2)	
	Sinyi Realty Inc. Japan	〃	〃	16,000	72,474 (Note 2)	100	72,474 (Note 2)	
	Sinyi Development Ltd.	〃	〃	31,114,969	928,006 (Note 2)	100	928,006 (Note 2)	Note 1
Forever Success International Limited	Stock							
	Shanghai Shang Tuo Investment Management Consulting Inc.	〃	〃	-	12,218 (Note 2)	100	12,218 (Note 2)	
Inane International Limited	Stock							
	Shanghai Sinyi Real Estate Inc.	〃	〃	-	578,603 (Note 2)	100	578,603 (Note 2)	
	Beijing Sinyi Real Estate Ltd.	〃	〃	-	(21,777) (Note 2)	100	(21,777) (Note 2)	
	Shanghai Sinyi Limited Corporation of Land Administration and Real Estate Counseling	〃	〃	-	16,863 (Note 2)	100	16,863 (Note 2)	
	Chengdu Sinyi Real Estate Co., Ltd.	〃	〃	-	7,198 (Note 2)	80	7,198 (Note 2)	

(Continued)

Holding Company Name	Marketable Securities Type and Name	Relationship with the Holding Company	Financial Statement Account	March 31, 2013				Note
				Shares/Units	Carrying Value	Percentage of Ownership (%)	Market Value or Net Asset Value	
	Qingdao Chengjian & Sinyi Real Estate Co., Ltd.	Subsidiary	Investments accounted for using equity method	-	$ 6,073 (Note 2)	80	$ 6,073 (Note 2)	
	Max Success International Limited	〃	〃	12,454,780	391,235 (Note 2)	100	391,235 (Note 2)	
Max Success International Limited	Stock							
	Zhejiang Sinyi Real Estate Co., Ltd.	〃	〃	-	1,904 (Note 2)	62	1,904 (Note 2)	
	Suzhou Sinyi Real Estate Inc.	〃	〃	-	389,307 (Note 2)	98	389,307 (Note 2)	
Shanghai Sinyi Real Estate Inc.	Stock							
	Zhejiang Sinyi Real Estate Co., Ltd.	Equity-method investee	〃	-	1,158 (Note 2)	38	1,158 (Note 2)	
	Suzhou Sinyi Real Estate Inc.	〃	〃	-	8,920 (Note 2)	2	8,920 (Note 2)	
	Cura Investment Management (Shanghai) Co., Ltd.	-	Financial assets measured at cost - non-current	-	45,273	2	45,273	
An-Sin Real Estate Management Ltd.	Stock							
	An-Shin Real Estate Management Ltd.	Subsidiary	Investments accounted for using equity method	1,000,000	10,289 (Note 2)	100	10,289 (Note 2)	
Sinyi Realty Inc. Japan	Stock							
	Richesse Management Co., Ltd.	〃	〃	600	11,027 (Note 2)	100	11,027 (Note 2)	
Sinyi Development Ltd.	Stock							
	Sinyi Real Estate (Hong Kong) Limited	〃	〃	31,114,969	928,006 (Note 2)	100	928,006 (Note 2)	Note 1
Shin Cheng Property Insurance Agency Co., Ltd.	Fund							
	TIIM Monetary Market Fund	-	Financial assets at fair value through profit or loss - current	146,290	2,151	-	2,151	
Da-Chia Construction Co., Ltd.	Stock							
	CTCI Corporation	-	〃	170,940	9,983	-	9,983	
	Fund							
	Jih Sun Monetary Market Fund	-	〃	16,905,347	243,253	-	243,253	
Global Assets Management	Stock							
	Taishin 1699 Monetary Market Fund	-	〃	3,204,933	42,148	-	42,148	

Note 1: The conversion has not been registered as of March 31, 2013; therefore, it is recorded under prepayment for long-term investment.
Note 2: It has been eliminated.

(Concluded)

TABLE 4

SINYI REALTY INC. AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED OR DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
THREE MONTHS ENDED MARCH 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.	Fund													
	Taishin 1699 Monetary Market Fund	Financial assets at fair value through profit or loss - current	Fund company	-	-	$ -	4,564,612	$ 60,000	4,564,612	$ 60,013	$ 60,000	$ 13	-	$ -
	Fuh Hwa Monetary Market Fund	〃	〃	-	-	-	7,115,513	100,000	7,115,513	100,019	100,000	19	-	-
	Sinyi International Limited	Prepayment for long-term investment	-	Subsidiary	-	773,333	-	1,913,886	-	-	-	-	-	2,687,219 (Notes 1 and 4)
Da-Chia Construction Co., Ltd.	Fund													
	Jih Sun Monetary Market Fund	Financial assets at fair value through profit or loss - current	Fund company	-	-	-	16,905,347	243,000	-	-	-	-	16,905,347	243,253 (Note 3)
Sinyi International Limited	Sinyi Development Ltd.	Prepayment for long-term investment	-	Subsidiary	26,496,294	773,333	4,618,981	134,524	-	-	-	-	31,115,275	907,857 (Notes 2 and 4)
Sinyi Development Ltd.	Sinyi Real Estate (Hong Kong) Limited	Prepayment for long-term investment	〃	〃	26,496,294	773,333	4,618,981	134,524	-	-	-	-	31,115,275	907,857 (Notes 2 and 4)

Note 1: The ending balance presents historical cost.

Note 2: As of March 31, 2013, it has not been registered as capital stock; therefore, it is recorded under “prepayment for long-term investment”.

Note 3: The ending balance includes cost of $243,000 thousand and valuation gain on financial assets of $253 thousand.

Note 4: It has been eliminated.

SINYI REALTY INC. AND SUBSIDIARIES

ACQUISITION OF INDIVIDUAL REAL ESTATE PROPERTIES AT COST OF AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
THREE MONTHS ENDED MARCH 31, 2013
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

Company Name	Type of Property	Transaction Date	Transaction Amount	Payment Term	Counterparty	Nature of Relationship	Prior Transaction of Related Counterparty				Price Reference	Purpose of Acquisition and Status	Other Terms
							Owner	Relationship	Transfer Date	Amount			
Suzhou Sinyi Real Estate Inc.	Building	2013.03.20	RMB56,000 thousand	Already paid US$56,000 thousand	Suzhou Qianning Real Estate Inc.	-	-	-	-	$ -	Referred to the market price and negotiation with the counterparty	Expand the scale of operation	None

TABLE 6

SINYI REALTY INC. AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF PAID-IN CAPITAL
MARCH 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	$ 158,598	- (Note)	$ -	-	$ 158,598	$ -

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.

TABLE 7

SINYI REALTY INC. AND SUBSIDIARIES

THE BUSINESS RELATIONSHIP BETWEEN THE PARENT AND THE SUBSIDIARIES AND BETWEEN EACH SUBSIDIARY, AND SIGNIFICANT TRANSACTIONS BETWEEN THEM
THREE MONTHS ENDED MARCH 31, 2013 AND 2012
(In Thousands of New Taiwan Dollars, Unless Specified Otherwise)

No.	Company Name	Counterparty	Flow of Transactions	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	Percentage to Consolidated Total Assets/Revenue (%)
	Three months ended March 31, 2013						
0	Sinyi Realty Inc.	An-Sin Real Estate Management Ltd.	1	Professional fee	$ 6,261	Fixed charges by guarantee piece work	-
1	An-Sin Real Estate Management Ltd.	Sinyi Realty Inc.	2	Operating revenue	6,261	Fixed charges by guarantee piece work	-
2	Sinyi Limited	Ke Wei Shanghai Real Estate Management Consulting Inc.	3	Other receivables	28,295	-	-
		Shanghai Sinyi Real Estate Inc.	3	Other receivables	12,090	-	-
3	Shanghai Sinyi Real Estate Inc.	Sinyi Limited	3	Other payables	12,090	-	-
		Inane International Limited	3	Other accrued expenses	9,423	-	-
4	Inane International Limited	Shanghai Sinyi Real Estate Inc.	3	Other receivables	9,423	-	-
5	Ke Wei Shanghai Real Estate Management Consulting Inc.	Sinyi Limited	3	Other accrued expenses	28,295	-	-
	Three months ended March 31, 2012						
0	Sinyi Realty Inc.	An-Sin Real Estate Management Ltd.	1	Professional fee	5,104	Fixed charges by guarantee piece work	-
		Shanghai Sinyi Real Estate Inc.	1	Other receivables	121,462	Short-term financing for operation, interest rate 3.726%	1
1	An-Sin Real Estate Management Ltd.	Sinyi Realty Inc.	2	Operating revenue	5,104	Fixed charges by guarantee piece work	-
2	Sinyi Limited	Ke Wei Shanghai Real Estate Management Consulting Inc.	3	Other receivables	26,226	-	-
		Shanghai Sinyi Real Estate Inc.	3	Other receivables	11,158	-	-

(Continued)

No.	Company Name	Counterparty	Flow of Transactions	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	Percentage to Consolidated Total Assets/Revenue (%)
3	Shanghai Sinyi Real Estate Inc.	Sinyi Realty Inc.	2	Other payables	121,462	Short-term financing for operation, interest rate 3.726%	1
		Sinyi Limited	3	Other payables	11,158	-	-
		Inane International Limited	3	Other accrued expenses	8,604	-	-
4	Inane International Limited	Shanghai Sinyi Real Estate Inc.	3	Other receivables	8,604	-	-
5	Ke Wei Shanghai Real Estate Management Consulting Inc.	Sinyi Limited	3	Other accrued expenses	26,226	-	-

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

a. “0” for Sinyi Realty Inc.
b. Subsidiaries are numbered from “1”.

Note 2: Flow of transactions are categorized as follows:

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

Note 3: Percentage to consolidated total assets is calculated by dividing the amount of a particular asset or liability account by the consolidated total of assets as of March 31, 2013 and 2012.
Percentage to consolidated total revenues is calculated by dividing the amount of a particular revenue or cost or expense account by the consolidated total operating revenues for the three months ended March 31, 2013 and 2012.

(Concluded)

SINYI REALTY INC. AND SUBSIDIARIES

INFORMATION ON INVESTEES
THREE MONTHS ENDED MARCH 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 March 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 Limited	Citco Building P. O. Box 662, Road Town, Torola, B. V. I.	Investment holding	$ 2,026,224	$ 2,026,224	64,538,684	100	$ 1,539,474 (Note 2)	$ 2,141	$ 2,141 (Note 2)	
	Da-Chia Construction Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District. Taipei City, Taiwan	Construction	535,005	535,005	53,500,000	100	546,647 (Note 2)	1,846	1,846 (Note 2)	
	Sinyi International Limited	Equity Trust Chamber, P.O. Box 3269, Apia, Samoa	Investment holding	2,774,356	860,470	94,342,189	100	2,816,407 (Note 2)	3,093	3,093 (Note 2)	
	Global Asset Management Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District. Taipei City, Taiwan	Real estate brokerage	10,000	10,000	2,000,000	100	52,249 (Note 2)	1,484	1,484 (Note 2)	
	Jui-Inn Consultants Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District. Taipei City, Taiwan	Management consulting	5,000	5,000	500,000	100	4,269 (Note 2)	8	8 (Note 2)	
	Shin Cheng Property Insurance Agency Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District. Taipei City, Taiwan	Property insurance agency	3,000	3,000	300,000	100	3,737 (Note 2)	121	121 (Note 2)	
	Sinyi Culture Publishing Inc.	No. 100, Sinyi Rd., Sec. 5, Sinyi District. Taipei City, Taiwan	Publication	4,960	4,960	496,000	99	1,496 (Note 2)	(16)	(16) (Note 2)	
	An-Sin Real Estate Management Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District. Taipei City, Taiwan	Real estate management	25,500	25,500	6,630,000	51	130,350 (Note 2)	19,612	10,002 (Note 2)	
	Sinyi Interior Design Co., Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District. Taipei City, Taiwan	Interior design	950	950	95,000	19	3,810	(3)	(1)	
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	988,049 (Note 2)	8,315	8,315 (Note 2)	
	Ke Wei HK Realty Limited	Rooms 3703-4 37/F West Tower Shun Tak Centre 168-200 Connaught Road, Central HK	Investment holding	29,140	29,140	475,000	95	(30,431) (Note 2)	(3,438)	(3,438) (Note 2)	
Ke Wei HK Realty Limited	Ke Wei Shanghai Real Estate Management Consulting Inc.	Rooms 302, No. 627, Weifang nineth Village, Pudong New District, Shanghai, China	Real estate brokerage and management consulting	30,674	30,674	-	100	(29,727) (Note 2)	(3,438)	(3,438) (Note 2)	
Ke Wei Shanghai Real Estate Management Consulting Inc.	Shanghai Shin Chen Real Estate Brokerage Inc.	9th Floor, No. 650, Dingxi Road, Changning District, Shanghai, China	Real estate brokerage	1,240	1,240	-	99	100 (Note 2)	-	-	
Sinyi International Limited	Forever Success International Limited	2nd Floor, Felix House, 24 Dr. Joseph Riviere Street, Port Louis, Mauritius	Investment holding	28,276	28,276	930,000	100	12,894 (Note 2)	(4,024)	(4,024) (Note 2)	
	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	72,474 (Note 2)	5,167	5,167 (Note 2)	
	Sinyi Development Ltd.	TMF Chambers, P.O. Box 3269, Asia Samoa	Investment holding	907,857	773,333	31,114,969	100	928,006 (Note 2)	(1)	(1) (Note 2)	(Note 1)
Forever Success International Limited	Shanghai Shang Tuo Investment Management Consulting Inc.	Rooms 3-103, No. 574, Qingxi Road, Pudong New District, Shanghai, China	Real estate brokerage and management consulting	27,432	27,432	-	100	12,218 (Note 2)	(4,024)	(4,024) (Note 2)	
Inane International Limited	Shanghai Sinyi Real Estate Inc.	Ground Floor, No. 520, Dongchang Road, Pudong New District, Shanghai, China	Real estate brokerage	888,456	888,456	-	100	578,603 (Note 2)	4,025	4,025 (Note 2)	
	Beijing Sinyi Real Estate Ltd.	Wantong Centre C Layer 7, A-6 Chaowai Street, Chaoyang District, Beijing, China	Real estate brokerage and management consulting	102,012	102,012	-	100	(21,777) (Note 2)	(4,518)	(4,518) (Note 2)	
	Shanghai Sinyi Limited Corporation of Land Administration and Real Estate Counseling	Room 101, Building 39, No. 227, Rushan Road, Pudong new district, Shanghai, China	Real estate brokerage	15,773	15,773	-	100	16,863 (Note 2)	(2,155)	(2,155) (Note 2)	
	Chengdu Sinyi Real Estate Co., Ltd.	No. 233, Northbound section Second Ring Road, Jinniu District, Chengdu, Sichuan, China	Real estate brokerage and management consulting	29,342	29,342	-	80	7,198 (Note 2)	(1,655)	(1,324) (Note 2)	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2013			Net Income (Loss) of the Investee	Investment Income (Loss) Recognized	Note
				Ending Balance	Beginning Balance	Shares	Percentage of Ownership (%)	Carrying Value			
	Qingdao Chengjian & Sinyi Real Estate Co., Ltd.	Room 329, No. 135-3, Fuzhou North Road, Shibei District, Qingdao, China	Real estate brokerage and management consulting	$ 29,225	$ 29,225	-	80	$ 6,073 (Note 2)	$ (1,058)	$ (846) (Note 2)	
	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	391,235 (Note 2)	12,438	12,438 (Note 2)	
Max Success International Limited	Zhejiang Sinyi Real Estate Co., Ltd.	No. 118 Wenhui Road Xiacheng District Hangzhou, Hangzhou, China	Real estate brokerage and management consulting	53,694	53,694	-	62	1,904 (Note 2)	(726)	(451) (Note 2)	
	Suzhou Sinyi Real Estate Inc.	International Building 1607, No. 2, Suhua Road, Industrial Park, Suzhou, China	Real estate brokerage and management consulting	313,197	313,197	-	98	389,307 (Note 2)	13,184	12,889	
Shanghai Sinyi Real Estate Inc.	Zhejiang Sinyi Real Estate Co., Ltd.	No. 118 Wenhui Road Xiacheng District Hangzhou, Hangzhou, China	Real estate brokerage and management consulting	34,483	34,483	-	38	1,158 (Note 2)	(726)	(275) (Note 2)	
	Suzhou Sinyi Real Estate Inc.	International Building 1607, No. 2, Suhua Road, Industrial Park, Suzhou, China	Real estate brokerage and management consulting	5,824	5,824	-	2	8,920 (Note 2)	13,184	295 (Note 2)	
An-Sin Real Estate Management Ltd.	An-Shin Real Estate Management Ltd.	No. 100, Sinyi Rd., Sec. 5, Sinyi District. Taipei City, Taiwan	Real estate management	10,000	10,000	1,000,000	100	10,289 (Note 2)	45	45 (Note 2)	
Sinyi Realty Inc. Japan	Richesse Management Co., Ltd.	2nd Floor, Shoritsu Building 2-7-1 Yoyogi Shibuya-ku, Tokyo, Japan	Real estate brokerage	10,746	10,746	600	100	11,027 (Note 2)	448	448 (Note 2)	
Sinyi Development Ltd.	Sinyi Real Estate (Hong Kong) Limited	Suite 2302-6, 23/F Great Eagle CTR 23, Harhour Rd., Wan Chai HK	Investment holding	907,857	773,333	31,114,969	100	928,006 (Note 2)	(1)	(1) (Note 2)	(Note 1)

Note 1: As of March 31, 2013, it has not been registered as a capital stock; therefore, it is recorded under “prepayment for long-term investment”.

Note 2: It has been eliminated.

(Concluded)

SINYI REALTY INC. AND SUBSIDIARIES

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
THREE MONTHS ENDED MARCH 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 March 31, 2013	% Ownership of Direct or Indirect Investment	Investment Income (Loss) Recognized (Note 1)	Carrying Value as of March 31, 2013 (Note 2)	Accumulated Inward Remittance of Earnings as of March 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 the investing company in the third region	$ 238,231	$ -	$ -	$ 238,231	9	$ -	$ -	$ -
Ke Wei Shanghai Real Estate Management Consulting Inc.	Real estate brokerage and management consulting	RMB 6,160	〃	15,870	-	-	15,870	95	(3,438) (Note 10)	(29,727) (Note 10)	-
Shanghai Sinyi Real Estate Inc. (Note 7)	Real estate brokerage	RMB 207,246	〃	888,456	-	-	888,456	100	4,025 (Note 10)	578,603 (Note 10)	-
Beijing Sinyi Real Estate Ltd. (Note 3)	Real estate brokerage and management consulting	RMB 21,883	〃	86,157	-	-	86,157	100	(4,518) (Note 10)	(21,777) (Note 10)	-
Shanghai Sinyi Limited Corporation of Land Administration and Real Estate Counseling (Note 4)	Real estate brokerage	RMB 4,138	〃	-	-	-	-	100	(2,155) (Note 10)	16,863 (Note 10)	-
Suzhou Sinyi Real Estate Inc. (Note 5)	Real estate brokerage and management consulting	RMB 68,000	〃	355,249	-	-	355,249	100	13,184 (Note 10)	398,227 (Note 10)	-
Cura Investment Management (Shanghai) Co., Ltd. (Note 4)	Real estate fund investment management	RMB 445,400	〃	-	-	-	-	2	-	45,273	-
Zhejiang Sinyi Real Estate Co., Ltd. (Note 6)	Real estate brokerage and management consulting	RMB 20,200	〃	44,543	-	-	44,543	100	(726) (Note 10)	3,062 (Note 10)	-
Shanghai Shin Chen Real Estate Brokerage Inc. (Note 4)	Real estate brokerage	RMB 1,000	〃	-	-	-	-	94	- (Note 10)	100 (Note 10)	-
Shanghai Shang Tuo Investment Management Consulting Inc.	Real estate brokerage and management consulting	RMB 5,961	〃	27,432	-	-	27,432	100	(4,024) (Note 10)	12,218 (Note 10)	-
Chengdu Sinyi Real Estate Co., Ltd.	Real estate brokerage and management consulting	RMB 8,000	〃	29,342	-	-	29,342	80	(1,324) (Note 10)	7,198 (Note 10)	-
Qingdao Chengjian & Sinyi Real Estate Co., Ltd.	Real estate brokerage and management consulting	RMB 8,000	〃	29,225	-	-	29,225	80	(846) (Note 10)	6,073 (Note 10)	-
Sinyi Real Estate (Shanghai) Limited	Development of commercial and residential building and auxiliary facilities; and construction, rental, sale and property management	-	〃	-	-	-	-	100	-	-	-

Accumulated Outflow for Investment in Mainland China as of March 31, 2013	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment (Note 9)
$1,714,505	$5,547,825	$-

(Continued)

Note 1: Amount was based on the unreviewed financial statements.

Note 2: Carrying value was converted into New Taiwan dollars based on the exchange rate of US$1=NT$29.825, and US$1=RMB6.268 at March 31, 2013.

Note 3: Investment of RMB4,138 thousand was made indirectly through earnings of the Company's subsidiary in China, and NT$50,805 thousand and NT$35,352 thousand were remitted from Taiwan in 2009 and 2012, respectively.

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

Note 5: 19% ownership was made indirectly through the earnings of the Company's subsidiary in China. In 2010, the Company acquired the remaining ownership of Suzhou Sinyi Real Estate Inc. by acquiring Sinyi Real Estate Consulting Co., Ltd.'s 100% shareholdings in Max Success International Limited. In 2012, the Company invested in Suzhou Sinyi Real Estate Inc. the amount of NT$285,190 thousand.

Note 6: 75% ownership was made indirectly through the earnings of the Company's subsidiary in China. In 2010, the Company acquired the remaining ownership of Suzhou Sinyi Real Estate Inc. by acquiring Sinyi Real Estate Consulting Co., Ltd.'s 100% shareholdings in Max Success International Limited. In 2011, the Company invested in Qingdao Chengjian & Sinyi Real Estate Co., Ltd. the amount of NT$44,543 thousand.

Note 7: In 2012, the outflow of NT$116,200 thousand was made indirectly through debt for equity swaps by Shanghai Sinyi Real Estate Inc. As of March 31, 2013, the investment was not yet registered as capital stock.

Note 8: Sinyi Real Estate (Hong Kong) Limited won the bid for a land located in Malu town, Jiading district, Shanghai, China in November 2012. As of March 31, 2013, Sinyi Real Estate (Hong Kong) Limited had paid US$16,115 thousand (equivalent to RMB101,023 thousand) and will make it as deposit toward the contract. Sinyi Real Estate (Hong Kong) Limited had applied for the commencement of Sinyi Real Estate (Shanghai) Limited after obtaining the construction site mentioned above.

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

Note 10: It has been eliminated.

(Concluded)