MARKETECH INTERNATIONAL CORP.

AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

AND REPORT OF INDEPENDENT ACCOUNTANTS

DECEMBER 31, 2014 AND 2013

For the convenience of readers and for information purpose only, the accountants' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language accountants' report and financial statements shall prevail.

Marketech International Corp.

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31, 2014, pursuant to "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises," the company that is required to be included in the consolidated financial statements of affiliates, is the same as the company required to be included in the consolidated financial statements of parent and subsidiary companies under International Financial Reporting Standards 27. Also, if relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies, it shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declare,

Margaret Kao

February 26, 2015

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REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Stockholders of
Marketech International Corp.

We have audited the accompanying consolidated balance sheets of Marketech International Corp. and subsidiaries as of December 31, 2014 and 2013, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended. 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 audits.

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

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Marketech International Corp. and subisdiaries as of December 31, 2014 and 2013, and the results of their consoliated financial performance and cash flows for the years then ended in conformity with the "Rules Governing the Preparations of Financial Statements by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

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We have also audited the sperate financial statements of Marketech International Corp. as of and for the years ended December 31, 2014 and 2013, and have expressed an unqualified opinion on such financial statements.

PricewaterhouseCoopers, Taiwan

February 26, 2015

The accompanying financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

			December 31, 2014		December 31, 2013	
	ASSETS	Notes	Amount	%	Amount	%
	Current Assets					
1100	Cash and cash equivalents	6(1)	$ 1,628,171	14	$ 1,332,551	13
1110	Financial assets at fair value through profit or loss - current	6(2)	11,696	-	12,601	-
1125	Available-for-sale financial assets-current	6(3)	-	-	5,273	-
1150	Notes receivable, net		37,675	-	251,685	3
1170	Accounts receivable, net	6(4)(7)	3,092,035	26	2,506,677	25
1180	Accounts receivable- related parties, net	7	9,449	-	908	-
1190	Construction contracts receivable	6(7) and 7	2,354,614	20	1,529,990	15
1200	Other receivables		29,799	-	17,567	-
130X	Inventories, net	6(5)	1,852,959	16	1,862,180	18
1410	Prepayments	6(6)	573,960	5	350,510	4
1470	Other current assets	8	202,916	2	137,600	1
11XX	**Total current assets**		9,793,274	83	8,007,542	79
	Non-current assets					
1543	Financial assets at cost-non-current	6(8)	293,027	3	300,734	3
1550	Investments accounted for using equity method	6(9)	56,209	1	73,299	1
1600	Property, plant and equipment, net	6(10), 7 and 8	1,461,476	12	1,519,952	15
1780	Intangible assets	7	32,781	-	38,251	-
1840	Deferred tax assets	6(23)	101,109	1	84,061	1
1900	Other non-current assets	6(8)(10)	37,684	-	62,598	1
15XX	**Total non-current assets**		1,982,286	17	2,078,895	21
1XXX	**TOTAL ASSETS**		$ 11,775,560	100	$ 10,086,437	100

(Continued)

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

			December 31, 2014		December 31, 2013	
	LIABILITIES AND EQUITY	Notes	Amount	%	Amount	%
	Current Liabilities					
2100	Short-term borrowings	6(11) and 8	$ 953,806	8	$ 985,934	10
2150	Notes payable		807,648	7	578,318	6
2170	Accounts payable		3,359,079	29	2,427,885	24
2180	Accounts payable - related parties	7	23,836	-	10,978	-
2190	Construction contracts payable	6(7)	1,018,504	9	788,432	8
2200	Other payables	6(12)	395,090	3	405,612	4
2230	Current tax liabilities		74,251	1	47,001	-
2310	Advance receipts	6(13)	583,379	5	528,795	5
2399	Other current liabilities, others	6(14)	15,665	-	22,600	-
21XX	**Total current liabilities**		7,231,258	62	5,795,555	57
	Non-current liabilities					
2540	Long-term borrowings	6(14) and 8	2,930	-	4,517	-
2570	Deferred tax liabilities	6(23)	46,703	-	37,527	1
2600	Other non-current liabilities	6(15)	115,117	1	125,996	1
25XX	**Total non-current liabilities**		164,750	1	168,040	2
2XXX	**TOTAL LIABILITIES**		7,396,008	63	5,963,595	59
	Equity					
	Share capital	6(17)				
3110	Ordinary shares		1,650,698	14	1,650,568	16
	Capital surplus	6(18)				
3200	Capital surplus		616,354	5	616,276	6
	Retained earnings	6(19)				
3310	Legal reserve		490,931	4	468,670	5
3320	Special reserve		92,239	1	92,239	1
3350	Unappropriated retained earnings	6(23)	1,467,273	12	1,279,330	13
	Other equity					
3400	Other equity		57,963	1	12,215	-
31XX	**Total equity attributable to owners of parent**		4,375,458	37	4,119,298	41
36XX	**Non-controlling interests**		4,094	-	3,544	-
3XXX	**TOTAL EQUITY**		4,379,552	37	4,122,842	41
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
	TOTAL LIABILITIES AND EQUITY		$ 11,775,560	100	$ 10,086,437	100

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan dollars, except earnings per share data)

			2014		2013	
		Notes	AMOUNT	%	AMOUNT	%
4000	**Operating Revenue**	6(20) and 7	$ 14,965,399	100	$ 14,042,274	100
5000	**Operating Costs**	6(5)(15)(22) and 7	(13,206,334)	(88)	(12,498,721)	(89)
5900	**Gross profit**		1,759,065	12	1,543,553	11
	Operating Expenses	6(15)(22)				
6100	Sales and marketing expenses		(436,251)	(3)	(443,885)	(3)
6200	General and administrative expenses		(673,029)	(5)	(696,611)	(5)
6300	Research and development expenses		(145,486)	(1)	(150,727)	(1)
6000	**Total operating expenses**		(1,254,766)	(9)	(1,291,223)	(9)
6900	**Operating income**		504,299	3	252,330	2
	Non-operating income and expenses					
7010	Other income		31,541	-	43,870	-
7020	Other (losses) gains	6(2)(3)(8)(21)	(22,617)	-	22,920	-
7050	Finance costs		(30,258)	-	(24,203)	-
7060	Share of loss of associates and joint ventures accounted for using equity method		(14,780)	-	(14,698)	-
7000	**Total non-operating income and expenses**		(36,114)	-	27,889	-
7900	**Profit before tax**		468,185	3	280,219	2
7950	Income tax expense	6(23)	(83,666)	-	(61,404)	-
8200	**Net income**		$ 384,519	3	$ 218,815	2
	Other comprehensive income					
8310	Exchange differences on translation		$ 56,156	-	$ 61,314	-
8325	Unrealised loss on valuation of available-for-sale financial assets	6(3)	(1,512)	-	(3,496)	-
8360	Actuarial gains on defined benefit plans	6(15)	9,267	-	25,834	-
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method		911	-	1,056	-
8399	Income tax relating to components of other comprehensive income	6(23)	(11,262)	-	(14,941)	-
8300	**Other comprehensive income, net of tax**		$ 53,560	-	$ 69,767	-
8500	**Total comprehensive income**		$ 438,079	3	$ 288,582	2
	Profit (loss) attributable to:					
8610	Owners of the parent		$ 384,545	3	$ 222,615	2
8620	Non-controlling interests		($ 26)	-	($ 3,800)	-
	Comprehensive income (loss) attributable to:					
8710	Owners of the parent		$ 437,984	3	$ 292,058	2
8720	Non-controlling interests		$ 95	-	($ 3,476)	-
9750	**Basic earnings per share**	6(24)	$	2.33	$	1.35
9850	**Diluted earnings per share**	6(24)	$	2.30	$	1.34

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent										
			Capital surplus		Retained earnings			Other equity interest				
	Notes	Share capital – ordinary shares	Capital surplus – share premium	Capital surplus – others	Legal reserve	Special reserve	Unappropriated retained earnings	Cumulative translation differences of foreign operations	Unrealized gain or loss on available-for-sale financial assets	Total	Non-controlling interests	Total equity
2013												
Balance at January 1, 2013		$ 1,645,778	$ 612,811	$ 366	$ 442,729	$ 92,239	$ 1,226,039	($ 40,794)	$ 5,008	$ 3,984,176	$ 11,012	$ 3,995,188
Appropriation and distribution of earnings for 2012:	6(19)											
Legal reserve		-	-	-	25,941	-	(25,941)	-	-	-	-	-
Cash dividends		-	-	-	-	-	(164,578)	-	-	(164,578)	-	(164,578)
Changes in equity of associates and joint ventures accounted for using equity method	6(18)	-	-	(15)	-	-	(247)	-	-	(262)	-	(262)
Share-based payment	6(16)(17)(18)	4,790	3,114	-	-	-	-	-	-	7,904	-	7,904
Profit (loss) for 2013		-	-	-	-	-	222,615	-	-	222,615	(3,800)	218,815
Other comprehensive income for 2013		-	-	-	-	-	21,442	51,497	(3,496)	69,443	324	69,767
Change in non-controlling interests		-	-	-	-	-	-	-	-	-	(3,992)	(3,992)
Balance at December 31, 2013		$ 1,650,568	$ 615,925	$ 351	$ 468,670	$ 92,239	$ 1,279,330	$ 10,703	$ 1,512	$ 4,119,298	$ 3,544	$ 4,122,842
2014												
Balance at January 1, 2014		$ 1,650,568	$ 615,925	$ 351	$ 468,670	$ 92,239	$ 1,279,330	$ 10,703	$ 1,512	$ 4,119,298	$ 3,544	$ 4,122,842
Appropriation and distribution of earnings for 2013:	6(19)											
Legal reserve		-	-	-	22,261	-	(22,261)	-	-	-	-	-
Cash dividends		-	-	-	-	-	(181,562)	-	-	(181,562)	-	(181,562)
Changes in equity of associates and joint ventures accounted for using equity method		-	-	-	-	-	(470)	-	-	(470)	-	(470)
Share-based payment	6(16)(17)(18)	130	78	-	-	-	-	-	-	208	-	208
Profit for 2014		-	-	-	-	-	384,545	-	-	384,545	(26)	384,519
Other comprehensive income for 2014		-	-	-	-	-	7,691	47,260	(1,512)	53,439	121	53,560
Change in non-controlling interests		-	-	-	-	-	-	-	-	-	455	455
Balance at December 31, 2014		$ 1,650,698	$ 616,003	$ 351	$ 490,931	$ 92,239	$ 1,467,273	$ 57,963	$ -	$ 4,375,458	$ 4,094	$ 4,379,552

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan dollars)

	Notes	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax for the year		$ 468,185	$ 280,219
Adjustments			
Adjustments to reconcile profit before tax to net cash provided by (used in) operating activities			
Net gain on financial assets or liabilities at fair value through profit or loss	6(2)(21)	(3,822)	(821)
Provision for bad debt expense	12	18,089	53,566
Share of loss of associates and joint ventures accounted for using equity method		14,780	14,698
Loss (gain) on disposal of investments	6(21)	4,012	(5,047)
Depreciation	6(10)(22)	108,487	109,209
Amortisation	6(22)	21,527	15,319
Loss on disposal of property, plant and equipment		653	540
Impairment loss on financial assets	6(21)	23,234	12,995
Impairment loss on non-financial assets	6(21)	-	623
Interest income		(3,145)	(2,332)
Dividend income		(7,652)	(6,446)
Interest expense		30,258	24,203
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets measured at fair value through profit or loss – current		4,727	-
Notes receivable, net		214,010	(55,503)
Accounts receivable, net		(564,024)	(71,336)
Accounts receivable – related parties, net		(8,626)	655
Construction contracts receivable		(824,619)	(472,787)
Other receivables		(7,095)	(2,054)
Inventories		29,985	(311,651)
Prepayments		(222,346)	(30,530)
Other current assets		(28,270)	32,842
Net changes in liabilities relating to operating activities			
Notes payable		229,330	146,049
Accounts payable		896,054	96,837
Accounts payable – related parties		12,858	(11,071)
Construction contracts payable		230,072	(125,499)
Other payables		(18,782)	129,644
Advance receipts		54,584	13,670
Other current liabilities – others		(6,958)	5,955
Other non-current liabilities		(1,526)	(1,056)
Cash inflow (outflow) generated from operations		663,980	(159,109)
Interest received		2,980	2,283
Dividends received		7,652	6,446
Interest paid		(31,343)	(21,616)
Income tax paid		(75,554)	(57,898)
Net cash provided by (used in) operating activities		567,715	(229,894)

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MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan dollars)

	Notes	2014	2013
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of available-for-sale financial assets – current		$ 5,503	$ 11,749
Increase in other financial assets－current		(22,558)	(5,365)
Acquisition of financial assets measured at cost – non-current		-	(31,042)
Proceeds from capital reduction of financial assets measured at cost – non-current		497	2,640
Acquisition of investments accounted for using equity method		(4,915)	-
Net cash flow from acquisition of subsidiaries		1,045	-
Acquisition of property, plant and equipment	6(10)	(42,146)	(209,384)
Proceeds from disposal of property, plant and equipment		2,773	1,440
Acquisition of intangible assets		(15,247)	(39,105)
Increase in refundable deposits		(5,273)	(16,568)
Increase in prepayments for investments	6(8)	-	(16,024)
Net cash used in investing activities		(80,321)	(301,659)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) increase in short-term borrowings		(63,121)	612,906
Increase in long-term borrowings		-	150,000
Repayment of long-term borrowings		(807)	(151,558)
Decrease in guarantee deposits received		(86)	(2)
Proceeds from exercise of employee stock options		208	7,904
Cash dividends paid	6(19)	(181,562)	(164,578)
Changes in non-controlling interests		455	(3,992)
Net cash provided by (used in) financing activities		(244,913)	450,680
Effect of exchange rate changes on cash and cash equivalents		53,139	39,918
Net increase (decrease) in cash and cash equivalents		295,620	(40,955)
Cash and cash equivalents at beginning of year	6(1)	1,332,551	1,373,506
Cash and cash equivalents at end of year	6(1)	$ 1,628,171	$ 1,332,551

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)

1. ORGANIZATION AND OPERATIONS

Marketech International Corp. (the “Company”) was incorporated in the Republic of China (ROC) on December 27, 1988. On October 17, 2002, the Company’s common shares was officially listed on the Taiwan Over-The-Counter Securities Exchange and on May 24, 2004, the shares was transferred to be listed on the Taiwan Stock Exchange. The Company and its subsidiaries (collectively referred herein as“ the Group”) are mainly engaged in (i) import and trade of various integrated circuits, semiconductors, electrical and computer equipment and materials, chemicals, gas, components; (ii) factory affair and mechatronic system including clean room, automatic supply system of (specialty) gas and chemicals, monitor system, Turn-key and Hook-up Project and (iii)design and manufacturing of customized equipment.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

The consolidated financial statements were approved and authorized for issuance by the Board of Directors on February 24, 2015.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) as endorsed by the Financial Supervisory Commission (“FSC”)

None.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

According to Financial-Supervisory-Securities-Auditing No. 1030010325 issued on April 3, 2014, commencing 2015, companies with shares listed on the Taiwan Stock Exchange or traded on the Taiwan GreTai Securities Market or Emerging Stock Market shall adopt the 2013 version of IFRS (excluding IFRS 9, ‘Financial instruments’) as endorsed by the FSC and the "Regulations Governing the Preparation of Financial Reports by Securities Issuers " effective January 1, 2015 (collectively referred herein as the “2013 version of IFRSs”) in preparing the consolidated financial statements. The related new standards, interpretations and amendments are listed below:

New, Revised or Amended Standards and Interpretations	Effective Date Issued by International Accounting Standards Board
Limited exemption from comparative IFRS 7 disclosures for first-time adopters (amendments to IFRS 1)	July 1, 2010
Severe hyperinflation and removal of fixed dates for first-time adopters (amendments to IFRS 1)	July 1, 2011
Government loans (amendments to IFRS 1)	January 1, 2013
Disclosures－Transfers of financial assets (amendments to IFRS 7)	July 1, 2011
Disclosures－Offsetting of financial assets and financial liabilities (amendments to IFRS 7)	January 1, 2013
IFRS 10, 'Consolidated financial statements'	January 1, 2013 (Investment entities: January 1, 2014)
IFRS 11,'Joint arrangements'	January 1, 2013
IFRS 12,'Disclosure of interests in other entities'	January 1, 2013
IFRS 13, 'Fair value measurement'	January 1, 2013
Presentation of items of other comprehensive income (amendments to IAS 1)	July 1, 2012
Deferred tax: recovery of underlying assets (amendments to IAS 12)	January 1, 2012
IAS 19 (revised), 'Employee benefits'	January 1, 2013
IAS 27,'Separate financial statements' (as amended in 2011)	January 1, 2013
IAS 28,'Investments in associates and joint ventures' (as amended in 2011)	January 1, 2013
Offsetting of financial assets and financial liabilities (amendments to IAS 32)	January 1, 2014
IFRIC 20, 'Stripping costs in the production phase of a surface mine'	January 1, 2013
Improvements to IFRSs 2010	January 1, 2011
Improvements to IFRSs 2009－2011	January 1, 2013

Based on the Group's assessment, the adoption of the 2013 version of IFRSs will not have significant impact on the consolidated financial statements of the Group, except for the following:

A.IAS 1, 'Presentation of financial statements'

The amendment requires entities to separate items presented in other comprehensive income (OCI) classified by nature into two groups on the basis of whether they are potentially reclassifiable to profit or loss subsequently when specific conditions are met. If the items are presented before tax then the tax related to each of the two groups of OCI items (those that might be reclassified and those that will not be reclassified) must be shown separately. Accordingly, the Group will adjust its presentation of the statement of comprehensive income.

B.IFRS 10, ‘Consolidated financial statements’

The standard replaces the requirements relating to consolidated financial statements in IAS 27, ‘Consolidated and separate financial statements’ and IAS 27 therefore is renamed ‘Separate financial statements’; the standard also supersedes requirements in SIC-12, ‘Consolidation-special purpose entities’. The standard defines the principle of control that an investor controls an investee if and only if the investor has all three elements of control. The Group changes the definition of control in accordance with the standard.

C.IFRS 12, ‘Disclosure of interests in other entities’

The standard integrates the disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured entities. Also, the Group will disclose additional information about its interests in consolidated entities and unconsolidated entities accordingly.

D.IFRS 13, ‘Fair value measurement’

The standard defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The standard sets out a framework for measuring fair value using the assumptions that market participants would use when pricing the asset or liability; for non-financial assets, fair value is determined based on the highest and best use of the asset. Also, the standard requires disclosures about fair value measurements. Based on the Group’s assessment, the adoption of the standard has no significant impact on its consolidated financial statements, and the Group will disclose additional information about fair value measurements accordingly.

E.IAS 19 (revised), ‘Employee benefits’

The revised standard eliminates the corridor approach and requires actuarial gains and losses to be recognised immediately in other comprehensive income. Past service cost will be recognised immediately in the period incurred. Net interest expense or income, calculated by applying the discount rate to the net defined benefit asset or liability, replace the finance charge and expected return on plan assets. The return of plan assets, excluding net interest expenses, is recognised in other comprehensive income. An entity is required to recognise termination benefits at the earlier of when the entity can no longer withdraw an offer of those benefits and when it recognises any related restructuring costs. Additional disclosures are required to present how defined benefit plans may affect the amount, timing and uncertainty of the entity’s future cash flows.

The Group estimates net interest expense or income, calculated by applying the discount rate to the net defined benefit asset or liability, replace the finance charge and expected return on plan assets. Operating expenses would be decreased by $257, other comprehensive income would be decreased by $257 and income tax expense would be increased by $44 for the year ended December 31, 2014.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the 2013 version of IFRS as endorsed by the FSC:

New, Revised or Amended Standards and Interpretations	Effective Date Issued by International Accounting Standards Board (Note1)
IFRS 9, 'Financial instruments'	January 1, 2018
Sale or contribution of assets between an investor and its associate or joint venture (amendments to IFRS 10 and IAS 28)	January 1, 2016 (Note4)
'Investment Entities: Applying the consolidation exception' (IFRS 10, IFRS 12 and IAS 28)	January 1, 2016
Accounting for acquisition of interests in joint operations (amendments to IFRS 11)	January 1, 2016
IFRS 14, 'Regulatory deferral accounts'	January 1, 2016
IFRS 15, 'Revenue from contracts with customers'	January 1, 2017
Disclosure initiative (amendments to IAS 1)	January 1, 2016
Clarification of acceptable methods of depreciation and amortisation (amendments to IAS 16 and IAS 38)	January 1, 2016
Agriculture: bearer plants (amendments to IAS 16 and IAS 41)	January 1, 2016
Defined benefit plans: employee contributions (amendments to IAS 19R)	July 1, 2014
Equity method in separate financial statements (amendments to IAS 27)	January 1, 2016
Recoverable amount disclosures for non-financial assets (amendments to IAS 36)	January 1, 2014
Novation of derivatives and continuation of hedge accounting (amendments to IAS 39)	January 1, 2014
IFRIC 21, 'Levies'	January 1, 2014
Improvements to IFRSs 2010-2012	July 1, 2014 (Note2)
Improvements to IFRSs 2011-2013	July 1, 2014
Improvements to IFRSs 2012-2014	January 1, 2016 (Note3)

The Group is assessing the potential impact of the new, revised or amended standards and interpretations above and has not yet been able to reliably estimate their impact on the consolidated financial statements.

Note 1: The aforementioned new, revised or amended standards or interpretations are effective after fiscal year beginning on or after the effective dates, unless specified otherwise.

Note 2: The amendment prospectively applies to share-based payment transactions for which the grant date is on or after 1 July 2014; the amendments apply prospectively to business combinations for which the acquisition date is on or after 1 July 2014; the amendment of IFRS13 is effective when the amendment is issued ; the remaining amendments are effective for annual periods beginning on or after 1 January 2016.

Note 3: The amendment to IFRS 5 is applied prospectively to changes in a method of disposal that occur in annual periods beginning on or after January 1, 2016; the remaining amendments are effective for annual periods beginning on or after January 1, 2016.

Note 4: The amendment to IFRS 10 and IFRS28 are applied prospectively to changes in a method disposal that occur in annual periods beginning on or after January 1, 2016.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the “IFRSs”).

(2) Basis of preparation

A.Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

(a)Financial assets and financial liabilities at fair value through profit or loss.

(b)Available-for-sale financial assets measured at fair value.

(c)Liabilities on cash-settled share-based payment arrangements measured at fair value.

(d)Defined benefit liabilities recognised based on the net amount of pension fund assets plus unrecognised actuarial losses, and less unrecognised actuarial gains and present value of defined benefit obligation.

B.The preparation of financial statements in conformity with the IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A.The basis for preparation of consolidated financial statements：

(a)All subsidiaries are included in the Group’s consolidated financial statements. Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies. In general, control is presumed to exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. The existence and effect of potential voting rights that are currently exercisable or convertible have been considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

(b)Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(c)Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d)Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

(e)When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B.The subsidiaries included in the consolidated financial statements:

Name of investor	Name of subsidiary	Main business activities	Percentage of Ownership (%) December 31, 2014	December 31, 2013	Note
Marketech International Corp.	Marketech Integrated Pte. Ltd.	Contracting for semiconductor automatic supply system	100	100	-
Marketech International Corp.	Headquarter International Ltd.	Investment holding and reinvestment	100	100	-
Marketech International Corp.	Tiger United Finance Ltd.	Investment holding and reinvestment	100	100	-
Marketech International Corp.	Market Go Profits Ltd.	Investment holding and reinvestment	100	100	-
Marketech International Corp.	MIC-Tech Global Corp.	International trade	100	100	-
Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Trading, installation and repair of various machinery equipment and its peripherals	100	100	-
Marketech International Corp.	Marketech Engineering Pte. Ltd.	Contracting for electrical installing construction	100	-	-
Marketech International Corp.	eZoom Information, Inc.	Research, trading and consulting of information system software and hardware appliance	100	100	-
Marketech International Corp.	Hoa Phong Marketech Co., Ltd.	Specialized contracting and related repair services	100	40	Note 2
Market Go Profits Ltd.	MIC-Tech Ventures Asia Pacific Inc.	Investment holding and reinvestment	100	100	-
MIC-Tech Ventures Asia Pacific Inc.	Russky H.K. Limited	Investment holding and reinvestment	100	100	-
MIC-Tech Ventures Asia Pacific Inc.	TPP-MIC Co., Limited	Investment holding and reinvestment	60	60	-

Name of investor	Name of subsidiary	Main business activities	Percentage of Ownership (%) December 31, 2014	Percentage of Ownership (%) December 31, 2013	Note
MIC-Tech Ventures Asia Pacific Inc.	MIC-Tech (WuXi) Co., Ltd.	Design, manufacturing, installation and maintenance of semiconductor device, crystal dedicated device, electronic component device, environment pollution preventing equipment; assembling of wrapping device and cooling equipment; assembling of barbecue grill; wholesale, commission agency and import and export of the aforementioned products and their components; lease of self-owned plants	100	100	-
MIC-Tech Ventures Asia Pacific Inc.	MIC-Tech (Shanghai) Corp. Ltd.	Wholesale, commission agency, import and export of semiconductor production, inspection equipment and its consumables and boilers that generate electricity; storage and allocation of mainly chemical and boiler products; international and entrepot trade; trading and trading agency among enterprises in customs bonded area; consulting services in customs bonded area	100	100	-

Name of investor	Name of subsidiary	Main business activities	Percentage of Ownership (%) December 31, 2014	December 31, 2013	Note
MIC-Tech Ventures Asia Pacific Inc.	MIC-Tech Electronics Engineering Corp.	General contracting for electrical installing construction; specialized contracting for electrical installing construction; specialized contracting for electronic engineering; specialized contracting for petroleum and chemical equipment installation; specialized contracting for channel and guarantee for post construction; consulting service for related construction technology	100	100	-
MIC-Tech Ventures Asia Pacific Inc.	Fuzhou Jiwei System Integrated Co., Ltd.	Installation and complete services of clean room, mechanical system, street pipe system	100	100	-
MIC-Tech Ventures Asia Pacific Inc.	SKMIC(WUXI) Corp.	Design and installation of semiconductor device, crystal dedicated device, electronic component device, environment pollution preventing equipment	49	49	Note 1

Name of investor	Name of subsidiary	Main business activities	Percentage of Ownership (%) December 31, 2014	Percentage of Ownership (%) December 31, 2013	Note
MIC-Tech Ventures Asia Pacific Inc.	MIC-Tech China Trading (Shanghai) Co., Ltd.	Wholesale, commission agency and import and export of chemical products, semiconductors, inspection equipment and its consumables, solar equipment consumables and boilers that generate electricity; international and entrepot trade, trading and trading agency among enterprises in customs bonded area; consulting service for trading	100	100	-
Russky H.K. Limited	Shanghai Puritic Co., Ltd.	Production of scrubber bins for semiconductor manufacturers; design, installation, debugging and technology services of tunnel system; equipment repair for semiconductor manufacturers; consulting service for electrical and medical equipment	80	80	-
Russky H.K. Limited	ChenGao M&E Engineering（Shanghai）Co., Ltd.	Design of microelectronic products and display devices; consulting service for related technology and management	100	100	-

Name of investor	Name of subsidiary	Main business activities	Percentage of Ownership(%) December 31, 2014	December 31, 2013	Note
TPP-MIC Co., Limited	TPP-MIC (WuXi) Co., Ltd.	Technology and repairmen service of semiconductor equipment; self-operation and agency of import and export of various goods and technology	100	100	-
Marketech Integrated Pte Ltd.	Marketech International Sdn. Bhd.	Contracting for Semiconductor automatic supply system	100	100	-
Marketech Engineering Pte. Ltd.	Marketech Integrated Construction Co., Ltd.	Specialized contracting for electrical installing construction	95	-	-

Note 1: The Company holds less than 50% share ownership in its subsidiary - SKMIC(WUXI) Corp., however, as the definition of control is met, the subsidiary is included in the consolidated entities.

Note 2: The Company originally held 40% share ownership of Hoa Phong Marketech Co., Ltd. (Hoa Phong MIC). The stockholders who held the remaining 60% of share ownership surrendered their shares in August 2014 and registered the change in October 2014. As the Company holds all voting rights in Hoa Phong MIC, it is included in the consolidated entities.

C.Subsidiaries not included in the consolidated financial statements: None.

D.Adjustments for subsidiaries with different balance sheet dates: None.

E.Nature and extent of the restrictions on fund remittance from subsidiaries to the parent company: None.

(4) Foreign currency translation

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in New Taiwan dollars(NTD), which is the Company’s functional and the Group’s presentation currency.

A.Foreign currency transactions and balances

(a)Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b)Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c)Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d)Foreign exchange gains and loss based on the nature of those transactions are presented in the statement of comprehensive income within other gains and losses.

B.Translation of foreign operations

(a)The operating results and financial position of all the group entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii.All resulting exchange differences are recognised in other comprehensive income.

(b)When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group still retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.

(c)When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(d)Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rates at the balance sheet date.

(5) Classification of current and non-current items

A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

(b) Assets held mainly for trading purposes;

(c) Assets that are expected to be realised within twelve months from the balance sheet date;

(d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a) Liabilities that are expected to be paid off within the normal operating cycle;

(b) Liabilities arising mainly from trading activities;

(c) Liabilities that are to be paid off within twelve months from the balance sheet date;

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

C. Assets and liabilities relating of undertaking construction are classified as a current and non-current based on operating cycle.

(6) Cash and cash equivalents

A. Cash and cash equivalents include petty cash, bank deposits and other short-term and highly liquid investments in the consolidated statements of cash flows.

B. Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(7) Financial assets at fair value through profit or loss

A. Financial assets at fair value through profit or loss are financial assets held for trading or financial assets designated as at fair value through profit or loss on initial recognition. Financial assets are classified in this category of held for trading if acquired principally for the purpose of selling in the short-term.

B. On a regular way purchase or sale basis, financial assets held for trading, except for beneficiary certificates, are recognised and derecognised using settlement date accounting. Others are recognised and derecognised using trade date accounting. Financial assets initially designed at fair value through profit or loss are recognised and derecognised using settlement date accounting.

C. Financial assets at fair value through profit or loss are initially recognised at fair value. Related transaction costs are expensed in profit or loss. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognised in profit or loss.

(8) Available-for-sale financial assets

A. Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

B. On a regular way purchase or sale basis, available-for-sale financial assets are recognised and derecognised using trade date accounting.

C. Available-for-sale financial assets are initially recognised at fair value plus transaction costs. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognised in other comprehensive income. Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured or derivatives that are linked to and must be settled by delivery of such unquoted equity instruments are presented in ‘financial assets measured at cost’.

(9) Notes and accounts receivable

Accounts receivable are loans and receivables originated by the entity. They are created by the entity by selling goods or providing services to customers in the ordinary course of business. Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. However, short-term accounts receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(10) Impairment of financial assets

A. The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired as a result of one or more events that occurred after the initial recognition of the asset (a ‘loss event’) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

B. The criteria that the Group uses to determine whether there is objective evidence of an impairment loss is as follows:

(a) Significant financial difficulty of the issuer or debtor;

(b) A breach of contract, such as a default or delinquency in interest or principal payments;

(c) The Group, for economic or legal reasons relating to the borrower's financial difficulty, granted the borrower a concession that a lender would not otherwise consider;

(d) It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;

(e) The disappearance of an active market for that financial asset because of financial difficulties;

(f) Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial asset in the group, including adverse changes in the payment status of borrowers in the group or national or local economic conditions that correlate with defaults on the assets in the group;

(g) Information about significant changes with an adverse effect that have taken place in the technology, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in the equity instrument may not be recovered;

(h) A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

C. When the Group assesses that there has been objective evidence of impairment and an impairment loss has occurred, accounting for impairment is made as follows according to the category of financial assets:

(a) Financial assets measured at amortised cost

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 discounted at the financial asset's original effective interest rate, and is recognised in profit or loss. 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 loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset does not exceed its amortised cost that would have been at the date of reversal had the impairment loss not been recognised previously. Impairment loss is recognised and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(b) Financial assets measured at cost

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 discounted at current market return rate of similar financial asset, and is recognised in profit or loss.

Impairment loss recognised for this category shall not be reversed subsequently. Impairment loss is recognised by adjusting the carrying amount of the asset directly.

(c) Available-for-sale financial assets

The amount of the impairment loss is measured as the difference between the asset's acquisition cost (less any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss, and is reclassified from 'other comprehensive income' to 'profit or loss'. Impairment loss of an investment in an equity instrument recognised in profit or loss shall not be reversed through profit or loss. Impairment loss is recognised and reversed by adjusting the carrying amount of the asset directly.

(11) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire.

(12) Inventories

The perpetual inventory system is adopted for inventory recognition. Cost is the basis for recognition and is determind using the weighted-average method. Costs include acquisition, manufacturing or processing costs to make inventories available for sale or use. These exclude borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value for the measure of the ending inventories. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(13) Construction contracts

A. IAS 11, 'Construction Contracts', defines a construction contract as a contract specifically negotiated for the construction of an asset. If the outcome of a construction contract can be estimated reliably and it is probable that this contract would make a profit, contract revenue should be recognised by reference to the stage of completion of the contract activity, using the percentage-of-completion method of accounting, over the contract term. Contract costs are expensed as incurred. The stage of completion of a contract is measured by the proportion of contract costs incurred for work performed to date to the estimated total costs for the contract. An expected loss where total contract costs will exceed total contract revenue on a construction contract should be recognised as an expense as soon as such loss is probable. If the outcome of a construction contract cannot be estimated reliably, contract revenue should be recognised only to the extent of contract costs incurred that it is probable will be recoverable.

B. Contract revenue should include the revenue arising from variations from the original contract work, claims and incentive payments that are agreed by the customer and can be measured reliably.

C. The excess of the cumulative costs incurred plus recognised profits (less recognised losses) over the progress billings on each construction contract is presented as an asset within ‘Construction contracts receivable’. While, the excess of the progress billings over the cumulative costs incurred plus recognised profits (less recognised losses) on each construction contract is presented as a liability within ‘Construction contracts payable’.

(14) Investments accounted for using equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

B. The Group’s share of its associates’ post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group’s share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

C. When changes in an associate’s equity that are not recognised in profit or loss or other comprehensive income of the associate and such changes not affecting the Group’s ownership percentage of the associate, the Group recognises change in ownership interests in the associate in ‘capital surplus’ in proportion to its ownership.

D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group’s interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group’s ownership percentage of the associate but maintains significant influence on the associate, then ‘capital surplus’ and ‘investments accounted for under the equity method’ shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group’s ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.

G. When the Group disposes its investment in an associate, if it loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it still retains significant influence over this associate, then the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

H. When the Group disposes its investment in an associate, if it loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it still retains significant influence over this associate, then the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(15) Property, plant and equipment

A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when 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. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings	4～55 years
Machinery and office equipment	3～15 years
Other equipment	2～8 years

(16) Leases (leasee)

Payments made under an operating lease (net of any incentives received from the lessor) are recognised in profit or loss on a straight-line basis over the lease term.

(17) Intangible assets

A. Computer software

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 1 to 3 years.

B. Trademarks

Trademarks are acquired in a business combination.

C. Other intangible assets

Other intangible assets are technology royalties which are stated at cost and amortised on a straight-line basis over the contract duration.

(18) Impairment of non-financial assets

A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

B. Goodwill is evaluated annually and is recorded as cost less impairment loss. Impairment loss of goodwill shall not be reversed.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(19) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(20) Notes and accounts payable

Notes and accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

However, short-term accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(21) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(22) Financial guarantee contracts

A financial guarantee contract is a contract that requires the Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract is initially recognised at its fair value adjusted for transaction costs on the trade date. After initial recognition, the financial guarantee is measured at the higher of the initial fair value less cumulative amortisation and the best estimate of the amount required to settle the present obligation on each balance sheet date.

(23) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expenses in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expenses when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Defined benefit plans are non-defined contribution plans. Pension benefit amount from defined benefit plans is collected at retirement and is based on one or more factors such as age, service duration and salary. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised past service costs. The defined benefit net obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Group uses interest rates of government bonds (at the balance sheet date) instead.

ii. Actuarial gains and losses arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise.

iii. Past service costs are recognised immediately in profit or loss if vested immediately; if not, the past service costs are amortised on a straight-line basis over the vesting period.

C. Employees' bonus and directors' and supervisors' remuneration

Employees' bonus and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. However, if the accrued amounts for employees' bonus and directors' and supervisors' remuneration are different from the actual distributed amounts as resolved by the stockholders at their stockholders' meeting subsequently, the differences should be recognised based on the accounting for changes in estimates. The Group calculates the number of shares of employees' stock bonus based on the fair value per share at the previous day of the stockholders' meeting held in the year following the financial reporting year, and after taking into account the effects of ex-rights and ex-dividends.

(24) Employee share-based payment

For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-market vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. And ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

(25) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional 10% tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the non-consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.

E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from research and development expenditures to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

(26) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(27) Dividends

Dividends are recorded in the Company’s financial statements in the period in which they are approved by the Company’s shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(28) Revenue recognition

A. Construction revenue

Details of construction revenue are provided in Note 4(13).

B. Sales of goods

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods (products) to external customers in the ordinary course of the Group’s activities. Revenue arising from the sales of goods should be recognised when the Group has delivered the goods to the customer, the amount of sales revenue can be measured reliably and it is probable that the future economic benefits associated with the transaction will flow to the entity. The delivery of goods (products) is completed when the significant risks and rewards of ownership have been transferred to the customer, the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods (products) sold, and the customer has accepted the goods based on the sales contract or there is objective evidence showing that all acceptance provisions have been satisfied.

(29) Business combinations

A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s identifiable net assets.

B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquire recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date.

(30) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group's chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements require management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Accounting policies

None.

(2) Critical accounting estimates and assumptions

A. Construction contract

The Group recognises contract revenue and profit based on management's evaluation to contract profit and percentage of completion. Management examines and corrects the contract profit and cost during execution of the contract. The actual result of the total profit and cost may be higher or lower than the estimation, and the effect is recognised in revenue and profit.

B. Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation.

6. DETAILS OF SIGNIFICANTACCOUNTS

(1) Cash and cash equivalents

	December 31, 2014	December 31, 2013
Cash on hand	$ 16,917	$ 15,612
Checking accounts and demand deposits	1,610,648	1,316,477
Time deposits	606	462
Total	$ 1,628,171	$ 1,332,551

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote. The Group’s maximum exposure to credit risk at balance sheet date is the carrying amount of all cash and cash equivalents.

B. The details of cash and cash equivalents pledged to others are shown in Note 8.

(2) Financial assets at fair value through profit or loss – current

	December 31, 2014	December 31, 2013
Current items:		
Financial assets held for trading		
Listed stocks	$ 14,192	$ 17,229
Valuation adjustment of financial assets held for sale	(2,496)	(4,628)
Total	$ 11,696	$ 12,601

A. The Group recognised net gain of $3,822 and $821 on financial assets held for trading for the years ended December 31, 2014 and 2013, respectively.

B. The Group has no financial assets at fair value through profit or loss pledged to others.

(3) Available-for-sale financial assets – current

	December 31, 2014	December 31, 2013
Current items:		
Listed stocks	$ -	$ 3,761
Valuation adjustment of financial assets held for sale	-	1,512
Total	$ -	$ 5,273

A. The Group recognised gain of $1,742 and $5,047 on disposal of investments for disposing available-for-sale financial assets in 2014 and 2013, respectively.

B. The Group recognised unrealised valuation loss of $1,512 and $3,496 on available-for-sale financial assets in other comprehensive income for changes in fair value in 2014 and 2013, respectively.

C. The Group has no available-for-sale financial assets pledged to others.

(4) Accounts receivable

	December 31, 2014	December 31, 2013
Accounts receivable	$ 3,402,422	$ 2,811,607
Less: allowance for bad debts	(310,387)	(304,930)
	$ 3,092,035	$ 2,506,677

A. The maximum exposure to credit risk at December 31, 2014 and 2013 was the carrying amount of each class of accounts receivable.

B. The Group does not hold any collateral as security.

(5) Inventories

	December 31, 2014		
	Cost	Allowance for valuation loss and loss for obsolete and slow-moving inventories	Book value
Materials	$ 314,478	($ 20,657)	$ 293,821
Merchandise inventory	672,662	(48,779)	623,883
Raw materials	356,276	(14,250)	342,026
Supplies	20,568	(1,628)	18,940
Work in process	434,570	(8,745)	425,825
Semi-finished goods and finished goods	158,069	(9,605)	148,464
Total	$ 1,956,623	($ 103,664)	$ 1,852,959

	December 31, 2013		
	Cost	Allowance for valuation loss and loss for obsolete and slow-moving inventories	Book value
Materials	$ 274,853	($ 9,681)	$ 265,172
Merchandise inventory	791,352	(63,748)	727,604
Raw materials	293,132	(15,351)	277,781
Supplies	23,419	(1,710)	21,709
Work in process	346,544	(26,451)	320,093
Semi-finished goods and finished goods	257,035	(7,214)	249,821
Total	$ 1,986,335	($ 124,155)	$ 1,862,180

Relevant expenses of inventories recognised as operating costs for the years ended December 31, 2014 and 2013 are as follows:

	2014	2013
Construction cost	$ 7,454,592	$ 6,745,500
Cost of sales	5,202,618	5,210,531
Other operating cost	570,740	514,131
(Gain on reversal of) valuation loss and loss for market value decline and obsolete and slow-moving inventories (Note)	(21,616)	28,559
Total	$ 13,206,334	$ 12,498,721

Note: The gain on reversal was due to the Group’s recognition of impairment loss on inventories when the related inventory items were scrapped or sold.

The Group has no inventories pledged to others.

(6) Prepayments

	December 31,	
	2014	2013
Prepayment for purchases	$ 562,429	$ 329,859
Others	11,531	20,651
Total	$ 573,960	$ 350,510

(7) Construction contracts receivable / payable

	December 31, 2014	December 31, 2013
Aggregate costs incurred plus recognised profits (less recognised losses)	$ 15,134,073	$ 11,912,352
Less: progress billings	(13,797,963)	(11,170,794)
Net balance sheet position for construction in progress	$ 1,336,110	$ 741,558
Presented as:		
Construction contracts receivable	$ 2,354,614	$ 1,529,990
Construction contracts payable	(1,018,504)	(788,432)
	$ 1,336,110	$ 741,558
Retentions relating to construction contracts	$ 35,355	$ 14,888
Advances received before the related construction work is performed	$ 62,031	$ 113,253

(8) <u>Financial assets measured at cost – non-current/ prepayments to long-term investments</u>

	December 31, 2014	December 31, 2013
Non-current items:		
Taiwan Intelligent Fiber Optic Network Co., Ltd.	$ 44,024	$ 28,000
Ares Green Technology Corp.	43,481	43,481
Taiwan Puritic Corp.	39,287	39,287
Calitech Co., Ltd.	38,675	38,675
VEEV Interactive Pte. Ltd.	25,243	28,243
H&D Venture Capital Investment Corp.	20,000	20,000
Civil Tech Pte. Ltd.	19,500	19,500
ProbeLeader Co., Ltd.	14,490	14,490
H&H Venture Capital Investment Corp.	12,000	12,000
IP Fund Six Co., Ltd.	10,000	10,000
SOPOWER Technology Corp.	4,500	19,500
Others (companies with each not exceeding $10,000)	21,827	27,558
Total	$ 293,027	$ 300,734
Prepayments to long-term investments (listed as 'other non-current assets')		
Taiwan Intelligent Fiber Optic Network Co., Ltd.	$ -	$ 16,024

A. According to the Group's investment purpose, the abovementioned stocks held by the Group shall be classified as 'available-for-sale financial assets'. However, as the stocks are not traded in an active market, and no sufficient industry information of companies similar to the abovementioned companies can be obtained, the fair value of the stocks cannot be measured reliably. The Group classified those stocks as 'financial assets measured at cost – non-current'.

B. The ending balances of SOPOWER Technology Corp. for the year ended December 31, 2014 were assessed to decline dramatically and would be lower than the original investment cost. Therefore, impairment loss of $15,000 was recognised on equity investment.

C. The ending balances of SOPOWER Technology Corp. for the year ended December 31, 2013 were assessed to decline dramatically and would be lower than the original investment cost. Therefore, impairment loss of $10,500 was recognised on equity investment.

D. The Group has no financial assets measured at cost pledged to others.

(9) Investments accounted for using equity method

A. Details of investments accounted for using equity method:

	December 31, 2014		December 31, 2013	
	Carrying amount	% interest held	Carrying amount	% interest held
Glory Technology Service Inc.	$ 29,082	40%	$ 25,918	40%
MICT International Limited	12,632	50%	18,059	50%
Leader Fortune Enterprise Co., Ltd.	7,546	31.43%	8,648	31.43%
Frontken MIC Co. Limited	4,565	40%	9,199	40%
MIC Techno Co., Ltd.	2,069	20%	2,325	20%
True Victor International Limited	315	38.57%	804	38.57%
Hoa Phong Marketech Co., Ltd.(Note)	-	-	8,346	40%
Total	$ 56,209		$ 73,299	

Note:The Group originally held 40% share ownership of Hoa Phong Marketech Co., Ltd. (Hoa Phong MIC). The stockholders who held the remaining 60% of share ownership surrendered their shares in August 2014 and registered the change in October 2014. As the Group holds all voting rights in Hoa Phong MIC, it is included in the consolidated entities. Details are provided in Note 6(26).

B. Associates

The financial information of the Group's principal associates is summarized below:

	Assets	Liabilities	Revenue	Profit/(Loss)
December 31, 2014	$ 341,677	$ 198,345	$ 250,462	($ 33,855)
December 31, 2013	$ 388,291	$ 220,841	$ 228,320	($ 32,865)

(10) Property, plant and equipment

	Land	Buildings	Machinery and equipment	Office equipment	Others	Total
At January 1, 2014						
Cost	$ 205,438	$ 1,761,682	$ 627,643	$ 171,113	$ 22,199	$ 2,788,075
Accumulated depreciation	-	(620,661)	(501,127)	(131,293)	(15,042)	(1,268,123)
Book value	$ 205,438	$ 1,141,021	$ 126,516	$ 39,820	$ 7,157	$ 1,519,952
2014						
Opening net book amount	$ 205,438	$ 1,141,021	$ 126,516	$ 39,820	$ 7,157	$ 1,519,952
Additions	-	3,445	12,487	13,061	13,153	42,146
Acquired from business combination	-	-	-	140	239	379
Disposals	-	-	(2,474)	(857)	(95)	(3,426)
Depreciation charges	-	(66,367)	(27,106)	(14,269)	(745)	(108,487)
Net exchange differences	-	8,788	1,567	481	76	10,912
Closing net book amount	$ 205,438	$ 1,086,887	$ 110,990	$ 38,376	$ 19,785	$ 1,461,476
At December 31, 2014						
Cost	$ 205,438	$ 1,780,749	$ 612,043	$ 169,741	$ 34,703	$ 2,802,674
Accumulated depreciation	-	(693,862)	(501,053)	(131,365)	(14,918)	(1,341,198)
Book value	$ 205,438	$ 1,086,887	$ 110,990	$ 38,376	$ 19,785	$ 1,461,476

	Land	Buildings	Machinery and equipment	Office equipment	Others	Total
At January 1, 2013						
Cost	$ 135,801	$ 1,632,545	$ 615,008	$ 165,795	$ 23,813	$ 2,572,962
Accumulated depreciation	-	(547,551)	(473,567)	(129,291)	(15,637)	(1,166,046)
Book value	$ 135,801	$ 1,084,994	$ 141,441	$ 36,504	$ 8,176	$ 1,406,916
2013						
Opening net book amount	$ 135,801	$ 1,084,994	$ 141,441	$ 36,504	$ 8,176	$ 1,406,916
Additions	-	16,367	6,655	16,157	7,212	46,391
Transfers (Note)	69,637	95,539	4,994	(79)	(7,098)	162,993
Disposals	-	-	(544)	(1,246)	(192)	(1,982)
Depreciation charges	-	(66,766)	(29,141)	(12,336)	(966)	(109,209)
Net exchange differences	-	10,887	3,111	820	25	14,843
Closing net book amount	$ 205,438	$ 1,141,021	$ 126,516	$ 39,820	$ 7,157	$ 1,519,952
At December 31, 2013						
Cost	$ 205,438	$ 1,761,682	$ 627,643	$ 171,113	$ 22,199	$ 2,788,075
Accumulated depreciation	-	(620,661)	(501,127)	(131,293)	(15,042)	(1,268,123)
Book value	$ 205,438	$ 1,141,021	$ 126,516	$ 39,820	$ 7,157	$ 1,519,952

Note:Transfers are transferred from prepayments for equipment (listed as ‘other non-current assets’).

A. The Group has no interest capitalised to property, plant and equipment.

B. Information about the property, plant and equipment that were pledged to others as collaterals is provided in Note 8.

(11) Short-term borrowings

	December 31, 2014	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowing	$ 864,869	1.1%～7.28%	None
Mortgage loan	88,937	1.19%～7.2%	Buildings and time deposits
	$ 953,806		

	December 31, 2013	Interest rate range	Collateral
Bank borrowings			
Unsecured borrowing	$ 807,102	1.62%～7.28%	None
Mortgage loan	178,832	1.13%～6.9%	Buildings and time deposits
	$ 985,934		

Details of mortgage loan are provided in Note 8.

(12) Other payables

	December 31, 2014	December 31, 2013
Salaries and bonus payable	$ 289,054	$ 287,081
Accrued employees' bonus and directors' and supervisors' remuneration	38,221	27,016
Others	67,815	91,515
Total	$ 395,090	$ 405,612

(13) Advance receipts

	December 31, 2014	December 31, 2013
Sales revenue received in advance	$ 535,760	$ 461,349
Others	47,619	67,446
Total	$ 583,379	$ 528,795

(14) Long-term borrowings

		Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2014
Bank borrowings					
	Mortgage loan	Borrowing period is from August 20, 2007 to August 20, 2017; interest is repayable monthly; principal is repayable from January 2008.	1.75%	Buildings	$ 4,576
	Less:current portion (listed as other current liabilities-others)				(1,646)
					$ 2,930

		Borrowing period and repayment term	Interest rate range	Collateral	December 31, 2013
Bank borrowings					
	Mortgage loan	Borrowing period is from August 20, 2007 to August 20, 2017; interest is repayable monthly; principal is repayable from January 2008.	1.35~5%	Buildings	$ 6,104
	Less:current portion (listed as other current liabilities-others)				(1,587)
					$ 4,517

A. The Group has no long-term bank borrowings with interest that was past due.

B. The Group has not signed any unsecured borrowing facility contract which requires the Group to meet specified levels for certain financial ratios as per financial statements.

C. The Group has the following undrawn borrowing facilities:

	December 31, 2014	December 31, 2013
Floating rate:		
Expiring beyond one year	$ 900,000	$ 900,000
Fixed rate:		
Expiring beyond one year	10,266	8,515
	$ 910,266	$ 908,515

D. Details of pledged assets are provided in Note 8.

(15) Pensions

A.(a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee.

(b) The amounts recognised in the balance sheet are determined as follows:

	December 31, 2014	December 31, 2013
Present value of defined benefit obligations	$ 221,827	$ 225,998
Fair value of plan assets	(106,710)	(100,089)
Net liability in the balance sheet (listed as 'other non-current liabilities')	$ 115,117	$ 125,909

(c) Changes in present value of funded obligations are as follows:

	Years ended December 31, 2014	Years ended December 31, 2013
Present value of defined benefit obligations at January 1	($ 225,998)	($ 251,427)
Current service cost	(1,402)	(1,469)
Interest cost	(4,513)	(3,930)
Actuarial profit	8,687	26,346
Settlement	1,399	4,482
Present value of defined benefit obligations at December 31	($ 221,827)	($ 225,998)

(d) Changes in fair value of plan assets are as follows:

	Years ended December 31, 2014	Years ended December 31, 2013
Fair value of plan assets at January 1	$ 100,089	$ 98,627
Expected return on plan assets	1,800	1,763
Profit (loss) on plan assets	580	(512)
Employer contributions	5,446	5,688
Settlement	(1,205)	(5,477)
Fair value of plan assets at December 31	$ 106,710	$ 100,089

(e) Amounts of expenses recognised in comprehensive income statements are as follows:

	Years ended December 31, 2014	Years ended December 31, 2013
Current service cost	$ 1,402	$ 1,469
Interest cost	4,513	3,930
Expected return on plan assets	(1,800)	(1,763)
Settlement loss	(194)	996
Current pension costs	$ 3,921	$ 4,632

Details of abovementioned pension costs recognised as cost and expenses in comprehensive income statements are as follows:

	Years ended December 31,	
	2014	2013
Operating costs	$ 1,681	$ 1,968
Sales and marketing expenses	529	645
General and administrative expenses	1,477	1,732
Research and development expenses	234	287
	$ 3,921	$ 4,632

(f) Amounts recognised under other comprehensive income in the statements of comprehensive income are as follows:

	Years ended December 31,	
	2014	2013
Recognition for current period	($ 9,267)	($ 25,834)
Accumulated amount	($ 19,306)	($ 10,039)

(g) The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. The constitution of fair value of plan assets as of December 31, 2014 and 2013 is given in the Annual Labor Retirement Fund Utilisation Report published by the government. Expected return on plan assets was a projection of overall return for the obligations period, which was estimated based on historical returns and by reference to the status of Labor Retirement Fund utilisation by the Labor Pension Fund Supervisory Committee and taking into account the effect that the Fund's minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks.

For the years ended December 31, 2014 and 2013, the Company and domestic subsidiaries' actual returns on plan assets were $2,380 and $1,251, respectively.

(h) The principal actuarial assumptions used were as follows:

	Years ended December 31,	
	2014	2013
Discount rate	2.00%	2.00%
Future salary increases	2.00%	2.50%
Expected return on plan assets	1.75%	1.75%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

(i) Historical information of experience adjustments was as follows:

	Years ended December 31,		
	2014	2013	2012
Present value of defined benefit obligations	($ 221,826)	($ 225,998)	($ 251,426)
Fair value of plan assets	106,709	100,089	98,627
Deficit in the plan	($ 115,117)	($ 125,909)	($ 152,799)
Experience adjustments on plan liabilities	$ 8,687	$ 26,346	($ 14,797)
Experience adjustments on plan assets	$ 580	($ 512)	($ 998)

(j) Expected contributions to the defined benefit pension plans of the Company within one year from December 31, 2014 amounts to $6,228.

B.(a) Effective July 1, 2005, the Company has established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The Company’s mainland subsidiaries have a defined contribution plan. Monthly contributions to an independent fund administered by the government in accordance with the pension regulations in the People’s Republic of China (PRC) are based on certain percentage of employees’ monthly salaries and wages. Other than the monthly contributions, the Group has no further obligations.

(c) Certain overseas subsidiaries have a defined contribution plan. Contributions to an independent fund are based on certain percentage of employees’ monthly salaries and wages and are recognised as pension cost. Other than the monthly contributions, the Group has no further obligations.

(d) The pension costs under defined contribution pension plans of the Company for the years ended December 31, 2014 and 2013 were $78,566 and $75,763, respectively.

(16) Share-based payment

The Company's compensatory stock options are set at the closing price of the Company's ordinary shares at December 31, 2007 and June 13, 2008. After the issuance of stock options, if the amount of the Company's ordinary shares is changed, the price of stock options shall be adjusted according to the specified formula. The stock option life is 6 years, 50% can be vested after 2 years' service; 70% can be vested after 3 years' service; and 100% can be vested after 4 years' service.

A. Details of the share-based payment arrangements are as follows:

	Years ended December 31,			
	2014		2013	
	No. of options	Weighted-average exercise price (in dollars)	No. of options	Weighted-average exercise price (in dollars)
Options outstanding at beginning of the year	130	$ 16.00	1,943	$ 16.47
Options granted	-	-	-	-
Distribution of stock dividends / adjustments for number of shares granted for one unit of option	-	-	-	-
Options exercised	(13)	16.00	(479)	16.50
Options forfeited	(117)	16.00	(1,334)	16.50
Options outstanding at end of the year	-	(Note)	130	16.00
Options exercisable at end of the year	-	(Note)	130	16.00

Note: The Company's compensatory stock options were all expired on June 12, 2014.

B. The weighted-average stock price of stock options at exercise dates for the period from January 1, 2014 to June 12, 2014 and for the year ended December 31, 2013 was $21.95 (in dollars) and $18.23 (in dollars), respectively.

(17) Share capital

A. To increase the Company's working capital, the Company has exercised employees' stock options during 2014 and 2013. The capital increase was approved by the Financial Supervisory Commission (FSC). The registration was completed in April 2014 and April 2013.

B. As of December 31, 2014, the Company's authorized capital was $2,500,000, consisting of 250,000 thousand shares of ordinary stock (including 9,800 thousand shares reserved for employee stock options), and the paid-in capital was $1,650,698 with a par value of $10 (in dollars) per share amounting to 165,069,756 shares. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows:

	2014	2013
At January 1	165,056,756	164,577,756
Share-based payment	13,000	479,000
At December 31	165,069,756	165,056,756

C. On December 24, 2014, the Board of Directors have resolved to issue employee stock options of 4,000 thousand units. The subscription price of employee stock options on the issuance date was based on the closing price of the Company's ordinary shares. As of February 26, 2015, the employee stock options have not been approved by the Competent Authority.

(18) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

Details of and movements in capital surplus are as follows:

	Year of 2014				
	Share premium	Changes in equity of associates and joint ventures accounted for using equity method	Employee stock options	Expired stock options	Total
At January 1, 2014	$ 615,925	$ -	$ 351	$ -	$616,276
Employee stock options exercised	78	-	-	-	78
Unexercised employee stock options that were past due and transferred to expired options	-	-	(351)	351	-
At December 31, 2014	$ 616,003	$ -	$ -	$ 351	$616,354

	Year of 2013				
	Share premium	Changes in equity of associates and joint ventures accounted for using equity method	Employee stock options	Expired stock options	Total
At January 1, 2013	$612,811	$ 15	$ 351	$ -	$613,177
Employee stock options exercised	3,114	-	-	-	3,114
Changes in net equity of associates and joint ventures accounted for using equity method	-	(15)	-	-	(15)
At December 31, 2013	$615,925	$ -	$ 351	$ -	$616,276

(19) Retained earnings

A. Under the Company's Articles of Incorporation, the current year's earnings, if any, shall first be used to pay all taxes and offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve and special reserve. Stock dividends should be appropriated at a rate of 10% per annum. The remainder, if any, 1% shall be appropriated as the directors' and supervisors' remuneration and 1%~15% shall be appropriated as the employees' bonus. The remaining along with the prior years' unappropriated earnings are resolved by the Board of Directors and proposed to the stockholders for appropriation or reserve. However, appropriation of legal reserve is not included as the amount of accumulated legal reserve equals the Company's total capital.

B. The Company's dividend policy is summarized below: as to react to the overall environment development and industrial growth, fulfilling future operation development needs as priority and optimizing financial structure are the principles and distribution of dividends shall not exceed 50% of the stock dividend distributed.

C. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

D.(a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Financial-Supervisory-Securities-Firms No.

1010012865, dated April 6, 2013, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently.

E. For the years ended December 31, 2014 and 2013, employees' bonus and directors' and supervisors' remuneration are accrued as follows:

	2014	2013
Employees' bonus	$ 34,715	$ 24,919
Directors' and supervisors' remuneration	3,506	2,097
	$ 38,221	$ 27,016

Employees' bonus and directors' and supervisors' remuneration of 2014 and 2013 were accrued based on pre-audited earnings of 2014 and 2013, as well as legal reserve and others. The basic accrual is within the percentage stated in the Company's Articles of Incorporation (10% for employees' bonus and 1% for directors' and supervisors' remuneration for both 2014 and 2013). The calculation of bonus distributed for stocks is based on the closing price at one day before the annual stockholders' meeting and considers the effect of ex-right and ex-dividend. Bonus distribution is recognised as operating expense. However, if the amount differs from the actual appropriation amount approved by the stockholders, the difference is recognised as profit or loss for the years of stockholders' approval.

F.(a) Details of 2013 and 2012 earnings appropriation resolved by the stockholders on June 12, 2014 and June 11, 2013, respectively are as follows:

	2013		2012	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	$ 22,261	$ -	$ 25,941	$ -
Cash dividends	181,562	1.1	164,578	1.0
Total	$ 203,823		$ 190,519	

Note:The earnings of 2013 distributed as employees' cash bonus of $24,919 and directors' and supervisors' remuneration of $2,003 was approved by the stockholders. The difference of $94 between the amount recognised in the 2013 financial statements was adjusted as an increase to profit or loss in 2014. The earnings of 2012 distributed as employees' cash bonus of $28,631 and directors' and supervisors' remuneration of $2,335 was approved by the stockholders. The difference of $75 between the amount recognised in the 2012 financial statements was adjusted as an increase to profit or loss in 2013.

The abovementioned earnings distribution of 2013 and 2012 were the same as the amounts proposed by the Board of Directors on March 7, 2014, April 9, 2014 and March 15, 2013, respectively.

Information about the appropriation of employees' bonus and directors' and supervisors' remuneration for 2013 and 2012 by the Company as proposed by the Board of Directors and resolved by the stockholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(b) Details of 2014 earnings appropriation proposed by the Board of Directors on February 24, 2015, are as follows:

	2014	
	Amount	Dividends per share (in dollars)
Legal reserve	$ 38,454	$ -
Cash dividends	330,140	2.0
Total	$ 368,594	

Note:The employees' bonus of $34,715 and directors' and supervisors' remuneration of $3,461 of 2014 was proposed by the Board of Directors on February 24, 2015.

Information about the appropriation of employees' bonus and directors' and supervisors' remuneration by the Company as proposed by the Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

The earnings distribution of 2014 have not been resolved by the stockholders, thus, no dividend was accrued in these consolidated financial statements.

(20) Operating revenue

	Years ended December 31,	
	2014	2013
Construction revenue	$ 7,997,319	$ 7,147,864
Sales revenue	5,944,705	5,982,083
Other operating revenue	1,023,375	912,327
Total	$ 14,965,399	$ 14,042,274

(21) Other gains and losses

	Years ended December 31,	
	2014	2013
Net gains on financial assets at fair value through profit or loss	$ 3,822	$ 821
(Loss) gain on disposal of investments	(4,012)	5,047
Impairment loss	(23,234)	(13,618)
Exchange gain	9,584	36,892
Other losses	(8,777)	(6,222)
Total	($ 22,617)	$ 22,920

(22) Employee benefit expense, depreciation and amortisation

	Year ended December 31, 2014		
	Operating costs	Operating expenses	Total
Employee benefit expense			
Wages and salaries	$ 518,861	$ 676,597	$ 1,195,458
Labour and health insurance fees	55,480	53,486	108,966
Pension costs	41,041	41,446	82,487
Other employee benefit expense	16,023	19,902	35,925
Depreciation	71,160	37,327	108,487
Amortisation	4,259	17,268	21,527

	Year ended December 31, 2013		
	Operating costs	Operating expenses	Total
Employee benefit expense			
Wages and salaries	$ 515,604	$ 685,126	$ 1,200,730
Labour and health insurance fees	50,838	51,577	102,415
Pension costs	39,097	41,298	80,395
Other employee benefit expense	13,133	16,962	30,095
Depreciation	66,752	42,457	109,209
Amortisation	2,503	12,816	15,319

(23) Income tax

A.Income tax expense

(a) Components of income tax expense:

	Years ended December 31,	
	2014	2013
Current tax		
Current tax on profits for the period	$ 100,672	$ 59,679
Additional 10% tax on undistributed earnings	3,999	6,889
Adjustments in respect of prior years	(1,871)	1,484
Total current tax	102,800	68,052
Deferred tax		
Origination and reversal of temporary differences	(19,134)	(6,648)
Income tax expense	$ 83,666	$ 61,404

(b) Reconciliation between income tax expense and accounting profit

	Years ended December 31, 2014	2013
Tax calculated based on profit before tax and statutory tax rate	$ 80,101	$ 47,637
Effects from items disallowed by tax regulation	1,437	5,394
Additional 10% tax on undistributed earnings	3,999	6,889
Adjustments in respect of prior years	(1,871)	1,484
Income tax expense	$ 83,666	$ 61,404

(c) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Years ended December 31, 2014	2013
Currency translation differences	($ 9,686)	($ 10,549)
Actuarial gains/losses on defined benefit obligations	(1,576)	(4,392)
Total	($ 11,262)	($ 14,941)

B.Amounts of deferred tax assets or liabilities as a result of temporary difference and investment tax credit are as follows:

	Year ended December 31, 2014			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Temporary differences:				
－Deferred tax assets:				
Losses on bad debt expense	$ 26,152	$ -	$ -	$ 26,152
Valuation loss and loss for market value decline and obsolete and slow-moving inventories	12,750	(1,530)	-	11,220
Defined benefit obligation	21,405	(259)	(1,576)	19,570
Impairment loss on financial assets	4,420	3,400	-	7,820
Unused compensated absences payable	9,204	(1,426)	-	7,778
Unrealised loss on investments	10,130	18,439	-	28,569
Subtotal	84,061	18,624	(1,576)	101,109
－Deferred tax liabilities:				
Unrealised exchange gain	(42)	(2,895)	-	(2,937)
Unrealised construction gain	(16,401)	3,405	-	(12,996)
Exchange differences on translation	(21,084)	-	(9,686)	(30,770)
Subtotal	(37,527)	510	(9,686)	(46,703)
Total	$ 46,534	$ 19,134	($ 11,262)	$ 54,406

	Year ended December 31, 2013			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Temporary differences:				
—Deferred tax assets:				
Unrealised exchange loss	$ 1,997	($ 1,997)	$ -	$ -
Losses on bad debt expense	26,073	79	-	26,152
Valuation loss and loss for market value decline and obsolete and slow-moving inventories	10,370	2,380	-	12,750
Unrealised construction loss	441	(441)	-	-
Defined benefit obligation	25,976	(179)	(4,392)	21,405
Impairment loss on financial assets	2,295	2,125	-	4,420
Unused compensated absences payable	7,201	2,003	-	9,204
Unrealised loss on investments	-	10,130	-	10,130
Subtotal	74,353	14,100	(4,392)	84,061
—Deferred tax liabilities:				
Unrealised exchange gain	-	(42)	-	(42)
Unrealised gain on investments	(8,991)	8,991	-	-
Unrealised construction gain	-	(16,401)	-	(16,401)
Exchange differences on translation	(10,535)	-	(10,549)	(21,084)
Subtotal	(19,526)	(7,452)	(10,549)	(37,527)
Total	$ 54,827	$ 6,648	($ 14,941)	$ 46,534

C.Assessment of the Company’s and domestic subsidiary’s income tax returns is as follows:

	Assessment
The Company	Through 2012
eZoom Information, Inc.	Through 2012

D.Unappropriated retained earnings:

	December 31, 2014	December 31, 2013
Earnings generated in and before 1997	$ -	$ -
Earnings generated in and after 1998	1,467,273	1,279,330
	$ 1,467,273	$ 1,279,330

E.As of December 31, 2014 and 2013, the balance of the imputation tax credit account was $322,956 and $301,905, respectively. The creditable tax rate was 27.03% for 2013 and is estimated to be 27.07% for 2014.

(24) Earnings per share

	Year ended December 31, 2014		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 384,545	165,066	$ 2.33
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
Employees’ bonus		1,928	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 384,545	166,994	$ 2.30

	Year ended December 31, 2013		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Profit attributable to ordinary shareholders of the parent	$ 222,615	164,629	$ 1.35
Diluted earnings per share			
Assumed conversion of all dilutive potential ordinary shares			
Employee stock options		13	
Employees' bonus		1,849	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 222,615	166,491	$ 1.34

(25) Operating leases

Details are provided in Note 9(1).

(26) Business combinations

A. The Company originally held 40% share capital of Hoa Phong Marketech Co., Ltd. (Hoa Phong MIC). The stockholders who held the remaining 60% of share capital surrendered their shares in August 2014 and registered the change in October 2014. As the Company holds all voting rights in Hoa Phong MIC, it is included in the consolidated entities.

B. The following table summarises the fair values of the assets acquired and liabilities assumed at the acquisition date, as well as the fair value at the acquisition date of the non-controlling interests in Hoa Phong MIC:

	August 31, 2014
Purchase consideration	
Fair value of interest in Hoa Phong MIC on the acquisition date that had been owned prior to the acquisition	$ 819
Fair value of the non-controlling interests	1,229
	$ 2,048
Fair value of the identifiable assets acquired and liabilities assumed	
Cash	$ 1,045
Other current assets	1,109
Property, plant and equipment	379
Other non-current assets	194
Current liabilities	(679)
Total identifiable net assets	$ 2,048

C. The Group recognised a loss of $5,754 as a result of measuring at fair value its 40% equity interest in Hoa Phong MIC held before the business combination.

D. The operating revenue included in the consolidated statement of comprehensive income since August 31, 2014 until December 31, 2014 contributed by Hoa Phong MIC was $190. Hoa Phong MIC also contributed profit before income tax of $1,087 over the same period. Had ABC Company been consolidated starting from January 1, 2014, the consolidated statement of comprehensive income would show operating revenue of $14,965,805 and profit before income tax of $470,287.

7. RELATED PARTY TRANSACTIONS

(1) Significant related party transactions and balances

A. Sales of goods and services

	Years ended December 31, 2014	Years ended December 31, 2013
Construction revenue		
Other related parties	$ 8,741	$ 1,344
Entities controlled by key management or entities with significant influence	1,259	31,996
Associates	886	5,885
Total	$ 10,886	$ 39,225

The price of construction charges to related parties and third parties are based on normal construction contracts or individual agreements. Furthermore, the collection terms to related parties are approximately the same to third parties, which is about 2 to 3 months after inspection of constructions depending on the construction contracts or individual agreements.

	Years ended December 31, 2014	Years ended December 31, 2013
Sales of goods		
Entities controlled by key management or entities with significant influence	$ 52,951	$ 3,747
Other related parties	860	-
Associates	4,279	4,911
Total	$ 58,090	$ 8,658

Prices to related parties and third parties are based on normal sales transactions and sales are collected 2 to 3 months after the completion of transactions.

B. Acquisition of goods and services

	Years ended December 31, 2014	Years ended December 31, 2013
Outsourcing construction costs		
Entities controlled by key management or entities with significant influence	$ 60,102	$ 68,949
Other related parties	10,780	137
Total	$ 70,882	$ 69,086

The outsourcing construction costs paid to related parties and third parties are based on normal construction contracts or individual agreements. Furthermore, the payment terms to related parties are approximately the same to third parties, which is about 2 months after inspection of constructions depending on the construction contracts or individual agreements.

C. Receivables from related parties

Accounts receivable

	December 31, 2014	December 31, 2013
Entities controlled by key management or entities with significant influence	$ 3,566	$ 911
Associates	4,710	-
Other related parties	1,261	-
Subtotal	9,537	911
Less: allowance for bad debts	(88)	(3)
Total	$ 9,449	$ 908

The collection terms to related parties and third parties are about 2 to 3 months after the sales while terms for construction are about 2 to 3 months after inspection of construction depending on the construction contracts or individual agreements.

D. Payables to related parties

Accounts payable

	December 31, 2014	December 31, 2013
Entities controlled by key management or entities with significant influence	$ 20,020	$ 9,741
Other related parties	3,816	187
Associates	-	1,050
Total	$ 23,836	$ 10,978

E. Construction contracts receivable

(a) Contract prices of contracted but yet to be completed construction

	December 31, 2014	December 31, 2013
Associates	$ 22,516	$ 26,926
Entities controlled by key management or entities with significant influence	7,600	7,701
Other related parties	8,824	-
Total	$ 38,940	$ 34,627

(b) Construction contracts receivable

	December 31, 2014	December 31, 2013
Associates	$ 16,267	$ 16,371
Entities controlled by key management or entities with significant influence	6,456	5,312
Other related parties	5,969	-
Total	$ 28,692	$ 21,683

F. Property transactions

Proceeds for acquisition of property, plant, equipment and intangible assets:

	Years ended December 31, 2014	Years ended December 31, 2013
Entities controlled by key management or entities with significant influence	$ 14,437	$ 15,522

G. Financing

Financing to related parties in 2014 is as follows:

	Year ended December 31, 2014			
	Maximum balance	Ending balance	Interest rate	Interest revenue
Entities controlled by key management or entities with significant influence	$ 19,600	$ -	4.896%	$ 108

The Group's financing to entities controlled by key management or entities with significant influence mainly refer to financing to SOPOWER Technology Corp. This financing represents accounts receivable arising from sales of goods. The amount exceeding normal credit limit to third parties was transferred to other receivables and treated as loans to others. As of December 31, 2014, the receivables were fully collected.

No such event in 2013.

(2) Key management compensation

	Years ended December 31, 2014	2013
Salaries and other short-term employee benefits	$ 50,498	$ 47,989

8. PLEDGED ASSETS

Details of the book value of the Group's assets pledged as collaterals are as follows:

Pledged asset	Book value December 31, 2014	Book value December 31, 2013	Purpose
Time deposits (recorded as 'other current assets')	$ 90,098	$ 67,540	Guarantee for bank's borrowing facility
Refundable deposits (recorded as 'other current assets')	41,240	26,802	Bid bond and performance guarantee
Buildings (recorded as 'Property, plant and equipment')	184,492	189,319	Guarantee for bank's borrowing facility
	$ 315,830	$ 283,661	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

Commitments

(1) Operating leases agreements

The Group leases in buildings under non-cancellable operating lease agreements. The lease terms are under 10 years, and all these lease agreements are renewable at the end of the lease period. Rental is increased periodically to reflect market rental rates. The Group recognised rental costs and expenses of $120,366 and $120,768 for these leases in profit or loss for the years ended December 31, 2014 and 2013, respectively. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	December 31, 2014	2013
Not later than one year	$ 46,422	$ 45,296
Later than one year but not later than five years	40,932	43,804
Later than five years	36,412	39,183
Total	$ 123,766	$ 128,283

(2) As of December 31, 2014, the notes and letters of guarantees used for construction performance and custom security amounted to $970,725.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

Details are provided in Note 6(19) F(b).

12. OTHERS

(1) Capital risk management

The Group's main objective when managing capital is to maintain an optimal credit ranking and capital ratio to support the operation and to maximize stockholders' equity.

(2) Financial instruments

A.Fair value information of financial instruments

The carrying amounts of the Group's financial instruments not measured at fair value are including cash and cash equivalents, notes receivable (including related parties), accounts receivable (including related parties), construction contracts receivable (including related parties), other receivables (including related parties), other financial assets (recorded as 'other current assets'), refundable deposits (recorded as 'other non-current assets'), short-term borrowings, notes payable (including related parties), accounts payable (including related parties), construction contracts payable (including related parties), other payables, long-term borrowings (including current portion) and guarantee deposits received (recorded as 'other non-current liabilities')) are approximate to their fair values. The fair value information of financial instruments measured at fair value is provided in Note 12(3).

B. Financial risk management policies

The Group's financial risk mainly arises from risks along with investments in financial instruments and foreign exchange risk of foreign currency transactions. The Group always adopt the restricted control standard for financial risk of all investments in financial instruments that market risk, credit risk, liquidity risk and cash flow risk of any financial investment and implementation has to be assessed and the ones with the least risks are chosen. For foreign exchange risk of foreign currency transactions based on strategic risk management objectives, the Group seeks the most optimised risk position and maintain appropriate liquidity position to reach the best hedging strategy.

C. Significant financial risks and degrees of financial risks

(a) Market risk

Foreign exchange risk

● The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD, RMB and EUR. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity’s functional currency.

●The Group’s businesses involve some non-functional currency operations (the Company’s and certain subsidiaries’ functional currency: NTD; other certain subsidiaries’ functional currency: USD, SGD and RMB). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2014					
				Sensitivity analysis		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)						
Financial assets						
Monetary items						
USD：NTD	$ 22,813	31.65	$ 722,029	1%	$ 7,220	$ -
USD：RMB	11,072	6.2175	350,443	1%	3,504	-
EUR：NTD	3,242	38.47	124,710	1%	1,247	-
EUR：USD	2,033	1.22	78,224	1%	782	-
JPY：NTD	291,488	0.2646	77,128	1%	771	-
Financial liabilities						
Monetary items						
USD：NTD	$ 5,213	31.65	$ 164,981	1%	$ 1,650	$ -
USD：RMB	28,225	6.2157	893,307	1%	8,933	-
JPY：NTD	173,768	0.2646	45,979	1%	460	-

	December 31, 2013					
				Sensitivity analysis		
	Foreign currency amount (in thousands)	Exchange rate	Book value (NTD)	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)						
Financial assets						
Monetary items						
USD：NTD	$ 23,136	29.805	$ 689,572	1%	$ 6,896	$ -
USD：RMB	10,638	6.0593	317,078	1%	3,171	-
EUR：USD	2,700	1.38	110,947	1%	1,109	-
JPY：NTD	274,876	0.2839	78,037	1%	780	-
Financial liabilities						
Monetary items						
USD：NTD	$ 6,057	29.805	$ 180,521	1%	$ 1,805	$ -
USD：RMB	27,405	6.0593	816,797	1%	8,168	-
USD：SGD	1,260	1.246	37,548	1%	375	-

Price risk

- The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated balance sheet either as available-for-sale or at fair value through profit or loss.
- The Company's investments in equity securities comprise listed and unlisted stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, profit for the years ended December 31, 2014 and 2013 would have increased/decreased by $142 and $172, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by $0 and $38, respectively, as a result of gains/losses on equity securities classified as available-for-sale. For the years ended December 31, 2014 and 2013, the amount recognised from available-for-sale financial assets to adjustments in equity was $0 and ($197) and the amount reduced from adjustments in equity and included in profit or loss was $1,512 and $3,299, respectively.

Interest rate risk

- The Group's interest rate risk arises from bank borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Changes in market interest rate will change effective interest rates of bank borrowings and thus fluctuate future cash flow. As the Group's operating capital is sufficient and risk is mostly offset by cash and cash equivalents held at variable rates, the Group has assessed there is no significant interest rate shift in cash flow risk.
- The Group analyses its interest rate exposure. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.
- Under the Group's simulation analysis result of interest risk, if the interest rate had increased/decreased by 1% with all other variables held constant, profit for the years ended December 31, 2014 and 2013 would have increased/decreased by $7,955 and $8,234, respectively.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. Described as follows:

- The Group has assessed the credit status of counterparties when selling products and goods or services. So it expects that the probability of counterparty default is remote. The Group's maximum exposure to credit risk at balance sheet date is the carrying amount.

- Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board of directors. The utilisation of credit limits is regularly monitored.
- Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.
- For banks and financial institutions, only rated parties with good ratings are accepted.
- The endorsements and guarantees provided by the Group are all in accordance with "Regulations Governing Loaning of Funds and Making of Endorsements/ Guarantees by Public Companies". The Group knows the credit status of endorsees well and does not require any security. If there is any non-performance, the performance amount is the possible credit risk.

ii. No credit limits were exceeded during the reporting periods, and management does not expect any significant losses from non-performance by these counterparties.

iii. The ageing analysis of accounts receivable (including related parties) that were past due but not impaired is calculated from the invoice date as follows:

	December 31, 2014	December 31, 2013
Up to 90 days	$ 1,013,232	$ 814,798

iv. Movement analysis of accounts receivable (including related parties) that were impaired is as follows:

a. As of December 31, 2014 and 2013, the Group's accounts receivable that were impaired amounted to $2,078,861 and $1,816,552, and allowance for bad debt was accrued as $310,475 and $304,933, respectively.

b. Movements on the Group's provision for impairment of accounts receivable are as follows:

	Year ended December 31, 2014		
	Individual provision	Group provision	Total
At January 1	$ 173,630	$ 131,303	$ 304,933
Reversal of impairment during the period	8,965	9,124	18,089
Write-offs during the period	(17,277)	-	(17,277)
Transfer during the period	7,518	(7,518)	-
Effect of exchange rate	2,545	2,185	4,730
At December 31	$ 175,381	$ 135,094	$ 310,475

	Year ended December 31, 2013		
	Individual provision	Group provision	Total
At January 1	$ 125,818	$ 126,103	$ 251,921
Reversal of impairment during the period	20,234	33,332	53,566
Write-offs during the period	(5,750)	-	(5,750)
Transfer during the period	30,954	(30,954)	-
Effect of exchange rate	2,374	2,822	5,196
At December 31	$ 173,630	$ 131,303	$ 304,933

v. The credit quality of accounts receivable that were neither past due nor impaired was in the following categories based on the Group's Credit Quality Control Policy:

	December 31, 2014	December 31, 2013
Type A	$ -	$ -
Type B	135,203	104,499
Type C	184,663	76,669
	$ 319,866	$ 181,168

Type A: No credit limit. Clients include government institutions and government-owned corporations.

Type B: Credit limit is 130% of the average of transactions in the past year. Clients are counterparties whose average annual transactions reaching NT$30,000 for the most recent 3 years and who has stable sales and optimal financials.

Type C: Credit limit is gained through assessment based on 'Client Credit Ranking Sheet'.

(c) Liquidity risk

i. The Group invests in financial assets measured at fair through profit or loss and available-for-sale financial assets traded in active markets, so it expects to sell the financial assets in markets with prices approximate to fair value. Financial assets at cost are not traded in active markets, thus, liquidity risk is expected. However, the Group's operating capital is sufficient to fulfill the Group's capital needs and it does not expect significant liquidity risk.

ii. The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities.

Non-derivative financial liabilities

December 31, 2014	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	$ 953,806	$ -	$ -	$ -
Notes payable (including related parties)	807,648	-	-	-
Accounts payable (including related parties)	3,382,915	-	-	-
Other payables	395,090	-	-	-
Long-term borrowings (including current portion)	1,646	1,668	1,262	-

Non-derivative financial liabilities

December 31, 2013	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Short-term borrowings	$ 985,943	$ -	$ -	$ -
Notes payable (including related parties)	578,318	-	-	-
Accounts payable (including related parties)	2,438,863	-	-	-
Other payables	405,612	-	-	-
Long-term borrowings (including current portion)	1,587	1,609	2,908	-

iii. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value estimation

A. The table below analyses financial instruments measured at fair value, by valuation method. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data.

The following table presents the Group's financial assets and liabilities that are measured at fair value at December 31, 2014 and 2013:

December 31, 2014	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss				
Equity securities	$ 11,696	$ -	$ -	$ 11,696

December 31, 2013	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss				
Equity securities	$ 12,601	$ -	$ -	$ 12,601
Available-for-sale financial assets				
Equity securities	5,273	-	-	5,273
Total	$ 17,874	$ -	$ -	$ 17,874

B. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the closing price. These instruments are included in level 1.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

Significant transactions information in 2014 in accordance with “Rules Governing the Preparation of Financial Statements by Securities Issuers” is as follows:

A.Loans to others:

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2014 (Note 2)	Balance at December 31, 2014 (Note 6)	Actual amount drawn down	Interest rate (%)	Nature of loan (Note 3)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Collateral Value	Limit on loans granted to a single party	Ceiling on total loans granted	No. (Note 1)
0	Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Other receivables	Y	$ 30,420	$ 6,330	$ 6,330	4.896	2	$ -	Operations	$ -	None	-	$ 1,750,183	$ 1,750,183	Note 4
0	Marketech International Corp.	SOPOWER Technology Corp.	Other receivables	Y	19,600	-	-	-	1	-	Not applicable	-	None	-	-	1,750,183	Note 4 Note 7
1	MIC-Tech Electronics Engineering Corp.	Shanghai Puritic Co., Ltd.	Other receivables	Y	17,835	7,893	7,893	7.28	2	-	Operations	-	None	-	175,031	175,031	Note 5
1	MIC-Tech Electronics Engineering Corp.	ChenGao M&E Engineering (Shanghai) Co., Ltd.	Other receivables	Y	1,273	1,273	1,273	6.16	2	-	Operations	-	None	-	175,031	262,547	Note 4 Note 5
1	MIC-Tech Electronics Engineering Corp.	Fuzhou Jiwei System Integrated Co., Ltd.	Other receivables	Y	1,372	-	-	-	2	-	Operations	-	None	-	175,031	262,547	Note 4 Note 5
2	MIC-Tech (WuXi) Co., Ltd.	Shanghai Puritic Co., Ltd.	Other receivables	Y	22,914	22,914	12,730	7.2	2	-	Operations	-	None	-	107,410	107,410	Note 5
2	MIC-Tech (WuXi) Co., Ltd.	MIC-Tech Electronics Engineering Corp.	Other receivables	Y	69,467	40,736	40,736	6.9	2	-	Operations	-	None	-	107,410	161,116	Note 4 Note 5
2	MIC-Tech (WuXi) Co., Ltd.	MIC-Tech (Shanghai) Corp. Ltd.	Other receivables	Y	45,828	45,828	45,828	7.2	2	-	Operations	-	None	-	107,410	161,116	Note 4 Note 5
3	MIC-Tech (Shanghai) Corp. Ltd.	MIC-Tech Electronics Engineering Corp.	Other receivables	Y	49,619	-	-	-	2	-	Operations	-	None	-	128,214	192,321	Note 4 Note 5
3	MIC-Tech (Shanghai) Corp. Ltd.	MIC-Tech China Trading (Shanghai) Co. Ltd.	Other receivables	Y	14,424	-	-	-	2	-	Operations	-	None	-	128,214	192,321	Note 4 Note 5
4	MIC-Tech Ventures Asia Pacific Inc.	MIC-Tech Electronics Engineering Corp.	Other receivables	Y	31,650	31,650	31,650	4.896	2	-	Operations	-	None	-	508,260	762,390	Note 4

Note 1:The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

(1)The Company is ‘0’.

(2)The subsidiaries are numbered in order starting from ‘1’.

Note 2:Fill in the maximum outstanding balance of loans to others during the year ended December 31, 2014.

Note 3:Fill in the nature of the loan as follows:

(1)Fill in 1 for business transactions and the amount of business transactions when nature of the loan is related to business transactions, which is the amount of business transactions occurred between the creditor and borrower in the current year.

(2)Fill in 2 for short-term financing and the purpose of loan, for example, repayment of loan, acquisition of equipment, working capital, etc.

Note 4:Limit on the loans from the Company and MIC-Tech Ventures Asia Pacific Inc.:

(1)Limit on the accumulated balance of loans to others provided by the foreign companies whose voting rights are 100% owned directly and indirectly by the Company is 60% of the net assets based on the latest financial statements of subsidiaries who receive the loans. The following (2) and (3) do not apply to the limit.

(2)For business transactions, limit on loans granted for a single party is the amount of the transactions. The amount of business transactions refers to the higher of purchasing and selling during current year on the year of financing.

(3)For short-term borrowings, limit on loans granted for a single party is 40% of the Company’s net assets. The amount of short-term borrowings refers to the accumulated balance of the Company’s short-term borrowings.

(4)Limit of the accumulated balance of loans from (2) and (3) is 40% of the net assets based on the latest financial statements of the Company.

Note 5:Limit on the loans provided by the Company’s mainland subsidiaries:

(1)Limit on the accumulated balance of loans to others provided by the foreign companies whose voting rights are 100% owned directly and indirectly by the Company’s mainland subsidiaries is 60% of the net assets based on the latest financial statements of the lending companies. The following (2) and (3) do not apply to the limit.

(2)For business transactions, limit on loans granted for a single party is the amount of the transactions.

(3)For short-term borrowings, limit on loans granted for a single party is 40% of the lending company’s net assets.

(4)Limit of the accumulated balance of loans from (2) and (3) is 40% of the net assets based on the latest financial statements of the lending company.

Note 6:The ending balance is the amount resolved by the Board of Directors.

Note 7:The Company’s loans to SOPOWER Technology Corp. are accounts receivable arising from sales of goods. The amount exceeding normal credit limit to third parties was transferred to other receivables and proceeded as loans to others. As of December 31, 2014, the receivables were fully collected.

B.Provision of endorsements and guarantees to others:

Number (Note 1)	Endorser/ guarantor	Party being endorsed/guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2014 (Note 5)	Outstanding endorsement/ guarantee amount at December 31, 2014 (Note 6)	Actual amount drawn down (Note 7)	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/guarant or company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary (Note 7)	Provision of endorsements/ guarantees by subsidiary to parent company (Note 7)	Provision of endorsements/ guarantees to the party in Mainland China (Note 7)	Footnote
		Company name	Relationship with the endorser/ guarantor (Note 2)											
0	Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	2	$ 2,187,729	$ 20,044	$ 20,044	$ 20,044	-	0.46	$ 4,375,458	Y	N	N	Note 3
0	Marketech International Corp.	Marketech Integrated Pte. Ltd.	2	2,187,729	110,775	110,775	62,603	-	2.53	4,375,458	Y	N	N	Note 3
0	Marketech International Corp.	Marketech International Sdn. Bhd.	3	2,187,729	19,250	-	-	-	-	4,375,458	Y	N	N	Note 3
0	Marketech International Corp.	MIC-Tech (Shanghai) Corp. Ltd.	3	2,187,729	406,787	406,787	251,969	-	9.30	4,375,458	Y	N	Y	Note 3
0	Marketech International Corp.	MIC-Tech (WuXi) Co., Ltd.	3	2,187,729	438,339	438,339	327,564	-	10.02	4,375,458	Y	N	Y	Note 3
0	Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	3	2,187,729	711,654	711,654	369,674	-	16.26	4,375,458	Y	N	Y	Note 3
1	Hoa Phong Marketech Co., Ltd.	MIC-Tech Viet Nam Co., Ltd.	3	2,187,729	84,281	84,281	84,281	-	1.93	4,375,458	N	N	N	Note 4
2	MIC-Tech Electronics Engineering Corp.	MIC-Tech (Shanghai) Corp. Ltd.	3	2,187,729	67,188	67,188	67,188	-	1.54	4,375,458	N	N	Y	Note 4

Note 1:The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1)The Company is ‘0’.

(2)The subsidiaries are numbered in order starting from ‘1’.

Note 2:Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following six categories; fill in the number of category each case belongs to:

(1)Having business relationship.

(2)The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3)The endorser/guarantor parent company and its subsidiaries jointly own more than 50% voting shares of the endorsed/guaranteed company.

(4)The endorsed/guaranteed parent company directly or indirectly owns more than 50% voting shares of the endorser/guarantor subsidiary.

(5)Mutual guarantee of the trade as required by the construction contract.

(6)Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

Note 3:Limit on endorsements and guarantees stated in "Regulations Governing Loaning of Funds and Making of Endorsements/ Guarantees by Public Companies":

(1)In accordance with mutual guarantee requirement in the same industry for contracting constructions, limit on the total amount is 5 times of the Company's net assets.

(2)Except for guarantees for contracting constructions, limit on the Company's accumulated endorsement/guarantee is the Company's net assets; limit on endorsement/guarantee to a single party is 50% of the Company's net assets. Limit on the total endorsement/guarantee of the Company and its subsidiaries as a whole is 1.5 times of the Company's net assets; limit on endorsement/guarantee to a single party is 75% of the Company's net assets.

Note 4:Limit on endorsements and guarantees of the Company's subsidiary - Hoa Phong Marketech Co., Ltd. and MIC-Tech Electronics Engineering Corp.:

(1)In accordance with mutual guarantee requirement in the same industry for contracting constructions, limit on the total amount is 5 times of the Company's net assets.

(2)Except for guarantees for contracting constructions, limit on the accumulated endorsements and guarantees is the endorser company's net assets; limit on endorsement/guarantee to a single party is 50% of the endorser company's net assets. Limit on the total endorsement/guarantee of the endorser company and its subsidiaries as a whole is 1.5 times of the endorser company's net assets; limit on endorsement/guarantee to a single party is 75% of the endorser company's net assets.

(3)Limit on endorsements and guarantees to a company of which the endorser company and the ultimate parent company directly or indirectly holds 90% or above of its share capital is 10 times of the endorser company's net assets and may not exceed 10% of the ultimate parent's net assets. However, the endorsements and guarantees of the ultimate parent to companies which it holds 100% of voting shares are not subject to the preceding and Note 4(2) limits. Nonetheless, limit is subject to paragraph 4.2 of "Regulations Governing Loaning of Funds and Making of Endorsements/ Guarantees by Public Companies": (see above Note 3(2) details of the Company's endorsement/guarantee).

Note 5:Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 6:As of the balance sheet date, companies which provide contracts or notes for endorsements/guarantees to banks bear the responsibility of endorsements/guarantees as credit limit of the contracts or notes are approved. Other related endorsements/guarantees should be included in the outstanding balance of endorsements/guarantees. The outstanding balance is the amount resolved by the Company's Board of Directors.

Note 7:Fill in 'Y' for those cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

C.Holding of marketable securities at the end of the period (not including subsidiaries and associates):

Securities held by	Type of marketable securities	Name of marketable securities (Note 1)	Relationship with the securities issuer	General ledger account	As of December 31, 2014 Number of shares	Book value (Note 2)	Ownership (%)	Fair value	Collateral	Footnote
Marketech International Corp.	Ordinary shares	Lasertec Corporation	None	Financial assets measured at fair value through profit or loss - current	20,000	$ 7,277	-	$ 7,277	None	
〃	〃	Solar Applied Materials Technology Corp.	〃	〃	30,000	754	-	754	〃	
	〃	Aerospace Industrial Development Corp.	〃	〃	100,000	3,665	-	3,665	〃	
						$ 11,696		$ 11,696		
〃	Ordinary shares	Ares Green Technology Corp..	None	Financial assets measured at cost - non-current	2,632,293	$ 43,481	7.96%	$ -	None	
〃	〃	Taiwan Puritic Corp.	〃	〃	5,207,049	39,287	13.58%	-	〃	
〃	〃	Calitech Co., Ltd.	〃	〃	3,117,199	38,675	10.85%	-	〃	
〃	〃	SOPOWER Technology Corp.	Entities controlled by key management or entities with significant influence	〃	3,000,000	4,500	12.61%	-	〃	
〃	〃	VEEV Interactive Pte. Ltd.	None	〃	840,000	25,243	6.45%	-	〃	
〃	〃	Taiwan Intelligent Fiber Optic Network Co.,Ltd.	〃	〃	3,868,261	44,024	2.03%	-	〃	
〃	〃	H&D Venture Capital Investment Corp.	Entities controlled by key management or entities with significant influence	〃	2,000,000	20,000	6.67%	-	〃	
〃	〃	Civil Tech Pte. Ltd.	None	〃	450,000	19,500	0.90%	-	〃	
〃	〃	ProbeLeader Co., Ltd.	Entities controlled by key management or entities with significant influence	〃	966,000	14,490	3.46%	-	〃	

(Continued)

					As of December 31, 2014					
Securities held by	Type of marketable securities	Name of marketable securities (Note 1)	Relationship with the securities issuer	General ledger account	Number of shares	Book value (Note 2)	Ownership (%)	Fair value	Collateral	Footnote
Marketech International Corp.	Ordinary shares	H&H Venture Capital Investment Corp.	Entities controlled by key management or entities with significant influence	Financial assets measured at cost - non-current	1,200,000	$ 12,000	4.17%	$ -	None	
〃	〃	Top Green Energy Technologies,Inc.	None	〃	2,000,000	3,000	0.89%	-	〃	
〃	〃	IP Fund Six Co., Ltd.	〃	〃	1,000,000	10,000	1.79%	-	〃	
〃	〃	Long Time Technology Corp.	〃	〃	360,000	6,780	1.03%	-	〃	
〃	〃	Paradigm Venture Capital Corp.	〃	〃	219,375	2,194	3.50%	-	〃	
〃	〃	Taiwan Special Chemicals Corp.	〃	〃	901,333	9,013	0.82%	-	〃	
〃	〃	Saga Polaris Venture Capital Corp.	〃	〃	84,000	840	1.14%	-	〃	Note 3
〃	〃	BMR Technology Corp.	〃	〃	2,449,717	-	18.47%	-	〃	
〃	〃	Atech Totalsolution Co., Ltd.	〃	〃	128,000	-	0.23%	-	〃	
〃	〃	East Wind Life Science Systems	〃	〃	124,457	-	12.87%	-	〃	
〃	Preferred stock	Engenuity System, Inc.	〃	〃	833,334	-	Note 4	-	〃	
〃	〃	ACM Research Inc.	〃	〃	266,667	-	〃	-	〃	
〃	〃	Applied Harmonics Corporation	〃	〃	237,179	-	〃	-	〃	
		Total				$ 293,027				

Note 1:Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.

Note 2:Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 3:Dissolution of Saga Polaris Venture Capital Corp. was registered on August 13, 2013 and it is under liquidation process.

Note 4:Holding preferred stock.

D.Acquisition or sale of the same security with the accumulated cost exceeding NT$300 million or 20% of the Company's paid-in capital: None.

E.Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

F.Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

G.Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more: None.

H.Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more: None.

I.Derivative financial instruments undertaken during the year ended December 31, 2014: None.

J.Significant inter-company transactions: individual amount less than $5,000 is not disclosed.

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Marketech International Corp.	Marketech Intergrated Pte. Ltd.	1	Accounts receivable	$ 20,392	Sales revenue: Prices and terms of sales of goods to related parties are approximately the same to third parties. A certain percentage of profit is negotiated for sale of services with related parties. Construction revenue: The price of construction charges to related parties and third parties are based on normal construction contracts or individual agreements. Furthermore, the collection terms to related parties are approximately the same to third parties, which is about 2 to 3 months after inspection of constructions depending on the construction contracts or individual agreements.	0.17%
0	Marketech International Corp.	MIC-Tech (Shanghai) Corp. Ltd.	1	Accounts receivable	12,740		0.11%
0	Marketech International Corp.	MIC-Tech (Shanghai) Corp. Ltd.	1	Sales revenue	39,324		0.26%
0	Marketech International Corp.	eZoom Information, Inc.	1	Construction cost and operating expense	28,966		0.19%
0	Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	1	Other receivables	6,331		0.05%
0	Marketech International Corp.	MIC-Tech Electronics Engineering Corp.	1	Other revenue	6,317		0.04%
1	Mic-Tech Ventures Asia Pacific Inc.	MIC-Tech (WuXi) Co., Ltd.	3	Sales revenue	8,492		0.06%
2	MIC-Tech Global Corp.	Marketech Intergrated Pte. Ltd.	3	Accounts receivable	5,193		0.04%
2	MIC-Tech Global Corp.	Marketech Intergrated Pte. Ltd.	3	Sales revenue	12,373		0.08%
3	MIC-Tech Electronics Engineering Corp.	Shanghai Puritic Co., Ltd.	3	Other receivables	7,893		0.07%
0	Marketech International Corp.	MIC-Tech Viet Nam Co.,Ltd.	1	Other receivables	6,330		0.05%
1	Mic-Tech Ventures Asia Pacific Inc.	MIC-Tech Electronics Engineering Corp.	3	Other receivables	31,650		0.27%
4	MIC-Tech (WuXi) Co., Ltd.	MIC-Tech Electronics Engineering Corp.	3	Other receivables	40,736		0.35%
4	MIC-Tech (WuXi) Co., Ltd.	Shanghai Puritic Co., Ltd.	3	Other receivables	12,730		0.11%
4	MIC-Tech (WuXi) Co., Ltd.	MIC-Tech (Shanghai) Corp. Ltd.	3	Other receivables	45,828		0.39%

Note 1:The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1)Parent company is ‘0’.

(2)The subsidiaries are numbered in order starting from ‘1’.

Note 2:Relationship between transaction company and counterparty is classified into the following three categories

(1)Parent company to subsidiary.

(2)Subsidiary to parent company.

(3)Subsidiary to subsidiary.

Note 3:Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

(2) Information on investees(not including investees in Mainland China)

A.Investee name, location and other information (not including investees in Mainland China):

				Initial investment amount (Note 2)		Shares held as at December 31, 2014					
Investor	Investee	Location	Main business activities	Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2014	Investment income (loss) recognised by the Company for the year ended December 31, 2014 (Note 1)	Footnote
Marketech International Corp.	Marketech Integrated Pte. Ltd.	Singapore	Contracting for semiconductor automatic supply system	$ 136,757	$ 88,930	5,725,040	100	$ 42,955	($ 51,646)	($ 51,646)	The Company's subsidiary
Marketech International Corp.	Market Go Profits Ltd.	Virgin Islands	Investment holding and reinvestment	1,108,679	985,859	34,069,104	100	1,301,288	(47,916)	(46,384)	The Company's subsidiary
Marketech International Corp.	MIC-Tech Global Corp.	South Korea	International trade	13,327	11,215	91,500	100	7,102	(7,190)	(7,190)	The Company's subsidiary
Marketech International Corp.	Headquarter International Ltd.	Virgin Islands	Investment holding and reinvestment	42,475	42,475	1,289,367	100	41,483	133	133	The Company's subsidiary
Marketech International Corp.	Tiger United Finance Ltd.	Virgin Islands	Investment holding and reinvestment	46,475	46,475	1,410,367	100	40,578	(268)	(268)	The Company's subsidiary
Marketech International Corp.	Marketech Engineering Pte. Ltd.	Singapore	Contracting for electrical installing construction	9,139	-	379,597	100	7,717	(1,424)	(1,424)	The Company's subsidiary
Marketech International Corp.	MIC-Tech Viet Nam Co., Ltd.	Vietnam	Trading, installation and repair of various machinery equipment and its peripherals	39,345	30,292	-	100	41,354	7,802	7,802	The Company's subsidiary
Marketech International Corp.	Hoa Phong Marketech Co., Ltd.	Vietnam	Specialized contracting and related repair services	29,922	11,553	-	100	19,241	(2,584)	(1,686)	The Company's subsidiary

Investor	Investee	Location	Main business activities	Initial investment amount (Note 2)		Shares held as at December 31, 2014			Net profit (loss) of the investee for the year ended December 31, 2014	Investment income (loss) recognised by the Company for the year ended December 31, 2014 (Note 1)	Footnote
				Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value			
Marketech International Corp.	eZoom Information, Inc.	Taiwan	Research, trading and consulting of information system software and hardware appliance	$ 29,737	$ 29,737	3,400,000	100	$ 8,880	($ 10,100)	($ 10,100)	The Company's subsidiary
Marketech International Corp.	Glory Technology Service Inc.	Taiwan	Sale and installation of information and communication equipment	20,000	20,000	2,000,000	40	29,082	7,912	3,164	The Company's investee accounted for using equity method
Marketech International Corp.	MIC Techno Co., Ltd.	Taiwan	Investment holding and reinvestment	2,000	2,000	200,000	20	2,069	(1,281)	(256)	The Company's investee accounted for using equity method
Marketech International Corp.	True Victor International Limited	Virgin Islands	Investment holding and reinvestment	800	800	19,286	38.57	315	(1,339)	(517)	The Company's investee accounted for using equity method
Market Go Profits Ltd.	MIC-Tech Ventures Asia Pacific Inc.	Cayman Islands	Investment holding and reinvestment	1,074,008	951,698	33,066,604	100	1,270,650	(47,821)	-	The investor's subsidiary
Marketech Integrated Pte Ltd.	Marketech International Sdn. Bhd.	Malaysia	Contracting for Semiconductor automatic supply system	6,437	4,409	750,000	100	4,945	(2,775)	-	The investor's subsidiary
Marketech Engineering Pte Ltd.	Marketech Integrated Construction Co., Ltd.	Myanmar	Specialized contracting for electrical installing construction	8,569	-	28,500	95	7,496	(1,120)	-	The investor's subsidiary

Investor	Investee	Location	Main business activities	Initial investment amount (Note 2)		Shares held as at December 31, 2014			Net profit (loss) of the investee for the year ended December 31, 2014	Investment income (loss) recognised by the Company for the year ended December 31, 2014 (Note 1)	Footnote
				Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value			
MIC-Tech Ventures Asia Pacific Inc.	Russky H.K. Limited	Hong Kong	Investment holding and reinvestment	$ 28,521	$ 28,521	633,000	100	($ 9,823)	($ 105)	$ -	The investor's subsidiary
MIC-Tech Ventures Asia Pacific Inc.	Frontken MIC Co. Limited	Hong Kong	Investment holding and reinvestment	28,464	23,549	935,104	40	4,565	(24,434)	-	The investor's investee accounted for using equity method
MIC-Tech Ventures Asia Pacific Inc.	TPP-MIC Co., Limited	Hong Kong	Investment holding and reinvestment	6,025	6,025	180,000	60	163	72	-	The investor's subsidiary
MIC-Tech Ventures Asia Pacific Inc.	MICT International Limited	Hong Kong	Investment holding and reinvestment	46,434	46,434	1,500,000	50	12,632	(11,714)	-	The investor's investee accounted for using equity method
MIC-Tech Ventures Asia Pacific Inc.	Leader Fortune Enterprise Co., Ltd.	Samoa	Investment holding and reinvestment	8,990	8,990	303,000	31.43	7,546	(2,999)	-	The investor's investee accounted for using equity method

Note 1:The amount of $0 means that the Company does not directly recognise gain or loss on investments.

Note 2:Except for subsidiaries in Malaysia are translated at the current rate as of December 31, 2014, the initial investment amounts of other investees are translated at the current rate as of the investment date.

Note 3:The Company originally held 40% share ownership of Hoa Phong Marketech Co., Ltd. (Hoa Phong MIC). The stockholders who held the remaining 60% of share ownership did not place funds in accordance with the contract and surrendered their shares in August 2014 and registered the change in October 2014. As the Company holds all voting rights in Hoa Phong MIC, it is included in the consolidated entities.

(3) Information on investments in Mainland China

A.Basic information:

Investee in Mainland China	Main business activities	Paid-in capital (Note 3)	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2014	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2014 (Note 3)		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2014 (Note 3)	Net income of investee as of December 31, 2014	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2014 (Note 2)	Book value of investments in Mainland China as of December 31, 2014	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2014	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
MIC-Tech (WuXi) Co., Ltd..	Design, manufacturing, installation and maintenance of semiconductor device, crystal dedicated device, electronic component device, environment pollution preventing equipment; assembling of wrapping device and cooling equipment; assembling of barbecue grill; wholesale, commission agency and import and export of the aforementioned products and their components; lease of self-owned plants	$ 807,075	Note 1(2)	$ 648,825	$ -	$ -	$ 648,825	($ 59,953)	100	($ 59,384)	$ 262,285	$ -	Note 2 (2)B
MIC-Tech (Shanghai) Corp. Ltd.	Wholesale, commission agency, import and export of semiconductor production, inspection equipment and its consumables and boilers that generate electricity; storage and allocation of mainly chemical and boiler products; international and entrepot trade; trading and trading agency among enterprises in customs bonded area; consulting services in customs bonded area	260,828	Note 1(2)	15,825	-	-	15,825	2,446	100	2,446	320,536	-	Note 2 (2)B
Fuzhou Jiwei System Integrated Co., Ltd.	Installation and complete services of clean room, mechanical system, street pipe system	9,495	Note 1(2)	9,495	-	-	9,495	(616)	100	(616)	49	-	Note 2 (2)B

Investee in Mainland China	Main business activities	Paid-in capital (Note 3)	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2014	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2014 (Note 3)		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2014 (Note 3)	Net income of investee as of December 31, 2014	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2014 (Note 2)	Book value of investments in Mainland China as of December 31, 2014	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2014	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
MIC-Tech Electronics Engineering Corp.	General contracting for electrical installing construction, specialized contracting for electrical installing construction, specialized contracting for electronic engineering, specialized contracting for petroleum and chemical equipment installation, specialized contracting for channel and guarantee for post construction and consulting service for related construction technology	$ 367,741	Note 1(2)	$ 76,593	$ 94,950	$ -	$ 171,543	$ 3,703	100	$ 3,703	$ 437,578	$ -	Note 2 (2)B
Shanghai Puritic Co., Ltd.	Production of scrubber bins for semiconductor manufacturers, design, installation, debugging and technology services of tunnel system, equipment repair for semiconductor manufacturers, consulting service for electrical and medical equipment	12,660	Note 1(2)	19,085	-	-	19,085	415	80	332	(10,579)	-	Note 2 (2)B
SKMIC(WUXI) CORP.	Design and installation of semiconductor device, crystal dedicated device, electronic component device, environment pollution preventing equipment	9,653	Note 1(2)	1,551	-	-	1,551	(161)	49	(79)	5,990	-	Note 2 (2)B
ChenGao M&E Engineering (Shanghai) Co., Ltd.	Design of microelectronic products and display devices, consulting service for related technology and management	6,330	Note 1(2)	6,330	-	-	6,330	(404)	100	(404)	(2,391)	-	Note 2 (2)B

Investee in Mainland China	Main business activities	Paid-in capital (Note 3)	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2014	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2014 (Note 3)		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2014 (Note 3)	Net income of investee as of December 31, 2014	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2014 (Note 2)	Book value of investments in Mainland China as of December 31, 2014	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2014	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Frontken-MIC (Wuxi) Co., Ltd.	Research of specialized cleaning equipment of semiconductor device and integrated circuit, cleaning of special components of semiconductor device, integrated circuit and micromodule and cleaning technology for semiconductors	$ 73,048	Note 1(2)	$ 24,155	$ 5,064	$ -	$ 29,219	($ 24,305)	40	($ 9,722)	$ 4,482	$ -	Note 2 (2)B
TPP-MIC (WuXi) Co., Ltd.	Technology and repairmen service of semiconductor equipment, self-operation and agency of import and export of various goods and technology	9,495	Note 1(2)	5,697	-	-	5,697	72	60	43	163	-	Note 2 (2)B
Integrated Manufacturing & Services Co., Ltd.	Development of special equipment for solar cell production, manufacture of optical engine, lighting source, projection screen, high definition projection cathode-ray tube and micro-display module, and production, cleaning and regeneration of new electrical device	94,950	Note 1(2)	47,475	-	-	47,475	(11,729)	50	(5,865)	12,632	-	Note 2 (2)B, Note 4
SCEC (Shanghai) Corp.	Construction of petroleum and chemical equipment, street pipe system and clean room	74,829	Note 1(2)	714	-	-	714	-	-	-	-	-	Note 2 (3), Note 5

Investee in Mainland China	Main business activities	Paid-in capital (Note 3)	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2014	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2014 (Note 3)		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2014 (Note 3)	Net income of investee as of December 31, 2014	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2014 (Note 2)	Book value of investments in Mainland China as of December 31, 2014	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2014	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
MIC-Tech China Trading (Shanghai) Co., Ltd.	Wholesale, commission agency and import and export of chemical products (except for hazardous chemicals, chemicals used in production of narcotic drugs and psychotropic substances and special chemicals), semiconductors, inspection equipment and its consumables, solar equipment consumables and boilers that generate electricity, International and entrepot trade, trading and trading agency among enterprises in customs bonded area, and consulting service for trading	$ 47,475	Note 1(2)	$ 18,990	$ 28,485	$ -	$ 47,475	$ 1,469	100	$ 1,469	$ 47,500	$ -	Note 2 (2)B
Macrotec Technology (Shanghai) Co., Ltd.	Wholesale, commission agency, import and export and other complementary service of electrical products, food, textile, commodities, cosmetics, valve switch, instrumentation, metal products, electrical equipment, International and entrepot trade, trading and trading agency among enterprises in customs bonded area, simple commercial processing in customs bonded area, and consulting service for trading in customs bonded area	30,286	Note 1(2)	9,519	-	-	9,519	(2,999)	31.43	(943)	7,511	-	Note 2 (2)B

Note 1:Investment methods are classified into the following four three categories; fill in the number of category each case belongs to:

(1)Directly invest in a company in Mainland China.

(2)Through investing in Market Go Profits Ltd., which then invested in the investee in Mainland China.

(3)Others.

Note 2:In the 'Investment income (loss) recognised by the Company for the year ended December 31, 2014' column:

(1)It should be indicated if the investee was still in the incorporation arrangements and had not yet any profit during this period.

(2)Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:

A.The financial statements that are audited and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C.

B.The financial statements that are audited and attested by R.O.C. parent company's CPA.
C.Others - unaudited financial statements.

(3)Investment in SCEC (Shanghai) Corp. is financial assets measured at cost, thus, the Company did not recognise gain (loss) on investments and financial statements of SCEC (Shanghai) Corp. as unaudited.

Note 3:Paid-in capital and investment amount were translated at the original currency times exchange rate at period end.

Note 4:Taicang Integrated Manufacturing and Services Co., Ltd. was renamed as Integrated Manufacturing & Services Co., Ltd. on December 24, 2014.

Note 5:The Company has disposed all its investments in SCEC (Shanghai) Corp. as of December 2014.

B.Limit on investees in Mainland China:

Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2014 (Note 1)(Note 2)	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 1)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
$ 1,018,648	$ 1,621,437	$ 2,625,275

Note 1:The amount was translated at the original currency times exchange rate at period end.

Note 2: The Company has sold WUXI Probeleader Electronics Co., Ltd. at the end of November 2011. As the accumulated investment was different from the investment collected back, the difference between accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2014 and accumulated amount of remittance from Taiwan to Mainland China registered at and approved by MOEA was USD$186 thousand.

C.Significant transactions conducted with investees in Mainland China directly or indirectly through other companies in the third areas: Note 13(1) J.

14. SEGMENT INFORMATION

(1) General information

Management has determined the reportable operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The Group is divided into the following 4 segments:

A. Sales and services for equipment materials segment: mainly engaged in semiconductor, optoelectronics and other high-tech industrial processing and trading, distribution, after-sale service and technical support of factory equipment and its material, chemicals and parts.

B. Facility system and mechanic & electric system service segment: mainly contracting electrical, clean room, peripheral system facilities and process, engaged in lump sum contracts, providing integrated services consist of planning, design, construction, supervision, installation, testing, operational consulting, maintenance and repair for gas, automatic supply system of chemicals, special gas and factory monitor system. Services for general industries such as petrochemical plant, conventional industry plant, mechatronic system for intelligent buildings.

C. Customized equipment manufacturing segment: mainly engaged in research and development of customized automation equipment and process based on request of customers in semiconductor, optoelectronics and traditional industry.

D. Other segments: mainly providing repair, cleaning and renewal services to customers’ equipment and device in semiconductor, optoelectronics and traditional industry.

(2) Measurement of segment information

Management evaluates the performance of the operating segments based on a measure of operating income. The Group’s chief operating decision-maker allocates resources and assesses performance of the operating segments based on the measurement and it is measured in a manner consistent with operating income in the statement of consolidated comprehensive income. For details of operating segments’ accounting policies, please refer to Note4 and Note5.

(3) Information about segment profit or loss, assets and liabilities

The chief operating decision-maker did not review any asset and liability information.

The segment information provided to the chief operating decision-maker for the reportable segments for the years ended December 31, 2014 and 2013 is as follows:

	Year ended December 31, 2014				
	Sales and services for equipment materials segment	Facility system and mechanic & electric system service segment	Customized equipment manufacturing segment	Other segments	Total
Revenue from external customers revenue	$ 3,034,747	$ 9,288,111	$ 2,589,844	$ 52,697	$ 14,965,399
Inter-segment revenue	55,972	53,839	3,151	12,205	125,167
Total segment revenue	$ 3,090,719	$ 9,341,950	$ 2,592,995	$ 64,902	$ 15,090,566
Segment profit (loss)	$ 221,482	$ 143,449	$ 144,674	($ 5,306)	$ 504,299
Segment income (loss) include：					
Depreciation and amortisation	$ 7,603	$ 50,176	$ 68,537	$ 3,698	$ 130,014

	Year ended December 31, 2013				
	Sales and services for equipment materials segment	Facility system and mechanic & electric system service segment	Customized equipment manufacturing segment	Other segments	Total
Revenue from external customers revenue	$ 3,382,903	$ 8,496,822	$ 2,107,954	$ 54,595	$ 14,042,274
Inter-segment revenue	54,358	47,805	14,628	6,427	123,218
Total segment revenue	$ 3,437,261	$ 8,544,627	$ 2,122,582	$ 61,022	$ 14,165,492
Segment profit (loss)	$ 236,855	$ 14,992	$ 14,757	($ 14,274)	$ 252,330
Segment income (loss) include：					
Depreciation and amortisation	$ 9,797	$ 45,424	$ 65,627	$ 3,680	$ 124,528

(4) Reconciliation for segment income (loss)

Sales between segments are carried out at arm's length. The revenue from external customers reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income. The Group did not provide amounts of total assets and liabilities to the chief operating decision-maker for policy making. A reconciliation of reportable segment income or loss to the income/(loss) before tax from continuing operations for the years ended December 31, 2014 and 2013 is provided as follows:

	Years ended December 31,	
	2014	2013
Reportable segments income	$ 509,605	$ 266,604
Other reportable segments loss	(5,306)	(14,274)
Total segments	504,299	252,330
Other gains and losses	(8,868)	36,460
Gains (losses) on disposal of investments	(4,012)	5,047
Impairment loss	(23,234)	(13,618)
Income before tax from continuing operations	$ 468,185	$ 280,219

(5) Information on product

Detail of revenue balance is as follows:

	Years ended December 31,	
	2014	2013
Total Facility Engineering Turnkey Project	$ 4,590,487	$ 3,132,628
Sales and service of high-tech equipment and materials	4,263,305	4,476,419
R&D and manufacturing of customized equipment	3,263,704	2,583,232
Automatic Supplying system	2,847,903	3,849,995
Total	$ 14,965,399	$ 14,042,274

(6) Geographical information

Details of geographical financial information for the years ended December 31, 2014 and 2013 is as follows:

	Years ended December 31,			
	2014		2013	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	$ 8,275,446	$ 1,185,124	$ 7,675,052	$ 1,225,609
China	4,399,673	251,817	4,423,430	278,526
Others	2,290,280	66,952	1,943,792	63,428
Total	$ 14,965,399	$ 1,503,893	$ 14,042,274	$ 1,567,563

Note: Revenue is classified based on geographic location of customers and non-current assets are classified based on assets location.

(7) Major customer information

Information of customers whose revenue exceeds 10% of the total operating revenue for the years ended December 31, 2014 and 2013:

	Years ended December 31,			
	2014		2013	
	Revenue	Segment	Revenue	Segment
A	$ 2,980,983	Facility system and mechanic & electric system service segment	$ 3,797,583	Facility system and mechanic & electric system service segment

Note: Operating revenue from other customers did not exceed 10% of consolidated operating revenue.