Acter Co., Ltd. and Subsidiaries
Consolidated Financial Statements

June 30, 2016 and 2015
(With Independent Auditor's Review Thereon)

Independent Auditors' Report

The Board of Directors
Acter Co., Ltd.:

We have reviewed the accompanying consolidated statements of financial position of Acter Co., Ltd. (the "Company") and subsidiaries as of June 30, 2016 and 2015, and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the six months then ended June 30, 2016 and 2015. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our review.

Except as discussed in the third and fourth paragraph, we conducted our reviews in accordance with Statement on Auditing Standard No. 36, "Engagement to Review Financial Statements". A review consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit 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 interim financial statements taken as a whole. Accordingly, we do not express such an opinion.

Included in the accompanying consolidated financial statements are the financial statements of certain consolidated subsidiaries, which were not reviewed by independent accountants. The total assets of these subsidiaries amounted to NT$1,660,676 thousand and NT$1,477,771 thousand, representing 18% and 20% of the related consolidated total assets and the total liabilities amounted to NT$825,381 thousand and NT$732,839 thousand, representing 14% and 15% of the related consolidated liabilities as of June 30, 2016 and 2015, respectively. The total comprehensive income of these subsidiaries amounted to NT$40,134 thousand, NT$33,480 thousand, NT$51,393 thousand and NT$48,330 thousand, representing 43% ,25%, 33% and 28% of the related consolidated comprehensive income for the three months ended June 30, 2016 and 2015, and for the six months ended June 30, 2016 and 2015, respectively.

Except as described in the third paragraph, the financial statements of equity-accounted investee were not reviewed by independent accountants. Long-term investment in the company amounted to NT$952 thousand and NT$1,216 thousand as of June 30, 2016 and 2015, and the related investment loss amounted to NT$ 82 thousand and NT$ 87 thousand and NT$ 161 thousand and NT$ 165 thousand for the three months ended June 30, 2016 and 2015, and for the six months ended June 30, 2016 and 2015.

Based on our reviews, except for the effects of such adjustments, if any, as might have been determined to be necessary had the financial statements of some consolidated subsidiaries and the equity-accounted investee been reviewed as described in the preceding paragraphs, we are not aware of any material modifications that should be made to the consolidated financial statements referred to the first paragraph for them to be in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and guidelines of International Accounting Standards No. 34 “Interim Financial Reporting” which are endorsed by the Financial Supervisory Commission, Republic of China.

Auguest 10, 2016

Note to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, results of operations, and cash flows in accordance with the 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 accepted and applied in the Republic of China.

The auditors’ audit report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language auditors’ review report and consolidated financial statements, the Chinese version shall prevail.

Acter Co., Ltd. and Subsidiaries

Consolidated Statements of Financial Position

June 30, 2016, and 2015

(In Thousands of New Taiwan Dollars)

		June 30,2016		December 31,2015		June 30,2015	
	Assets	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current Assets:						
1100	Cash and cash equivalents (Note 6(1)and 20))	$ 2,323,816	26	1,495,223	19	1,159,948	15
1125	Available-for-sale financial assets－current (Note 6(2) and 20))	202,551	2	211,765	3	235,195	3
1150	Notes receivable, net (Note 6(3)and 20)	96,026	1	245,882	3	159,362	2
1170	Accounts receivable, net (Note 6(3)and 20)	2,574,364	29	2,496,791	30	2,242,373	30
1190	Construction contracts receivable (Note 6(4))	1,140,956	13	1,419,880	17	1,262,788	17
1200	Other receivables (Note 6(3)and 20)	43,028	-	36,402	-	45,205	1
1220	Current income tax assets	3,368	-	12,096	-	2,269	-
1310	Inventories, net (Note 6(5))	1,451,880	16	1,150,641	14	1,336,842	18
1476	Other financial assets－current (Note 8)	195,829	2	201,263	3	240,761	3
1479	Other current assets	319,510	4	242,109	3	247,539	3
		8,351,328	93	7,512,052	92	6,932,282	92
	Non-current assets:						
1523	Available-for-sale financial assets－noncurrent (Note 6(2) and 20))	6,788	-	15,221	-	13,199	-
1550	Investment accounted for using equity method	952	-	1,138	-	1,216	-
1600	Property, plant and equipment (Note 6(8))	372,586	4	380,354	5	327,514	4
1760	Investment property, net(Note 6(9))	30,372	-	30,537	-	30,702	-
1840	Deferred tax assets	184,985	2	155,981	2	147,157	2
1985	Long-term prepaid rents	38,022	-	40,308	-	40,125	1
1990	Other non-current assets (Note 6(2))	42,060	1	50,616	1	69,704	1
		675,765	7	674,155	8	629,617	8
	Total Assets	**$ 9,027,093**	**100**	**8,186,207**	**100**	**7,561,899**	**100**

		June 30,2016		December 31,2015		June 30,2015	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
	Current Liabilities:						
2100	Short-term loans (Note 6(11) and 20)	$ 96,997	1	183,857	2	171,296	2
2150	Notes payable (Note 6(20)	233,618	3	268,998	3	225,269	3
2170	Accounts payable (Note 6(20)	2,277,155	25	2,346,595	29	2,024,990	28
2180	Payables to related parties (Note6(20) and 7)	396	-	459	-	271	-
2190	Construction contracts payable (Note 6(4))	1,004,817	11	539,968	7	512,065	7
2201	Accrued salaries and bonuses	129,623	1	196,919	2	107,655	1
2216	Dividend payable	297,235	3	-	-	97,033	1
2230	Current tax liabilities	80,179	1	55,447	1	78,169	1
2250	Provisions－current (Note 6(10) and 20))	220,499	3	192,982	2	225,797	3
2311	Advance sales receipts(Note 6(12))	1,341,792	15	975,010	12	1,046,854	14
2399	Other current liabilities(Note 9)	196,177	2	154,869	2	91,987	1
		5,878,488	65	4,915,104	60	4,581,386	61
	Non-current liabilities:						
2570	Deferred tax liabilities	153,869	2	172,129	2	162,174	2
2640	Accrued pension liabilities	34,278	-	34,905	-	34,152	-
2645	Guarantee deposit received	312	-	252	-	252	-
		188,459	2	207,286	2	196,578	2
	Total Liabilities	6,066,947	67	5,122,390	62	4,777,964	63
	Equity Attributable to Shareholders of the parent company(Note 6(14))**:**						
3100	Common stock	473,079	5	466,159	6	466,159	6
3200	Capital surplus	1,026,642	11	978,475	12	977,904	13
3300	Retained earnings	1,355,141	15	1,451,733	18	1,244,343	16
3400	Other equity interest	(47,467)	-	23,145	-	(20,252)	-
	Total Equity attributable to the parent of company	2,807,395	31	2,919,512	36	2,668,154	35
36xx	**Non-controlling interests**(Note 6(6))	152,751	2	144,305	2	115,781	2
	Total Equity	2,960,146	33	3,063,817	38	2,783,935	37
	Total Liabilities And Equity	**$ 9,027,093**	**100**	**8,186,207**	**100**	**7,561,899**	**100**

See accompanying notes to consolidated financial statements.

Reviewed only, not audited in accordance with the generally accepted auditing standards.

Acter Co., Ltd. and Subsidiaries

Consolidated Statements Of Comprehensive Income

For The Three Months Ended June 30, 2016 And 2015 and For The Six months Ended June 30, 2016 And 2015

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

		For the Three Months ended June 30				For the Six months ended June 30			
		2016		2015		2016		2015	
		Amount	%	Amount	%	Amount	%	Amount	%
	Operating revenues:								
4521	Construction revenue (Note 6(4))	$ 1,853,596	85	$ 1,722,695	81	3,494,112	88	2,901,393	83
4529	Less: allowances	(4,914)	-	(893)	-	(9,373)	-	(1,216)	-
		1,848,682	85	1,721,802	81	3,484,739	88	2,900,177	83
4110	Sales	299,353	14	403,583	19	449,400	11	561,112	16
4800	Other operating revenue	35,904	1	4,714	-	50,510	1	23,093	1
		2,183,939	100	2,130,099	100	3,984,649	100	3,484,382	100
	Operating cost (Note 6(13)and(17)):								
5520	Construction cost (Note 7)	1,656,012	76	1,489,540	70	3,059,640	77	2,523,311	72
5110	Cost of goods sold (Note 6(5))	219,247	10	296,275	14	315,537	8	418,567	12
5800	Other operating cost	-	-	13	-	-	-	52	-
		1,875,259	86	1,785,828	84	3,375,177	85	2,941,930	84
	Gross profit	308,680	14	344,271	16	609,472	15	542,452	16
	Operating expenses (Note 6((13)and(17)):								
6100	Selling	23,202	1	27,420	1	50,985	1	57,520	2
6200	General and administrative	127,772	6	114,530	5	263,005	7	198,982	6
6300	Research and development	15,892	1	20,949	1	20,496	-	33,820	1
		166,866	8	162,899	7	334,486	8	290,322	9
	Operating income	141,814	6	181,372	9	274,986	7	252,130	7
	Non-operating income and expenses:								
7050	Finance costs	(403)	-	(643)	-	(1,116)	-	(1,145)	-
7010	Other income (Note 6(16))	6,190	-	5,396	-	11,458	-	10,493	-
7070	Share of loss of associates accounted for using equity method	(82)	-	(87)	-	(161)	-	(165)	-
7020	Other gains and losses, net (Note 6(16))	8,159	1	(237)	-	(34,987)	(1)	(4,230)	-
		13,864	1	4,429	-	(24,806)	(1)	4,953	-
7900	**Profit before tax**	155,678	7	185,801	9	250,180	6	257,083	7
7950	**Income tax expense** (Note 6(18))	39,595	2	31,064	1	57,994	1	47,790	1
	Profit for the year	**116,083**	**5**	**154,737**	**8**	**192,186**	**5**	**209,293**	**6**
8300	**Other comprehensive income, net of tax:**								
8360	**Actuarial gain (loss) from defined benefit plans**								
8361	Foreign currency translation differences－foreign operations	(27,632)	(1)	(13,179)	(1)	(57,825)	(1)	(30,657)	(1)
8362	Net change in fair value of available-for-sale financial assets	974	-	(9,474)	-	13,797	-	(11,556)	-
8399	Income tax related to components of other comprehensive income(Note 6(18))	(4,648)	-	(2,193)	-	(9,705)	-	(5,159)	-
8300	**Other comprehensive income, net**	**(22,010)**	**(1)**	**(20,460)**	**(1)**	**(34,323)**	**(1)**	**(37,054)**	**(1)**
8500	**Comprehensive income**	**$ 94,073**	**4**	**$ 134,277**	**7**	**157,863**	**4**	**172,239**	**5**
	Profit attributable to ：								
8610	Shareholders of the parent	$ 112,025	5	$ 154,189	8	187,423	5	207,579	6
8620	Non-controlling interests	4,058	-	548	-	4,763	-	1,714	-

See accompanying notes to consolidated financial statements.

		$ 116,083	**5**	**$ 154,737**	**8**	**192,186**	**5**	**209,293**	**6**
	Comprehensive income attributable to：								
8710	Shareholders of the parent	$ 90,306	4	$ 134,008	7	153,840	4	171,060	5
8720	Non-controlling interests	3,767	-	269	-	4,023	-	1,179	-
		$ 94,073	**4**	**$ 134,277**	**7**	**157,863**	**4**	**172,239**	**5**
	Earnings per share ((attributable to shareholders of the parent)) (Note 6(19))								
9750	**Basic earnings per share**	**$ 2.43**		**3.34**		**$ 4.06**		**$ 4.50**	
9850	**Diluted earnings per share**	**$ 2.38**		**3.32**		**$ 3.98**		**$ 4.48**	

See accompanying notes to consolidated financial statements.

Reviewed only, not audited in accordance with the generally accepted auditing standards.

Acter Co., Ltd. and Subsidiaries

Consolidated Statements Of Changes In equity

For The Six Months Ended June 30, 2016 And 2015

(Expressed in Thousands of New Taiwan Dollars

	Attributable to Shareholders of the Parent											
			Retained earnings				Other equity interest					
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Foreign currency translation adjustments	Unrealized on gains (losses) available-for -sale financial assets	Others	Total	Non-controlling interests	Total Equity
Balance, January 1, 2015	$ 461,359	936,951	333,976	36,885	759,135	1,129,996	58,501	(2,634)	-	55,867	84,205	2,668,378
Appropriation and distribution of retained earnings												
Legal reserves	-	-	9,483	-	(9,483)	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(93,232)	(93,232)	-	-	-	-	-	(93,232)
	461,359	936,951	343,459	36,885	656,420	1,036,764	58,501	(2,634)	-	55,867	84,205	2,575,146
Changes in ownership interest in subsidiaries	-	6,153	-	-	-	-	-	-	-	-		6,153
The share-based payment	4,800	34,800	-	-	-	-	-	-	(39,600)	(39,600)	-	-
Comprehensive income for the six months ended June 30,2015												
Profit for the period	-	-	-	-	207,579	207,579	-	-	-	-	1,714	209,293
Other comprehensive income for the period	-	-	-	-	-	-	(24,963)	(11,556)	-	(36,519)	(535)	(37,054)
Total comprehensive income	-	-	-	-	207,579	207,579	(24,963)	(11,556)	-	(36,519)	1,179	172,239
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	30,397	30,397
Balance, June 30, 2015	$ 466,159	977,904	343,459	36,885	863,999	1,244,343	33,538	(14,190)	(39,600)	(20,252)	115,781	2,783,935
Balance, January 1, 2016	$ 466,159	978,475	343,459	36,888	1,071,386	1,451,733	58,573	(14,583)	(20,845)	23,145	144,305	3,063,817
Appropriation and distribution of retained earnings												
Legal reserves	-	-	41,635	-	(41,635)	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(284,015)	(284,015)	-	-	-	-	-	(284,015)
	466,159	978,475	385,094	36,888	745,736	1,167,718	58,573	(14,583)	(20,845)	23,145	144,305	2,779,802
Changes in ownership interest in subsidiaries	-	(245)	-	-	-	-	-	-	-	-	-	(245)
The share-based payment	6,920	48,412	-	-	-	-	-	-	(37,029)	(37,029)	-	18,303
Comprehensive income for the six months ended June 30,2016												
Profit for the period	-	-	-	-	187,423	187,423	-	-	-	-	4,763	192,186
Other comprehensive income for the period	-	-	-	-	-	-	(47,380)	13,797	-	(33,583)	(740)	(34,323)
Total comprehensive income	-	-	-	-	187,423	187,423	(47,380)	13,797	-	(33,583)	4,023	157,863
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	4,423	4,423
Balance, June 30, 2016	$ 473,079	1,026,642	385,094	36,888	933,159	1,355,141	11,193	(786)	(57,874)	(47,467)	152,751	2,960,146

See accompanying notes to consolidated financial statements.

Reviewed only, not audited in accordance with the generally accepted auditing standards.

Acter Co., Ltd. and Subsidiaries

Consolidated Statements Of Cash Flows

For The Six Months Ended June 30, 2016 And 2015

(All Amount Expressed in Thousands of New Taiwan Dollars)

	For the six months Ended June 30	
	2016	2015
Cash flows from operating activities:		
Profit before tax	$ 250,180	257,083
Adjustments:		
Items with no cash flow		
Depreciation(Including investment property)	11,390	12,619
Amortization	4,129	4,092
Provision (reversal of provision) for bad debt expense	57,901	11,192
Compensation cost arising from employee stock options	18,303	-
Provision for (Gain on reversal of) inventory obsolescence	4,751	(23,270)
Share of loss of associates accounted for using equity method	161	165
Loss(gain) on disposal of investments	16,851	(957)
Other	615	(5,634)
	114,101	(1,793)
Changes in operating assets and liabilities		
Changes in operating assets		
Notes receivable	149,856	6,100
Accounts receivable	(129,536)	(568,190)
Construction contracts receivable	278,924	125,117
Inventories	(305,990)	(238,180)
Other financial assets	(77,032)	33,622
	(83,778)	(641,531)
Changes in operating liabilities		
Notes payable	(35,380)	(59,892)
Accounts payable	(37,213)	(24,261)
Construction contracts payable	464,849	8,110
Advance sales receipts	366,782	433,142
Other current liabilities	(13,712)	(32,748)
	745,326	324,351
Total adjustments	775,649	(318,973)
Cash inflow (outflow) generated from operations	1,025,829	(61,890)
Interest received	4,149	6,664
Interest paid	(1,146)	(1,499)
Income taxes paid	(95,757)	(37,633)
Net cash generated by (used in) operating activities	933,075	(94,358)
Cash flows from investing activities:		
Acquisition of available-for-sale financial assets	(15,000)	(45,000)
Proceeds from disposal of available-for-sale financial assets	28,823	45,071
Acquisition of property, plant and equipment	(7,728)	(1,727)
Proceeds from disposal of property, plant and equipment	524	138
Increase in other non-current assets	2,907	14,163
Net cash used in investing activities	9,526	12,645
Cash flows from financing activities:		
Increase (Decrease) in short-term loans	(86,860)	93,061
Increase in guarantee deposit	60	-
Change in non-controlling interests	4,423	30,397
Net cash used in financing activities	(82,377)	123,458
Effect of exchange rate changes on cash and cash equivalents	(31,631)	(23,242)
Net increase in cash and cash equivalents	828,593	18,503
Cash and cash equivalents at beginning of period	1,495,223	1,141,445
Cash and cash equivalents at end of period	$ 2,323,816	1,159,948

See accompanying notes to consolidated financial statements.

Acter Co., Ltd. and Subsidiaries
Notes to Consolidated Financial Statements
June 30, 2016 and 2015
(Expressed in thousands of New Taiwan dollars, unless otherwise specified)

1. **Organization and business scope**

Acter Co., Ltd. (the “Company”) was incorporated on February 19, 1979, under the approval of the Ministry of Economic Affairs, R.O.C. The Company’s registered office address is located at 33F-1, No. 787, Zhongming S. Rd., South District., Taichung City 402, Taiwan (R.O.C.).The consolidated financial statements of the Company as of and for the year ended June 30, 2016 comprised the Company and its subsidiaries (together referred to as the “Group”). The Company is engaged in providing construction, design, and maintenance services related to air conditioners, environmental control services, clean room set-up, ice water machine trading, energy storing equipment trading, ventilation engineering, and energy technology services. The principal operating activities of the rest of the Group entities are described in Notes 4 (2). Acter’s common shares were publicly listed on the Taipei Exchange (“TPEx”) on November 10, 2010.

2. **Approval date and procedures of the consolidated financial Statements**

The consolidated financial statement for the years ended June 30, 2016 and 2015 was subjected to the consent of more than one-half of the entire membership of the audit committee and was authorized for issue by the Board of Directors on Auguest 10, 2016.

3. **New standards and interpretations not yet adopted**

(1) Impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. ("FSC") but not yet in effect

According to Ruling No. 1050026834 issued on July 18, 2016, by the FSC, public entities are required to conform to the IFRSs which were issued by the International Accounting Standards Board (IASB) before January 1, 2016, and were endorsed by the FSC on January 1, 2017 (excluding IFRS 9 "Financial Instruments", IFRS 15 "Revenue from Contracts with Customers", and others which have yet to be approved by the FSC in order for them to take effect) in preparing their financial statements. The related new standards, interpretations and amendments are as follows:

New standards and amendments	Effective date per IASB
· Amendments to IFRS 10, IFRS 12 and IAS 28 "Investment Entities: Applying the Consolidation Exception"	January 1, 2016
· Amendments to IFRS 11 "Accounting for Acquisitions of Interests in Joint Operations"	January 1, 2016
· IFRS 14 "Regulatory Deferral Accounts"	January 1, 2016
· Amendment to IAS 1 "Disclosure Initiative"	January 1, 2016
· Amendments to IAS 16 and IAS 38 "Clarification of Acceptable Methods of Depreciation and Amortization"	January 1, 2016
· Amendments to IAS 16 and IAS 41 "Agriculture: Bearer Plants"	January 1, 2016
· Amendments to IAS 19 "Defined Benefit Plans: Employee Contributions"	July 1, 2014
· Amendment to IAS 27 "Equity Method in Separate Financial Statements"	January 1, 2016
· Amendments to IAS 36 "Recoverable Amount Disclosures for Non-Financial Assets"	January 1, 2014
· Amendments to IAS 39 "Novation of Derivatives and Continuation of Hedge Accounting"	January 1, 2014
· Annual improvements cycles 2010-2012 and 2011-2013	July 1, 2014
· Annual improvements cycle 2012-2014	January 1, 2016
· IFRIC 21 "Levies"	January 1, 2014

The Group assessed that the initial application of the above IFRSs would not have any material impact on the consolidated financial statements.

(2) Newly released or amended standards and interpretations not yet endorsed by the FSC

The IFRS issued by the IASB after the recent yearly report date but not yet endorsed by the FSC at the end of the quarterly financial report date were as follows:

New standards and amendments	Effective date per IASB
IFRS 9 "Financial Instruments"	January 1, 2018
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"	Effective date to be determined by IASB
IFRS 15 "Revenue from Contracts with Customers"	January 1, 2018
IFRS 16 "Leases"	January 1, 2019
Amendment to IFRS 2 "Clarifications of Classification and Measurement of Share-based Payment Transactions"	January 1, 2018
Amendment to IFRS 15 "Clarifications of IFRS 15"	January 1, 2018
Amendment to IAS 7 "Disclosure Initiative"	January 1, 2017
Amendment to IAS 12 "Recognition of Deferred Tax Assets for Unrealized Losses"	January 1, 2017

The Group is still currently determining the potential impact of the standards listed below:

Issuance / Release Dates	Standards or Interpretations	Content of amendment
May 28, 2014 April 12, 2016	IFRS 15 "Revenue from Contracts with Customers"	IFRS 15 establishes a five-step model for recognizing revenue that applies to all contracts with customers, and will supersede IAS 18 "Revenue," IAS 11 "Construction Contracts," and a number of revenue-related interpretations. Final amendments issued on April 12, 2016, clarify how to (i) identify performance obligations in a contract; (ii) determine whether a company is a principal or an agent; (iii) account for a license for intellectual property (IP); and (iv) apply transition requirements.
November 19, 2013 July 24, 2014	IFRS 9 "Financial Instruments"	The standard will replace IAS 39 "Financial Instruments: Recognition and Measurement", and the main amendments are as follows: · Classification and measurement: Financial assets are measured at amortized cost, fair value through profit or loss, or fair value through other comprehensive income, based on both the entity's business model for managing the financial assets and the financial assets' contractual cash flow characteristics. Financial liabilities are measured at amortized cost or fair value through profit or loss. Furthermore, there is a requirement that "own credit risk" adjustments be measured at fair value through other

		comprehensive income. ・ Impairment: The expected credit loss model is used to evaluate impairment. ・ Hedge accounting: Hedge accounting is more closely aligned with risk management activities, and hedge effectiveness is measured based on the hedge ratio.
January 13, 2016	IFRS 16 "Leases"	The new standard of accounting for lease is amended as follows: ・ For a contract that is, or contains, a lease, the lessee shall recognize a right-of-use asset and a lease liability in the balance sheet. In the statement of profit or loss and other comprehensive income, a lessee shall present interest expense on the lease liability separately from the depreciation charge for the right-of-use asset during the lease term. ・ A lessor classifies a lease as either a finance lease or an operating lease, and therefore, the accounting remains similar to IAS 17.

The Group is evaluating the impact on its financial position and financial performance of the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

4. Summary of Significant accounting policies

(1) Statement of compliance

These consolidated interim financial statements have been prepared in accordance with the preparation and guidelines of IAS 34 Interim Financial Reporting which are endorsed by FSC and do not include all of the information required for annual financial statements.

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated interim financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2015. For the related information, please refer to Note (4) of the consolidated financial statements for the year ended December 31, 2015.

(2) Basis of consolidation

Except as described Note (3(1)) is excluded), the same principles of consolidation have been applied in the Group financial statements as those applied in the Group financial statements for the year ended December 31, 2015. The relative information refers to Note 4 (3) of the Group financial statements for the year ended December 31, 2015.

A. List of subsidiaries in the consolidated financial statements

Investor	Subsidiary	Nature of business	Shareholding ratio		
			2016.6.30	2015.12.31	2015.6.30
(a)The Company	Nova Technology Corp. (Nova Tech) (Note 2)	Wholesaling of electronic and chemical equipment	85.11%	87.41%	88.95%
	HerSuo Engineering Co., Ltd. (Her Suo)	Construction and set-up of freezing equipment	100%	100%	100%
	Enrich Tech Co., Ltd(Enrich)	Integrated construction company	60%	60%	60%
	Sheng Huei International Co., Ltd. (Sheng Huei International)	Holding company	100%	100%	100%
	Nova Technology Singapore Pte., Ltd. (NTS)	Auto-supply system for semiconductors	100%	100%	100%
(b) Nova Tech	Winmax Technology(Shanghai) Corp.(Winmax)	Design and manufacture of air containers and liquid containers	100%	100%	100%
	Winmega Technology Corp.(Winmega)	Wholesaling of electronic and chemical equipment	100%	100%	100%
	Suzhou Winmax Technology Corp Corp (Note 3)	Design and manufacture of air containers and liquid containers t	100%	-	-
(c) Sheng Huei International	Sheng Huei (Suzhou) Engineering Co., Ltd.	Construction and set-up of electronic equipment and air conditioners	100%	100%	100%
	Acter International Ltd. (Acter International)	Holding company and trading of clean rooms and air conditioners	100%	100%	100%
	New Point Group Ltd. (New Point)	Holding company and trading of clean rooms and air conditioners	100%	100%	100%
	Sheng Huei Engineering Technology Co., Ltd.	Set-up of electronic protection systems and central air conditioners	100%	100%	100%
(d) NTS	Nova Technology Malaysia Sdn. Bhd.(NTM)	Construction design and contract	100%	100%	100%
	Novamex Indonesia, PT. (NMI) (Note 1)	Equipment trading and set-up	100%	100%	100%
	Acter Engineering Co. Ltd.(Acter Engineering)	Construction and set-up of electronic equipment and air conditioners	100%	100%	100%
(e) Sheng Huei (Suzhou) Enginering Co., Ltd.	Shenzhen Ding –Mao Trade Co., Ltd.	Electronic equipment and machinery trading	100%	100%	100%
	SCEC (Suzhou) Co., Ltd.	Construction and set-up of electronic equipment and air conditioners	57.81%	57.81%	57.81%
	SCEC (Shanghai) Corporation (SCEC Shanghai)	Equipment wholesale and agent for electronic equipment importing and exporting	57.81%	57.81%	57.81%
(f) Acter International	Sheng Huei (Shenzhen) Engineering Co., Ltd.	Construction and set-up of electronic equipment and air conditioners	100%	100%	100%
(g) New Point	Zhangjiagang Free Trade Zone Fuyu Internation Trade Co., Ltd. (Fuyu)	Agent for electronic equipment importing and exporting	100%	100%	100%

Note 1: The ownership consists of 99% from NTS and 1% from NTM.

Note 2: Nova Tech increased capital in November, 2015, with 15% shares reserved for employee purchase. The Group participated in this investment by its shareholding ratio, making the shareholding of Nova tech decrease from 88.95% to 87.41%.The Group sold 2.3% of Nova Tech shares in June, 2016, making the shareholding of Nova tech decrease from 87.41% to 85.11%.

Note 3: Nova Tech established Suzhou Winmax in June, 2016.

B. Subsidiaries excluded from consolidation: None.

(3) Income Taxes

The preparation of the consolidated interim financial statements in conformity with IAS 34 “Interim financial reporting” paragraph B12 measurement and disclosure of income tax expense for the interim period.

Income tax expense for the period is best estimated by multiplying pretax income for the interim reporting period with the effective annual tax rate as forecasted by the management. This is recognized and allocated to current and deferred taxes proportionately.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the effective tax rate at the time of realization or liquidation, and recognized directly in equity or other comprehensive income as tax expense.

(4) Employee benefits

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 prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

5. **Major sources of accounting assumptions, judgments and estimation uncertainty**

The preparation of the consolidated interim financial statements in conformity with IAS 34 “Interim financial reporting” approved by FSC requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparation of the consolidated interim financial statements, the major source of significant judgments and estimates of uncertainty made by the Company’s management during the adoption of the Company’s accounting policy is expected to be in alignment with the refer to Note 5 of the Group financial statements for the year ended December 31, 2015.

6. **Significant account disclosure**

The significant accounting policies presented in the quarter consolidated financial statements is the same with the 2015 consolidated financial statements, the related information, please refer to Note 6 of the Group financial statements for the year ended December 31, 2015.

(1) Cash and cash equivalents

	June 30, 2016	December 31, 2015	June 30, 2015
Petty cash and cash on hand	$ 2,671	4,296	3,048
Checking and demand deposits	1,598,233	853,034	683,873
Time deposits	130,783	122,400	90,688
Cash equivalent – repurchased commercial paper	592,129	515,493	382,339
	$ 2,323,816	1,495,223	1,159,948

The above-mentioned repurchased commercial paper rate as of June 30, 2016, December 31, 2015 and June 30, 2015 were 0.32%~0.40%, 0.40%~0.44% and 0.60%~0.63%, respectively, and they mature from July 25 to August 11, 2016, January 4 to February 1, 2016 and from July 3 to August 25, 2015, respectively.

(2) Investment in financial assets

	June 30, 2016	December 31, 2015	June 30, 2015
Current:			
Available-for-sale financial assets			
Beneficiary securities — open-end funds	$ 202,551	211,765	235,195
Non-current:			
Available-for-sale financial assets			
Xantia Corporation Co., Ltd.	-	5,283	4,624
Holy Stone Healthcare Co., Ltd.	6,788	9,938	8,575
Financial assets carried at cost			
Taichung International Entertainment Co., Ltd.	45	45	45
	$ 209,384	227,031	248,439

A. The Group had sold the available-for-sale financial assets Xantia Corporation Co., Ltd. amounted to $1,714, write off the amount $14,363 cumulative loss under other comprehensive income and the loss on disposal of investments was amounted to $17,932. The related amount had been collected before March 31, 2016.The loss on disposal of investments, please refer to Note 6(16).

B. The aforesaid financial assets were not pledged.

(3) Notes and accounts receivable, and other receivables net

	June 30, 2016	December 31, 2015	June 30, 2015
Notes receivable	$ 96,026	245,882	159,362
Accounts receivable	2,799,354	2,669,818	2,392,367
Less: Allowance for impairment	(224,990)	(173,027)	(149,994)
	$ 2,670,390	2,742,673	2,401,735
Other receivables	50,358	47,295	45,205
Less: Allowance for impairment	(7,330)	(10,893)	-
Total	$ 2,713,418	2,779,075	2,446,940

The aging analysis of notes receivable, accounts receivable and other receivables which were past due but not impaired were as follows:

		June 30, 2016	December 31, 2015	June 30, 2015
Past due 1day to 120 days	$	295,636	365,242	288,850
Past due 121days to 180 days		56,025	45,359	99,385
Past due 181days to 360 days		133,740	183,577	55,345
Past due 361days to 540 days		29,374	19,080	31,000
	$	**514,775**	**613,258**	**474,580**

A. Accounts receivable includes retained construction receivable, which amounted to $84,456, $69,073 and $38,803 as of June 30, 2016, December 31, 2015 and June 30, 2015, respectively.

B. The notes and accounts receivable are not discounted or pledged.

C. Impairment loss is the difference between the carrying amount and the amount expected to be collected. The movement in the allowance for impairment with respect to notes and accounts receivable and other receivables for the six months ended June 30, 2016 and 2015 were as follows:

		For the six months ended June 30	
		2016	2015
Balance, January 1	$	183,920	141,813
Impairment loss recognized		57,901	11,192
Effect of exchange rate changes		(9,501)	(3,011)
Balance, June 30	$	**232,320**	**149,994**

(4) Construction contracts

A. Construction revenue and loss

Construction contract revenue of the Group has been determined based on the percentage - of - completion method. The extent of completion is determined based on contract costs incurred for work performed to date in proportion to the estimated total contract costs. Any expected excess of the total contract costs over the total contract revenue is immediately recognized as construction cost.

	For the three months ended June 30		For the six months ended June 30	
	2016	2015	2016	2015
Construction revenue recognized in the periods	$ 1,848,682	1,721,802	3,484,739	2,900,177

B. Construction-in-progress

		June 30, 2016	December 31, 2015	June 30, 2015
Accumulated construction costs incurred (including contract costs that relate to future activity)	$	9,068,147	8,851,988	7,719,852
Add: Accumulated construction profit and losses		320,784	187,938	218,909
		9,388,931	9,039,926	7,938,761
Less: Progress billings		(9,252,792)	(8,160,014)	(7,188,038)
Construction contracts receivable(net)	$	136,139	879,912	750,723
Construction contracts receivable presented as an asset	$	1,140,956	1,419,880	1,262,788
Construction contracts payable presented as a liability		(1,004,817)	(539,968)	(512,065)
	$	136,139	879,912	750,723
Accumulated advance received	$	9,426	4,575	5,129

(5) Inventories

	June 30, 2016	December 31, 2015	June 30, 2015
Finished goods and merchandise	$ 182,427	85,842	100,028
Work in process and semi-finished goods	1,094,837	972,673	1,153,629
Raw materials	182,376	95,135	84,266
	1,459,640	1,153,650	1,337,923
Less: provision for inventory devaluation	(7,760)	(3,009)	(1,081)
	$ 1,451,880	**1,150,641**	**1,336,842**

For the three months ended June 30, 2016 and 2015 and for the six months ended June 30, 2016 and 2015, the Group wrote down an operating cost of $3,616, $(23,066), $4,751 and $(23,270), respectively, from the write-down of inventory cost to net realizable value.

The inventories are not pledged for the year ended of June 30, 2016, December 31, 2015 and June 30, 2015.

(6) Investment in equity-accounted investees and Acquisition of non-controlling interests

The Group sold 2.3% of Nova Tech shares in June, 2016, making the shareholding of Nova Tech decrease from 87.41% to 85.11%. The Group had not participated in the capital increased of Enrich Tech. in March, 2015. The shareholding of Enrich Tech decreased from 100% to 60%. The abovementioned transactions generated non-controlling interests amounting to $4,423 and $30,397 for the six months ended June 30, 2016 and 2015.

(7) Significant subsidiaries of non-controlling interest

Non-controlling interests of subsidiaries of the Group that are significant to the Group are as follows:

		Percentage of non-controlling ownership		
Subsidiaries	**Main Business Location/Registered Country**	**June 30, 2016**	**December 31, 2015**	**June 30, 2015**
Nova Tech	R.O.C.	14.89%	12.59%	11.05%
Enrich Tech	R.O.C.	40%	40%	40%
SCEC Shanghai	China	42.19%	42.19%	42.19%
SCEC Suzhou	China	42.19%	42.19%	42.19%

The following information of the aforementioned subsidiaries has been prepared in accordance with IFRS endorsed by the FSC. Included in these information are adjustment made about the fair value and relevant difference in accounting principles between the Company and its subsidiary as at acquisition date. Intra-Group transactions were not eliminated in this information.

A. Information regarding of Nova Tech:

	June 30,2016	December 31,2015	June 30,2015
Current assets	$ 1,155,693	991,167	730,299
Non-current assets	608,244	565,950	448,635
Current liabilities	(897,765)	(692,842)	(518,076)
Non-current Liabilities	(56,616)	(56,345)	(44,109)
Net assets	**$ 809,556**	**807,930**	**616,749**
Non-controlling interest	**$ 120,573**	**101,727**	**68,152**

	For the three months ended June 30		For the six months ended June 30	
	2016	2015	2016	2015
Operating revenue	$ 376,991	225,524	672,579	513,583
Net income for the period	90,996	27,070	114,541	62,787
Other comprehensive income	(9,189)	(7,408)	(24,155)	(10,426)
Comprehensive income	81,807	19,662	90,386	52,361
Net income attributable to non-controlling interest	11,457	2,991	14,422	6,938
Comprehensive income attributable to non-controlling interest	10,301	2,641	11,381	5,786

Cash flows from operating activities	$ 490,767	(181,167)
Cash flows from investing activities	(33,068)	29,536
Cash flows from financing activities	-	110,000
Net increase (decrease) in cash and cash equivalents	$ 457,699	(41,631)

B. Information regarding of Enrich Tech:

	June 30,2016	December 31,2015	June 30,2015
Current assets	$ 53,434	62,349	73,101
Non-current assets	864	1,093	615
Current liabilities	(8,724)	(9,339)	(17,975)
Net assets	45,574	54,103	55,741
Non-controlling interest	18,231	21,642	22,297

	For the three months ended June 30		For the six months ended June 30	
	2016	2015	2016	2015
Operating revenue	$ 1,828	20,983	32,122	33,044
Net income for the period	(8,811)	(296)	(8,529)	(894)
Other comprehensive income	-	-	-	-
Comprehensive income	$ (8,811)	(296)	(8,529)	(894)
Net income attributable to non-controlling interest	$ (3,525)	(31)	(3,412)	(111)
Comprehensive income attributable to non-controlling interest	$ (3,525)	(31)	(3,412)	(111)

Cash flows from operating activities	$ (15,018)	(4,676)
Cash flows from investing activities	4	-
Cash flows from financing activities	-	44,625
Net increase (decrease) in cash and cash equivalents	$ (15,014)	$ 39,949

C. Information regarding of SCEC Shanghai:

		June 30,2016	December 31,2015	June 30,2015
Current assets	$	27,240	29,180	28,140
Non-current assets		(8,797)	4,040	5,728
Current liabilities		-	(3,201)	(5,238)
Net assets	$	**18,443**	**30,019**	**28,630**
Non-controlling interest	$	**7,781**	**12,665**	**12,079**

	For the three months ended June 30			For the six months ended June 30	
	2016	**2015**		**2016**	**2015**
Operating revenue	$ **-**	**12,729**		**-**	**12,812**
Net income for the period	(9,676)	841		(10,568)	(628)
Other comprehensive income	-	-		-	-
Comprehensive income	$ **(9,676)**	**841**		**(10,568)**	**(628)**
Net income attributable to non-controlling interest	$ **(4,082)**	**355**		**(4,459)**	**(265)**
Comprehensive income attributable to non-controlling interest	$ **(4,082)**	**355**		**(4,459)**	**(265)**
Cash flows from operating activities			$	374	(16,667)
Cash flows from investing activities				119	-
Cash flows from financing activities				-	-
Effect of exchange rate changes				(182)	(158)
Net increase (decrease) in cash and cash equivalents			$	**311**	**(16,825)**

D. Information regarding of SCEC Suzhou:

		June 30,2016	December 31,2015	June 30,2015
Current assets	$	18,052	24,809	30,623
Non-current assets		957	222	6,920
Current liabilities		(4,393)	(5,427)	(6,126)
Net assets	$	**14,616**	**19,604**	**31,417**
Non-controlling interest	$	**6,167**	**8,271**	**13,255**

	For the three months ended June 30			For the six months ended June 30	
	2016	**2015**		**2016**	**2015**
Operating revenue	$ **4,444**	**9,463**		**5,301**	**13,454**
Net income for the period	492	(6,558)		(4,240)	(11,491)
Other comprehensive income	-	-		-	-
Comprehensive income	$ **492**	**(6,558)**		**(4,240)**	**(11,491)**
Net income attributable to non-controlling interest	$ **207**	**(2,767)**		**(1,789)**	**(4,848)**
Comprehensive income attributable to non-controlling interest	$ **207**	**(2,767)**		**(1,789)**	**(4,848)**
Cash flows from operating			$	(1,281)	(52,255)

activities		
Cash flows from investing activities	7	(79)
Cash flows from financing activities	-	30,559
Effect of exchange rate changes	(400)	(452)
Net increase (decrease) in cash and cash equivalents	$ (1,674)	(22,227)

(8) Property, plant and equipment

	Land	Building and construction	Other facilities	Unfinished construction and equipment under acceptance	Total
Book values:					
Balance on January 1, 2016	$ 183,187	155,478	40,269	1,420	380,354
Balance on June 30, 2016	$ 183,187	148,907	36,901	3,591	372,586
Balance on January 1, 2015	$ 151,631	138,360	49,321	1,283	340,595
Balance on June 30, 2015	$ 151,631	133,676	40,950	1,257	327,514

There were no significant additions, disposal, or recognition and reversal of impairment losses of intangible assets for the six months ended June 30, 2016 and 2015. Information on amortization for the period is discussed in Note 12(1). Please refer to Note 6(9) of the 2015 annual consolidated financial statements for other related information.

Please refer to Note 8 for details of the property, plant and equipment pledged as collateral.

(9) Investment Property

	Land	Building and construction	Other facilities	Total
Book values:				
Balance on January 1, 2016	$ 20,937	9,585	15	30,537
Balance on June 30, 2016	$ 20,937	9,421	14	30,372
Balance on January 1, 2015	$ 20,937	9,916	15	30,868
Balance on June 30, 2015	$ 20,937	9,751	14	30,702

There were no significant additions, disposal, or recognition and reversal of impairment losses of intangible assets for the six months ended June 30, 2016 and 2015. Information on amortization for the period is discussed in Note 12(1). Please refer to Note 6(10) of the 2015 annual consolidated financial statements for other related information.

The fair value of investment property was no significant different from 2015 annual consolidated financial statements. Please refer to Note 6(10) of the 2015 annual consolidated financial statements for related information.

The board of directors of Acter resolved in November, 2006 to purchase the building on Chung Cheng land district, Taichung, for self-use or lease purposes, and the lease began in 2007. As of June 30, 2016, the future receivable for the Group is as follows:

Term	Amount
2016.07.01~2019.05.19	$ 1,216

a. The original recognition of investment property is measured at cost, and the subsequent measurement is also accounted for under cost model.
b. The depreciation is calculated by its depreciable amount after the original recognition of investment property, and market value is used as the fair value to asset its impairment.

c. The investment property is not pledged.

(10) Provisions

The Group's warranty provision is estimated based on historical data of the construction contract. Most liabilities are expected to occur during the warranty period that is mentioned in the contract since completion of the construction.

	June 30, 2016	December 31, 2015	June 30, 2015
Provisions	$ 220,499	192,982	225,797

(11) Short-term loans

	June 30, 2016	December 31, 2015	June 30, 2015
Unsecured bank loans	$ 96,997	183,857	171,296
Secured bank loans	-	-	-
	$ 96,997	183,857	171,296
Unused facilities	$ 2,116,962	1,912,269	2,296,772
Interest Rate	1.65%	1.65%~2.00%	1.3%~1.8%

1. Issues and Repayments of Short-term loans
   For the six months ended June 30, 2016 and 2015, the issues and repayments amounted to $86,860 and $93,061. The short-term loans are due in June, 2017 and March, 2016.

2. Assets pledged for bank loans
   For details of the related assets pledged for bank loans, please refer to Note 8.

(12) Advance sales receipts

Construction No.	2016.6.30	2015.12.31	2015.6.30
W3-14C04X	$ 395,971	414,890	211,721
W3-14C05X	98,723	103,440	51,035
W3-16C002X	93,004	-	-
W3-16C001X	79,998	-	-
W3-16C053X	79,463	-	-
W3-15C05X	-	56,753	-
W3-14C06X	-	-	232,377
W3-14C05X	-	-	133,961
W3-15C00X	-	-	234,976
Others(less than 5%)	594,633	399,927	182,784
	$ 1,341,792	975,010	1,046,854

(13) Employee benefits

A. Defined benefit plans

Due to there are no significant market volatility, significant reduction, settlement or other significant one-time items after the end of previous financial year, the Group adopts the actuarial decision cost on December 31, 2015 and 2014 to measure and disclose pension cost during the period.

The Group's pension expenses recognized in profit or loss were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2016	2015	2016	2015
Operating cost	$ 38	32	76	64
Operating expense	150	159	294	318
	$ 188	191	370	382

B. Defined contribution plans

The Group's pension expenses recognized in profit or loss were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2016	2015	2016	2015
Operating cost	$ 4,056	4,065	8,213	7,954
Operating expense	1,629	1,869	3,308	3,227
	$ 5,685	5,934	11,521	11,181

The company, HerSuo Engineering, Nova Tech and Enrich has deposit the retirement amount to Bureau of Labor and the overseas subsidiaries have deposit the retirement amount to local social insurance institutes base on the local regulation.

(14) Capital and other equity

Except as described below, no significant changes in the Group capital and other equity for the six months ended June 30, 2016 and 2015. The related information, please refer to Note 6(15) of the Group financial statements for the year ended December 31, 2015.

A. Issuance of common stock

The Company's annual shareholders' meeting approved the issuance of restricted stock to employees, with a total shares amounting to 1,200,000, and issued by batch. The first batch amounting to 480,000 shares has been issued and its total value amounted to $4,800 in December, 2014, with a par value $10, approbated by the Financial Supervisory Commission, and effective on January 12, 2015. The record date of issuance of restricted stock to employees resolved by the board of directors was January 26, 2015.

In addition, the company reported to issue the restricted stock to employees on May 28, 2015, with a total shares amounting to 720,000, with a par value $10 and its total value amounted to $7,200. The restricted stocks to employee take effect on June 12, 2015. The record date of issuance of restricted stock to employees resolved by the board of directors was January 11, 2016.

The Group canceled 28,000 shares of the restricted stock to employees resolved by the board of directors on May 31, 2016. The record date of cancellation of restricted stock to employees resolved by the board of directors was on June 8, 2016 and had completed relative registration.

B. Capital surplus

The components of the capital surplus were as follows:

	June 30, 2016	December 31, 2015	June 30, 2015
From issuance of common stock	$ 903,124	896,599	896,599
Changes in equity of associates and joint venture accounted for under equity method	46,831	47,076	46,505
Restricted stock to employees	76,687	34,800	34,800

$ 1,026,642	**978,475**	**977,904**

i. The Group had not participated in the capital increased of Enrich Tech. in March, 2016. The shareholding of Enrich Tech decreased from 100% to 60%, with an increase in capital surplus amounting to $6,153.

ii. The company issued 480,000 and 720,000 restricted stocks to employee at closing price $ 82.5 and $80 on January 26, 2015 and January 11, 2016, with an increase in capital surplus amounting to $34,800 and $50,400. The restricted stocks are available for employees at the price of $0 per share.The employees has met the Company's requirements on June 8, 2016 and removed restriction of 90,000 shares, with an increase in capital surplus amounting to $6,525 and with a decrease in capital surplus of restricted stocks amounting to $6,525. The cancellation of 28,000 restricted stock with a decrease in capital surplus amounting to $1,988.

iii. The Group sold 2.3% of Nova Tech shares in June, 2016, with an decrease in capital surplus amounting to $245.

The above transactions generated capital surplus amounting to $48,167 and $40,953 for the six months ended June 30, 2016 and 2015, respectively.

C. Retained earnings

According to Acter's articles of incorporation, 10% of the annual earnings, after offsetting any accumulated deficit and payment of income taxes due, if any, shall be set aside as a legal reserve. In addition, a special reserve in accordance with applicable laws and regulations shall also be set aside. The remaining balance is partially reserved depending on the business environment, growth status, and long-term finance planning. After deducting the aforementioned partially reserve, the remaining balance, plus, any unappropriated earnings in previous years shall be used for distribution of stockholders' bonuses by the board of directors, depending on the capital status and economic development in the current year. Cash bonuses should not be less than 10% of the total stockholders' bonuses, and they will be recommended by the board of directors and resolved in the stockholders' meeting.

On May 31, 2016, and May 28, 2015, the meeting of stockholders of Acter approved the distribution plan of retained earnings. Information about dividends per share, employees' bonuses and directors' remuneration for 2015 and 2014 are as follows:

	2015	**2014**
Dividends per share (In New Taiwan Dollars):		
Cash	$ 6.00	2.00
Employees' bonuses－cash		3,457
Directors' and supervisors' remuneration		1,707
		5,164

The aforementioned earnings distribution, which was charged to expense, had no difference from the resolution of Acter's board of directors and its accounting records.

D. Other equity interest

	Foreign currency translation differences for foreign operations	Investment in available-for-sale financial assets	Other equity-unrealized bonus	Total
Balance, January1, 2016	$ 58,573	(14,583)	(20,845)	23,145
Foreign currency translation differences (net of tax):				
The Group	(47,380)	-	-	(47,380)
Unrealized gains(losses) on available-for-sale financial assets:				
The Group	-	13,797	-	13,797
Employee's unrealized bonus:				
The Group	-	-	(37,029)	(37,029)
Balance, June 30, 2016	**$ 11,193**	**(786)**	**(57,874)**	**(47,467)**
Balance, January1, 2015	$ 58,501	(2,634)	-	55,867
Foreign currency translation differences (net of tax):				
The Group	(24,963)	-	-	(24,963)
Unrealized gains(losses) on available-for-sale financial assets:				
Employee's unrealized bonus:	-	(11,556)	-	(11,556)
The Group	-	-	(39,600)	(39,600)
Balance, June 30, 2015	**$ 33,538**	**(14,190)**	**(39,600)**	**(20,252)**

(15) The share-based payment

Except for the following disclosure, there were no significant changes for share-based payment during the periods from January 1 to June 30, 2016 and 2015. For the related information, please refer to Note 6(16) of the consolidated financial statements for the year ended December 31, 2015.

The Group's share-based payment transactions on June 30, 2016 are as follow:

	Restricted stocks for employees	Restricted stocks for employees
Grant date	2015.1.26	2016.1.11
Grant (Unit：In thousand shares)	480	720
Contractual life	2015.1.26~2018.1.26	2016.1.11~2019.1.11
Object of grant	The Company's employees who have formal employment relationship with the Company and serve as supervisors above manager level related to business operation	The Company's employees who have formal employment relationship with the Company and serve as supervisors above manager level related to business operation
Vesting conditions	Note 1	Note 1

Note 1: A restricted stock is vested when the Company's financial performance given and employees' service years are met.

a. The Company's financial performance is measured by sum of operating revenue and profit before tax, less share of gain of subsidiaries accounted for using equity method (gain on long-term investment) when it reaches the goal set by the Company in the next three years since issuance.

b. Employees who are granted with restricted stock and serve in the Company before the vested period matures, and who do not violate against the labor contract or working rules, will be granted with restricted stock based on the following schedule and granted portion:

Year/Goal	Granted Service Years	Granted Percentage when Goals Reached
First year	1 year	20%
Second year	2 years	30%
Third year	3 years	50%

Information on restricted stock to employee was as follows：

	For the six months ended June 30, 2016		For the six months ended June 30, 2015	
(Expressed in thousand unit)	**Weighted-Average Exercise Price**	**Number of Exercisable Shares**	**Weighted-Average Exercise Price**	**Number of Exercisable Shares**
Balance, beginning of the period	-	480	-	-
Granted	-	720	-	480
Forfeited	-	(28)	-	-
Exercised	-	(90)	-	-
Expired	-	-	-	-
Balance, June 30 of the period		1,082		480
Exercisable, June 30 or the period		-		-

(16) Non-operating income and expenses

a. Other revenue

	For the three months ended June 30		For the six months ended June 30	
	2016	**2015**	**2016**	**2015**
Interest income	$ 2,184	5,381	3,833	6,942
Rental income	380	323	703	646
Others	3,626	(308)	6,922	2,905
	$ 6,190	5,396	11,458	10,493

b. Other income and losses

	For the three months ended June 30		For the six months ended June 30	
	2016	**2015**	**2016**	**2015**
Exchange gain(loss) on foreign currency	$ 10,030	(944)	(15,529)	(5,029)
Gain on disposal of investment	529	868	(16,851)	957
Others	(2,400)	(161)	(2,607)	(158)
	$ 8,159	(237)	(34,987)	(4,230)

(17) Employees’ and directors’ remuneration

According to the Company’s articles, remuneration to employees and directors should be appropriated amounted not lower to 3% and not higher to 5% of profit before tax without remuneration to employees and directors for the current year, respectively.

The employee bonuses estimated amount $5,466 and $9,132 for the three months ended June 30, 2016 and, for the six months ended June 30, 2016, respectively, and the remuneration to directors estimated amount $2,733 and $4,566 for the three months ended June 30, 2016 and, for the six months ended June 30, 2016, respectively. The employee bonuses and remuneration to directors were estimated based on the net profit before tax of each period times the percentage in accordance with above mentioned earnings distribution policy, and accounted for the operating cost and operating expenses of each period. If there is an adjustment between actual distribution and estimation of the aforementioned employee bonuses and remuneration to directors, the adjustment would reflect to the profit and loss next year.

For the year ended December 31, 2015, the remunerations to employees and directors amounted to $42,433 and $21,216, respectively. There is no different between estimation and paid. The information is available on the Market Observation Post System website.

The employee bonuses estimated amount $5,207 and $6,209 for the three months ended June 30, 2015 and, for the six months ended June 30, 2015, respectively, and the remuneration to directors estimated amount $6,013 and $6,209 for the three months ended June 30, 2015 and, for the six months ended June 30, 2015, respectively. The employee bonuses and remuneration to directors were estimated based on the net profit before tax of each period times the percentage in accordance with above mentioned earnings distribution policy, and accounted for the operating cost and operating expenses of each period. If there is an adjustment between actual distribution and estimation of the aforementioned employee bonuses and remuneration to directors, the adjustment would reflect to the profit and loss next year.

(18) Taxes

The Group income tax expense (benefit):

	For the three months ended June 30		For the six months ended June 30	
	2016	**2015**	**2016**	**2015**
Current income tax expense (benefit):				
Current period	$ 49,408	60,702	99,311	82,765
Deferred tax expense:				
Origination and reversal of temporary difference	(9,813)	(29,638)	(41,317)	(34,975)
Income tax expense (benefit)	**$ 39,595**	**31,064**	**57,994**	**47,790**

The amounts of tax income expense recognized in other comprehensive income were as follows:

	For the three months ended June 30		For the six months ended June 30	
	2016	**2015**	**2016**	**2015**
Foreign currency translation differences－foreign operations	**$ 4,648**	**2,193**	**9,705**	**5,159**

The income tax returns of the Company, Hersuo, Nova Technolog and Enrich Tech have been examined by the tax authorities through year 2014.

The company's integrated income tax was as follows:

	June 30, 2016	December 31, 2015	June 30, 2015
Undistributed earnings after 1998	$ 933,159	1,071,386	863,999
Imputation Credit Account	$ 203,411	162,376	150,873

	2015 (Estimated)	2014(Actual)
Tax deduction ratio of the distributed earnings of the residents of republic of China	15.16%	19.87%

The above stated information was prepared in accordance with information letter No. 10204562810 issued by the Ministry of Finance of the ROC on October 17, 2013. For net dividends or earnings received by each individual shareholder residing in the territory of the Republic of China, the amount of imputation tax credit has been revised to half of the original amount. In addition, for the amount that actual paid from assessed 10% surtax of imputation tax credit came from net dividends or earnings received by each individual shareholder, half of the actual payment of 10% surtax on undistributed earnings can be offset against the income tax withheld.

(19) Earnings per share (“EPS”)

	For the three months ended June 30		For the six months ended June 30	
	2016	2015	2016	2015
Profit attributable to common shareholders	$ 112,025	154,189	187,423	207,579
Weighted average number of common shares (In thousand shares)	46,159	46,136	46,147	46,136
Basic Earnings per share (In New Taiwan Dollars)	$ 2.43	3.34	4.06	4.50
Profit attributable to common shareholders	$ 112,025	154,189	187,423	207,579
Weighted average number of common shares (In thousand shares)	46,159	46,136	46,147	46,136
Add: effect on potential common stock－employee bonuses (In thousand shares)	439	105	581	129
restricted stocks for employees	414	19	406	18
Diluted weighted average number of common shares (In thousand shares)	47,012	46,260	47,134	46,283
Diluted Earnings per share (In New Taiwan Dollars)	$ 2.38	3.32	3.98	4.48

(20) Financial Instruments

Except as described below, there are no significant changes on the fair value of financial instruments and the financial instruments exposed to credit risk, liquidity risk and market risk, please refer to Note 6(21) of the Group’s financial statements for the year ended December 31, 2015.

A. Credit risk

The concentration of credit risk of the major client on June 30, 2016, December 31, 2015 and June 30, 2015 did not exceed 10%, 11% and 12% of the total account receivables. In addition, the credit risk of the other four major clients did not exceed 22%, 21% and 21% of the total account receivables.

B. Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payment:

	Carrying amount	Contractual cash flows	Within 1 year	1-2 years	2-5years	More than 5 years
June 30, 2016						
Non-derivative financial liabilities						
Unsecured bank loans	$ 96,997	97,031	97,031	-	-	-
Notes payable	233,618	233,618	233,618	-	-	-
Accounts payable (including related parties)	2,498,050	2,498,050	2,218,190	121,519	155,140	3,201
	$ 2,828,665	2,828,699	2,548,839	121,519	155,140	3,201
December 31, 2015						
Non-derivative financial liabilities						
Unsecured bank loans	$ 183,857	184,460	184,460	-	-	-
Notes payable	268,998	268,998	268,998	-	-	-
Accounts payable (including related parties)	2,540,036	2,540,036	2,329,968	129,682	80,374	12
	$ 2,992,891	2,993,494	2,783,426	129,682	80,374	12
June 30, 2015						
Non-derivative financial liabilities						
Unsecured bank loans	$ 171,296	172,488	172,488	-	-	-
Notes payable	225,269	225,269	225,269	-	-	-
Accounts payable (including related parties)	2,251,058	2,251,058	2,001,476	202,892	45,998	692
	$ 2,647,623	2,648,815	2,399,233	202,892	45,998	692

C. Currency risk

(A) Exposure to currency risk

The Group’s significant exposures to foreign currency risk were as follows:

	June 30, 2016			December 31, 2015			June 30, 2015		
	Foreign Currency	Exchange Rate	NTD	Foreign Currency	Exchange Rate	NTD	Foreign Currency	Exchange Rate	NTD
Financial assets									
Monetary items									
USD	$ 40,612	32.2860	1,311,185	22,264	33.066	736,181	9,565	31.070	297,176
CNY	237,787	4.8599	1,155,622	219,700	5.0921	1,118,736	248,563	5.0105	1,245,427
SGD	1,894	23.9182	45,302	2,279	23.4195	53,370	2,201	23.1090	50,852
JPY	3,129	0.3144	984	17,421	0.2747	4,785	4,858	0.2542	1,235
Financial liabilities									
Monetary items									
USD	7,219	32.2860	233,057	9,528	33.066	315,037	5,361	31.070	166,580
CNY	225,139	4.8599	1,094,155	159,398	5.0921	811,671	188,275	5.0105	943,353
SGD	21	23.9182	511	213	23.4195	4,981	202	23.1090	4,662
JPY	32,740	0.3144	10,293	117,994	0.2747	32,413	9,273	0.2542	2,357

The Group’s exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, other receivables, available-for-sale financial assets, loans, accounts payable and other payables that are denominated in foreign currency. A strengthening (weakening) of 1% of appreciation or depreciation of the TWD against the USD, CNY, SGD and JPY as of June 30, 2016 and 2015 would have increased or decreased the after-tax net income by $11,751 and $4,778 respectively. The analysis is performed on the same basis for both periods.

Due to the Group have various functional currencies, thus adopting disclose monetary items to display exchange gain or loss. Exchange gain or loss for the six months ended June 30, 2016 and 2015, respectively, including unrealized and realized, were ($15,529) and ($5,029).

(B) Interest risk

The interest risk exposure from financial assets and liabilities has been disclosed in this note of liquidity risk management

The following sensitivity analysis is based on the risk exposure to interest rates on the derivative and non-derivative financial instruments on the reporting date. For variable rate instruments, the sensitivity analysis assumes the variable rate liabilities are outstanding for the whole year on the reporting date. The Group's internal management reported the increases/decreases in the interest rates and the exposure to changes in interest rates of 1% is considered by management to be a reasonable change of interest rate.

If the interest rate increases or decreases by 1%, the Group's net income will decrease or increase by $970 and $1,713 for the six months ended June 30, 2016 and 2015, respectively, assuming all other variable factors remain constant. This is mainly due to the Group's borrowing in variable rate.

(C) Other price risk

If the price of equity securities on reporting date changed (The analysis is performed on the same basis for both periods and assumed that the other factors are fixed), the effects of other comprehensive income items are as following:

	2016 Q2		**2015 Q2**	
Reporting date Security Price	**Other comprehensive income After-tax amount**	**Post-tax Profit or loss**	**Other comprehensive income After-tax amount**	**Post-tax Profit or loss**
Go up 3%	$ 6,280	-	7,452	-
Go down 3%	$ 6,280	-	7,452	-

D. Fair value of financial instruments

(A) The categories of the financial instruments and the fair value

The book value and the fair value of the financial asset and financial liability of the Group (including information of the fair value level, if the financial instruments which are not measured at fair value and the book value is a reasonable approximation of the fair value, and equity instrument investments which are no active market offerings and the fair value cannot be measured, according to the regulation there is no need to reveal the fair value information.) are as follows:.

	June 30 ,2016				
	Book value	**Level 1**	**Level 2**	**Level 3**	**Total**
Available-for-sale financial assets-current	$ 202,551	202,551	-	-	202,551
Available-for-sale financial assets-noncurrent	6,788	6,788	-	-	6,788
Financial assets carried at cost	45	-	-	-	-
Loans and receivables:					
Cash and cash equivalents	2,323,816	-	-	-	-
Notes receivable	96,026	-	-	-	-
Accounts receivable	2,574,364	-	-	-	-
Other receivable	43,028	-	-	-	-
Financial liabilities at amortized cost:					
Short-term borrowings	96,997	-	-	-	-

	Book value	Level 1	Level 2	Level 3	Total
Notes payable	233,618	-	-	-	-
Accounts payable	2,277,155	-	-	-	-
Accounts payable-related party	396	-	-	-	-
Provisions-current	220,499	-	-	-	-
Total	$ 8,075,283	209,339	-	-	209,339

	December 31 ,2015				
	Book value	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets-current	$ 211,765	211,765	-	-	211,765
Available-for-sale financial assets-noncurrent	15,221	15,221	-	-	15,221
Financial assets carried at cost	45	-	-	-	-
Loans and receivables:					
Cash and cash equivalents	1,495,223	-	-	-	-
Notes receivable	245,882	-	-	-	-
Accounts receivable	2,496,791	-	-	-	-
Other receivable	36,402	-	-	-	-
Financial liabilities at amortized cost:					
Short-term borrowings	183,857	-	-	-	-
Notes payable	268,998	-	-	-	-
Accounts payable	2,346,595	-	-	-	-
Accounts payable-related party	459	-	-	-	-
Provisions-current	192,982	-	-	-	-
Total	$ 7,494,220	226,986	-	-	226,986

	June 30 ,2015				
	Book value	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets-current	$ 235,195	235,195	-	-	235,195
Available-for-sale financial assets-noncurrent	13,199	13,199	-	-	13,199
Financial assets carried at cost	45	-	-	-	-
Loans and receivables:					
Cash and cash equivalents	1,159,948	-	-	-	-
Notes receivable	159,362	-	-	-	-
Accounts receivable	2,242,373	-	-	-	-
Other receivable	45,205	-	-	-	-
Financial liabilities at amortized cost:					
Short-term borrowings	171,296	-	-	-	-
Notes payable	225,269	-	-	-	-
Accounts payable	2,024,990	-	-	-	-
Accounts payable-related party	271	-	-	-	-
Provisions-current	225,797	-	-	-	-
Total	$ 6,502 950	248,394	-	-	248,394

(B) The evaluation technique of the fair value of the financial instruments measured with fair value.

If there are public offerings for financial instruments in the active market, then the public offerings in the active market are utilized as the fair value. The public announced price of the major stock exchange and the determined popular central government bonds exchange over-the-counter, are regarded as listed equity instruments and the foundation of the debt instrument's fair value that have public offerings in active market.

If it is possible to acquire the public offerings of the financial instruments timely and regularly from the stock exchange, the brokers, the underwriters, the industrial union, the list price service organization and the administration, and the price of the public offerings represents a real and common fair market dealer, then the financial instruments obtain the public offerings of the active market. If the conditions above are not achieved, the market is regarded as not active. In general, the price gap between buying and selling is huge, the price gap between buying and selling significantly increases and the trading volume is fairly low are indications of inactive market.

If the Group obtains the financial instruments that belong to the active market, the fair value of the financial instruments is categorized and attributed as follows: beneficiary certifications, - open-end fund and emerging stock, and the fair value of the financial instruments is referred to the market offerings.

All of the fair value level did not have any transfer for six months ended June 30, 2016 and 2015.

(21) Financial risk management

There are no significant changes on the Group financial risk management objectives and policies disclosure, please refer to Note 6(22) of the Group financial statements for the year ended December 31, 2015.

(22) Capital management

Disclosure of the Company's capital management objectives, policies and procedures consists with the consolidated financial statements of 2015; There are no significant changes to summary quantitative data for capital management disclosed of the consolidated financial statements of 2015. Please refer to Note 6(23) of the Group financial statements for the year ended December 31, 2015.

7. **Related party transactions**

(1) Key management personnel compensation

	For the three months ended June 30		For the six months ended June 30	
	2016	2015	2016	2015
Short-term employee benefits	$ 9,328	11,645	21,511	19,220
Post-employment benefits	54	43	124	86
Share-based payment	3,833	1,769	6,978	2,948
	$ 13,215	**13,457**	**28,613**	**22,254**

Relative information refers to share-based payment of the financial statements, Note 6(15).

(2) Other related party transactions

A. Construction cost, and related assets and liabilities:

The amounts of significant purchase transactions and outstanding payables for goods and equipments between the Group and related parties were as follows:

	Purchases				**Payables to Related Parties**		
	For the three months ended June 30		For the six months ended June 30				
	2016	**2015**	**2016**	**2015**	**June 30, 2016**	**December 31, 2015**	**June 30, 2015**
Entity under the key management’s control	$ 293	201	898	292	396	459	271

The purchase price and terms of the payments present no significant difference from those with third-party vendors.

8. **Pledged assets**

The Group's pledged assets were as follows:

Asset	Purpose of pledge	June 30, 2016	December 31, 2015	June 30, 2015
Other financial assets－current:				
Savings deposit / time deposit	Construction contract fulfillment and warranty guarantee	$ 128,586	71,847	74,199

9. **Significant commitments and contingencies**

Significant commitments and contingencies for the Group as of June 30, 2016, December 31, 2015 and June 30, 2015 were as follows:

(1) Fulfillment and warranty guarantee (excluding related parties) for engaging in construction contracts amounted to $449,261 and $443,880 as well as $413,307, respectively.

(2) Bank pledges for engaging in construction contracts amounted to $486,927, $528,542 and $518,567, respectively.

(3) Contract fulfillment guarantee and warranty guarantee (excluding related parties) for other companies in the same industry amounted to $726,444, $730,813 and $1,661,157, respectively.

(4) Outstanding letters of credit were $0, $2,811 and $29,868, respectively.

(5) For already-signed but not-yet-finished significant construction contracts, please refer to Note 6 (4).

(6) The Company has signed a construction contract with Walsin Technology Corporation (Walsin) in December, 2010. Walsin claimed that the Company did not perform the construction according to the contract, and therefore claimed a compensation amounting to $42,189 at the Taipei District Court.The civil judgment of the first instance during December, 2015 has been pronounced by the Taipei District Court, requiring the Company pay $14,666 to Walsin, which has been fully recognized as loss by the Company. The Company has appealed to Taiwan High Court. As of June 30, 2016, the compensation remained $8,376 payable, and has been recognized as other current liabilities and accrued expenses.

(7) The Company's subsidiary, Nova Tech, signed a gas plant expansion and new plant construction contracts with Jing He Science Co., Ltd. (Jing He). About the process equipment and process pipeline installation, Nova Tech is responsible with the pipeline installation according to the design chart and the process equipment under the assets purchase list. Jing He revised the design chart, added contents of the constructions and rejected to pay the additional price. Due to Jing He's unilateral construction suspension, Nova Tech has appointed an attorney to file a lawsuit against Jing He. About the new plant, the court had put on trial and the district court applied the Architectural Institute and Professional Electrical Engineers Association for the appraisal reports. Nova Tech and Jing He are preparing the additional comments for the appraisal reports. Nova Tech had mailed district court for speed up the process of trial. About the plant expansion, the court applied Taiwan Construction Research Institution for the appraisal report and Nova Tech is preparing the required documents. Nova Tech cannot predict the court's decision and evaluate the damage and has recognized the proper evaluation allowance according to the relative accounting principles.

10. **Losses due to major disasters: None.**

11. **Subsequent events:**

(1) The board of directors of Acter resolved on July 12, 2016 to purchase real estate with $240,000,000.

(2) The Group purchased 2,462 thousand shares of Nova Tech from Solar Technology Corp. in July, 2016, with $39 per share, amounting to $96,019, making the shareholding of Nova tech increase to 94.81%.

12. **Other**

A. The employee benefits, depreciation and amortization expenses categorized by function were as follows:

	For the three months ended June 30					
	2016			2015		
By item	**Operating costs**	**Operating expense**	**Total**	**Operating costs**	**Operating expense**	**Total**
Employee benefit						
Salary	134,045	79,803	213,848	126,261	72,359	198,620
Labor, health and social insurance	13,239	6,773	20,012	14,744	7,005	21,749
Pension	4,094	1,779	5,873	4,097	2,028	6,125
Other	3,789	3,944	7,733	3,460	4,678	8,138
Depreciation	464	5,067	5,531	819	5,214	6,033
Amortization	14	2,052	2,066	-	2,048	2,048

	For the six months ended June 30					
	2016			2015		
By item	**Operating costs**	**Operating expense**	**Total**	**Operating costs**	**Operating expense**	**Total**
Employee benefit						
Salary	254,606	146,131	400,737	236,420	133,877	370,297
Labor, health and social insurance	28,714	13,292	42,006	27,893	14,592	42,485
Pension	8,289	3,602	11,891	8,018	3,545	11,563
Other	7,904	8,846	16,750	7,244	8,431	15,675
Depreciation	934	10,291	11,225	1,685	10,768	12,453
Amortization	22	4,107	4,129	-	4,092	4,092

Note: Depreciation for investment property for the six months ended June 30, 2016 and 2015 was $165 and $166, respectively, and was recorded in non-operating expense.

B. Operation of seasonal:
The Group did not be influenced by seasonal or periodicity.

13. **Segment information**

The Group's operating segment information and reconciliation are as follows:

For the three months ended June 30.2016	**Taiwan**	**Mainland China**	**Other Asian**	**Adjustments and eliminations**	**Total**
Revenue:					
Revenue from external customers	$ 1,485,393	560,479	138,067	-	2,183,939
Intersegment revenues	1,115	3,820	-	(4,935)	-
Total revenue	$ 1,486,508	564,299	138,067	(4,935)	2,183,939
Reportable segment profit or loss	**$ 94,136**	**18,389**	**3,558**	**-**	**116,083**

For the three months ended June 30.2015	Taiwan	Mainland China	Other Asian	Adjustments and eliminations	Total
Revenue:					
Revenue from external customers	$ 1,348,468	671,154	110,477	-	2,130,099
Intersegment revenues	13,100	17,450	-	(30,550)	-
Total revenue	$ 1,361,568	688,604	110,477	(30,550)	2,130,099
Reportable segment profit or loss	**$ 125,060**	**19,084**	**10,593**	**-**	**154,737**

For the six months ended June 30.2016	Taiwan	Mainland China	Other Asian	Adjustments and eliminations	Total
Revenue:					
Revenue from external customers	$ 2,896,452	904,731	183,466	-	3,984,649
Intersegment revenues	45,225	3,927	-	(49,152)	-
Total revenue	$ 2,941,677	908,658	183,466	(49,152)	3,984,649
Reportable segment profit or loss	**$ 185,349**	**8,127**	**(1,290)**	**-**	**192,186**

For the six months ended June 30.2015	Taiwan	Mainland China	Other Asian	Adjustments and eliminations	Total
Revenue:					
Revenue from external customers	$ 2,262,700	1,027,379	194,303	-	3,484,382
Intersegment revenues	61,688	18,649	-	(80,337)	-
Total revenue	$ 2,324,388	1,046,028	194,303	(80,337)	3,484,382
Reportable segment profit or loss	$ 171,913	18,516	18,864	-	209,293

	Taiwan	Mainland China	Other Asian	Adjustments and eliminations	Total
Reportable segment Assets					
June 30, 2016	$6,913,678	4,188,411	1,594,096	(3,669,092)	9,027,093
December 31, 2015	$6,546,157	3,719,410	1,643,494	(3,722,854)	8,186,207
June 30, 2015	$5,779,122	3,703,008	1,615,101	(3,535,332)	7,561,899
Reportable segment liabilities					
June 30, 2016	$3,116,511	2,977,162	417,328	(444,054)	6,066,947
December 31, 2015	$2,656,255	2,401,081	316,658	(251,604)	5,122,390
June 30, 2015	$2,348,766	2,377,850	349,366	(298,018)	4,777,964