

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Balance Sheet (Unaudited)

Unit : NT\$ Thousands

ASSETS	March 31, 2015		December 31, 2014		March 31, 2014		
	NT\$	%	NT\$	%	NT\$	%	
Current Assets							
1100	Cash and Cash Equivalents	\$ 156,020	5	\$ 221,456	7	\$ 197,625	7
1150	Notes Receivable, net	1,275	-	1,445	-	3,035	-
1170	Accounts Receivable, net	184,418	7	101,438	3	94,592	3
1180	Accounts Receivable-Related Parties, net	1,645	-	12,395	-	5,018	-
1200	Other Receivables	20,278	1	15,105	1	10,709	-
130X	Inventories	445,287	16	438,321	14	391,967	13
1410	Prepayments	4,484	-	673	-	6,104	-
1460	Non-current Assets Held for Sale, net	-	-	446,162	14	-	-
11XX	Total Current Assets	<u>813,407</u>	<u>29</u>	<u>1,236,995</u>	<u>39</u>	<u>709,050</u>	<u>23</u>
Non-Current Assets							
1523	Non-current available-for-sale financial Assets	102,574	4	102,574	3	118,664	4
1543	Non-current Financial Assets at cost	18,476	1	24,838	1	9,838	-
1600	Property, Plant and Equipment	1,807,688	65	1,815,786	57	2,229,846	72
1760	Investment Property, net	10,700	-	10,700	-	10,700	-
1780	Intangible Assets	1,118	-	1,452	-	-	-
1840	Deferred Income Tax Assets	20,430	1	13,822	-	21,545	1
1900	Other Non-current Assets	1,296	-	1,296	-	1,293	-
15XX	Total Non-current Assets	<u>1,962,282</u>	<u>71</u>	<u>1,970,468</u>	<u>61</u>	<u>2,391,886</u>	<u>77</u>
1XXX	Total Assets	<u>\$ 2,775,689</u>	<u>100</u>	<u>\$ 3,207,463</u>	<u>100</u>	<u>\$ 3,100,936</u>	<u>100</u>

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CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Balance Sheet (Unaudited)

Unit : NT\$ Thousands

Liabilities and Shareholders' Equity	March 31, 2015		December 31, 2014		March 31, 2014	
	NT\$	%	NT\$	%	NT\$	%
Current Liabilities						
2100 Short-term Borrowings	\$ 315,000	11	\$ 220,000	7	\$ 655,000	21
2110 Short-term Notes and Bills Payable	219,696	8	189,795	6	89,978	3
2150 Notes Payable	-	-	893	-	-	-
2170 Accounts Payable	114,459	4	88,410	3	84,881	3
2200 Other Payables	80,003	3	86,784	3	84,390	3
2230 Current Income Tax Liabilities	1,425	-	17,194	-	5,427	-
2320 Long-term Liabilities – Current Portion	-	-	90,000	3	112,500	3
2399 Other Current Liabilities-Other	4,026	-	3,018	-	4	-
21XX Total Current Liabilities	<u>734,609</u>	<u>26</u>	<u>696,094</u>	<u>22</u>	<u>1,032,180</u>	<u>33</u>
Non-current Liabilities						
2540 Long-term Borrowings	-	-	650,000	20	90,000	3
2570 Deferred Income Tax Liabilities	240,266	9	242,229	8	241,992	8
2600 Other Non-current Liabilities	1,014	-	3,214	-	12,364	-
25XX Total Non-current Liabilities	<u>241,280</u>	<u>9</u>	<u>895,443</u>	<u>28</u>	<u>344,356</u>	<u>11</u>
2XXX Total Liabilities	<u>975,889</u>	<u>35</u>	<u>1,591,537</u>	<u>50</u>	<u>1,376,536</u>	<u>44</u>
Equity Attributable to Owners of Parent						
Share Capital						
3110 Ordinary Share	775,600	28	775,600	24	775,600	25
Capital Surplus						
3200 Capital Surplus	334,323	12	334,323	10	334,323	11
Retained Earnings						
3310 Legal Reserve	89,019	3	89,019	3	79,337	3
3320 Special Reserve	183,296	7	183,296	6	183,296	6
3350 Unappropriated Retained Earnings	389,987	14	189,322	6	276,168	9
Other Equity Interest						
3400 Others	(565)	-	(425)	-	15,752	-
31XX Total Equity Attributable to Owners of Parent	<u>1,771,660</u>	<u>64</u>	<u>1,571,135</u>	<u>49</u>	<u>1,664,476</u>	<u>54</u>
36XX Non-controlling Interests	<u>28,140</u>	<u>1</u>	<u>44,791</u>	<u>1</u>	<u>59,924</u>	<u>2</u>
3XXX Total Shareholders' Equity	<u>1,799,800</u>	<u>65</u>	<u>1,615,926</u>	<u>50</u>	<u>1,724,400</u>	<u>56</u>
Significant Contingent Liabilities and Unrecognized Contract Commitments						
3X2X Total Liabilities and Equity	<u>\$ 2,775,689</u>	<u>100</u>	<u>\$ 3,207,463</u>	<u>100</u>	<u>\$ 3,100,936</u>	<u>100</u>

HUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Statement of Comprehensive Income (Unaudited)
January 1 to March 31, 2015 and 2014

Unit : NT\$ Thousands
(EPS: NT Dollars)

Accounting Title	January 1 to March 31, 2015		January 1 to March 31, 2014	
	NT\$	%	NT\$	%
4000 Operating Revenue	\$ 247,534	100	\$ 249,223	100
5000 Operating Costs	(202,959)	(82)	(168,744)	(68)
5900 Gross Profit from Operations	<u>44,575</u>	<u>18</u>	<u>80,479</u>	<u>32</u>
Operating Expenses				
6100 Selling Expenses	(22,945)	(9)	(22,339)	(9)
6200 General and Administrative Expenses	(18,937)	(8)	(15,097)	(6)
6300 Research and Development Expenses	(31,900)	(13)	(32,458)	(13)
6000 Total Operating Expenses	<u>(73,782)</u>	<u>(30)</u>	<u>(69,894)</u>	<u>(28)</u>
6900 Net Operating Income (Loss)	<u>(29,207)</u>	<u>(12)</u>	<u>10,585</u>	<u>4</u>
Non-Operating Income and Expenses				
7010 Other Income	3,560	1	2,395	1
7020 Other Gains and Losses	222,275	90	4,419	2
7050 Finance Costs	(3,136)	(1)	(3,212)	(1)
7000 Total Non-Operating Income and Expenses	<u>222,699</u>	<u>90</u>	<u>3,602</u>	<u>2</u>
7900 Profit from Continuing Operations before Tax	<u>193,492</u>	<u>78</u>	<u>14,187</u>	<u>6</u>
7950 Tax Expenses (Income)	<u>7,069</u>	<u>3</u>	<u>(2,367)</u>	<u>(1)</u>
8200 Net Income	<u>\$ 200,561</u>	<u>81</u>	<u>\$ 11,820</u>	<u>5</u>
Other Comprehensive Income, Net				
Other Comprehensive Income, Net				
8361 Other Comprehensive Income that will be Reclassified to Profit or Loss	(\$ 142)	-	\$ 807	-
8362 Exchange Differences on Translation	-	-	755	-
8500 Total Comprehensive Income	<u>\$ 200,419</u>	<u>81</u>	<u>\$ 13,382</u>	<u>5</u>
Profit (Loss), Attributable to:				
8610 Profit (Loss), Attributable to Owners of Parent	<u>\$ 200,665</u>	<u>81</u>	<u>\$ 11,812</u>	<u>5</u>
8620 Profit (Loss), Attributable to Non-controlling Interests	<u>(\$ 104)</u>	<u>-</u>	<u>\$ 8</u>	<u>-</u>
Total Comprehensive Income				
8710 Comprehensive Income, Attributable to Owners of Parent	<u>\$ 200,525</u>	<u>81</u>	<u>\$ 13,357</u>	<u>5</u>
8720 Comprehensive Income, Attributable to Non-controlling Interests	<u>(\$ 106)</u>	<u>-</u>	<u>\$ 25</u>	<u>-</u>
Basic Earnings Per Share				
9750 Basic Earnings (Loss) Per Share from Continuing Operations	<u>\$</u>	<u>2.59</u>	<u>\$</u>	<u>0.15</u>
9850 Diluted Earnings Per Share	<u>\$</u>	<u>2.58</u>	<u>\$</u>	<u>0.15</u>

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Statement of Changes in Equity (Unaudited)
January 1 to March 31, 2015 and 2014

Unit : NT\$ Thousands

T o t a l E q u i t y A t t r i b u t a b l e t o O w n e r s o f P a r e n t
Capital Surplu Retained Earnings Other Equity Interest

	Ordinary Share	Capital Surplus	Other	Legal Reserve	Special Reserve	Unappropri- d Retained Earnings	Exchange Differences on Translation	Unrealized Gains (Losses) on Available- for-sale Financial Assets	Total Other Equity Interest	Non-contro lling Interests	Total Equity
<u>January 1 to March 31, 2014</u>											
Equity at beginning of period	\$ 775,600	\$ 333,746	\$ 577	\$79,337	\$ 183,296	\$ 264,356	(\$ 277)	\$ 14,484	\$ 1,651,119	\$ 59,899	\$ 1,711,018
Profit (loss)	-	-	-	-	-	11,812	-	-	11,812	8	11,820
Other comprehensive income	-	-	-	-	-	-	790	755	1,545	17	1,562
Equity at end of period	<u>\$ 775,600</u>	<u>\$ 333,746</u>	<u>\$ 577</u>	<u>\$79,337</u>	<u>\$ 183,296</u>	<u>\$ 276,168</u>	<u>\$ 513</u>	<u>\$ 15,239</u>	<u>\$ 1,664,476</u>	<u>\$ 59,924</u>	<u>\$ 1,724,400</u>
<u>January 1 to March 31, 2015</u>											
Equity at beginning of period	\$ 775,600	\$ 333,746	\$ 577	\$89,019	\$ 183,296	\$ 189,322	\$ 426	(\$ 851)	\$ 1,571,135	\$ 44,791	\$ 1,615,926
Profit (loss)	-	-	-	-	-	200,665	-	-	200,665	(104)	200,561
Other comprehensive income	-	-	-	-	-	-	(140)	-	(140)	(2)	(142)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(16,545)	(16,545)
Equity at end of period	<u>\$ 775,600</u>	<u>\$ 333,746</u>	<u>\$ 577</u>	<u>\$89,019</u>	<u>\$ 183,296</u>	<u>\$ 389,987</u>	<u>\$ 286</u>	<u>(\$ 851)</u>	<u>\$ 1,771,660</u>	<u>\$ 28,140</u>	<u>\$ 1,799,800</u>

CHUNGHWA CHEMICAL SYNTHESIS & BIOTECH CO., LTD. AND SUSIDIARIES
Consolidated Statement of Cash Flows (Unaudited)
January 1 to March 31, 2015 and 2014

Unit : NT\$ Thousands

	January 1 to March 31, 2015	January 1 to March 31, 2014
<u>Cash flows from (used in) operating activities</u>		
Profit (loss) before tax	\$ 193,492	\$ 14,187
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	25,854	22,886
Amortization expense	334	-
Interest expense	3,136	3,212
Interest income	(116)	(3)
Property, plant and equipment transferred to expenses	971	-
Loss (gain) on disposal of non-current assets classified as held for sale	(233,088)	-
Impairment loss on financial assets	6,362	-
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in notes receivable	170	(1,661)
Decrease (increase) in accounts receivable	(82,980)	8,456
Decrease (increase) in accounts receivable due from related parties	10,750	(2,961)
Decrease (increase) in other receivable	(5,173)	(4,150)
Decrease (increase) in inventories	(6,966)	(51,724)
Decrease (increase) in prepayments	(3,811)	(3,499)
Changes in operating liabilities		
Increase (decrease) in notes payable	(893)	(315)
Increase (decrease) in accounts payable	26,049	26,097
Increase (decrease) in other payable	(2,106)	(3,980)
Increase (decrease) in other current liabilities	1,008	(10,856)
Increase (decrease) in other non-current liabilities	(2,200)	(3,892)
Cash inflow (outflow) generated from operations	(69,207)	(8,203)
Interest received	116	3
Interest paid	(3,447)	(3,459)
Income taxes refund (paid)	(17,271)	(367)
Cash inflow (outflow) generated from operations	(89,809)	(12,026)

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Consolidated Statement of Cash Flows (Unaudited)
January 1 to March 31, 2015 and 2014

Unit : NT\$ Thousands

	January 1 to March 31, 2015	January 1 to March 31, 2014
<u>Cash flows from (used in) investing activities</u>		
Acquisition of property, plant and equipment	(\$ 23,092)	(\$ 41,091)
Proceeds from disposal of non-current assets classified as held for sale	679,250	-
Increase (decrease) in other non-current assets	-	892
Net cash flows from (used in) investing activities	656,158	(40,199)
<u>Cash flows from (used in) financing activities</u>		
Increase in short-term loans	95,000	480,000
Increase in short-term notes and bills payable	29,901	20,062
Proceeds from long-term debt	(740,000)	(462,500)
Cash dividends paid - Non-controlling interests	(16,545)	-
Net cash flows from (used in) financing activities	(631,644)	37,562
Effect of exchange rate changes on cash and cash equivalents	(141)	803
Net increase (decrease) in cash and cash equivalents	(65,436)	(13,860)
Cash and cash equivalents at beginning of period	221,456	211,485
Cash and cash equivalents at end of period	\$ 156,020	\$ 197,625