Stock Code：1108

Lucky Cement Corporation and Subsidiaries

Consolidated Financial Statements for the Six Months Ended June 30, 2016 and 2015 and Independent Accountants' Review Report

Notice to readers

This English-version report is a summary translation of the Chinese version. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

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Independent Accountants' Review Report

The Board of Directors and Shareholders
Lucky Cement Co., Ltd

We have reviewed the accompanying consolidated balance sheets of Lucky Cement Corporation and subsidiaries as of June 30, 2016 and 2015 and the related consolidated statement of comprehensive income for the threee months ended June 30, 2016 and 2015 and for the six months ended June 30, 2016 and 2015, as well as the consolidated statements of changes in equity and cash flows for the six months ended June 30, 2016 and 2015. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these consolidated financial statements based on our reviews.

We conducted our reviews in accordance with Statement of Auditing Standards No.36, "Review of Financial Statements." As the accountant only the implementation of analysis, comparison and query, not in accordance with generally accepted auditing standards, Accordingly, we do not express the financial report on the overall auditing opinion.

As stated in Note 10 to the consolidated financial statements, the financial statements of some of the non-significant subsidiaries of the consolidated financial statements are based on the satements in the same period without accounts' reviews. At the period six months ended June 30, 2016 and 2015, total assets of the non-significant subsidiaries are NT$229,624,000 and

NT$174,194,000, which are 2.97% and 2.09% of consolidated assets; total liabilities are NT$77,308,000 and NT$53,791,000, which are 2.55% and 1.47% of consolidated liabilities. The comprehensive losses are NT$5,941,000 and NT$24,689,000 for the three months ended June 30, 2016and 2015; NT$4,221,000 and NT$36,239,000 for the six months ended June 30, 2016 and 2015.

Based on our reviews, excluding the financial statements of some of the non-significant subsidiaries of the consolidated financial statements are based on the satements in the same period without our reviews. If there are any modifications after our reviews, the consolidated financial statements for the six months ended June 30, 2016 and 2015 may affect. We are not aware any material modifications that should be made to the consolidated financial statements International Accounting Standards No. 34, "Interim Financial Reporting", which came into effect, to be amended.

Deloitte & Touche

Accountants Huang, Hai-Yue &	Xie Jian-Xin
The approval number of Securities and Futures Commission No. 0920131587 of Taiwan-Fiance-Securities	The approval number of Securities and Futures Commission No. 0920123784 of Taiwan-Fiance-Securities

Augest 10, 2016

Lucky Cement Corporation and Subsidiaries

Consolidated Balance Sheets

June 30, 2016 and 2015

In Thousands of New Taiwan Dollars

		June 30, 2016 (Reviewed)		December 31, 2015 (Audited)		June 30, 2015 (Reviewed)	
Code	Assets	Amount	%	Amount	%	Amount	%
	Current Assets						
1100	Cash (Note 6)	$ 168,359	2	$ 220,129	3	$ 370,011	5
1125	Available-for-sale financial assets (Note 7)	199,699	3	177,052	2	153,030	2
1150	Notes receivable, net (Note 8 & 29)	512,860	7	442,341	5	520,631	6
1160	Notes receivable due from related parties, net (Note 8 & 28)	-	-	199	-	-	-
1170	Accounts receivable, net (Note 8)	321,603	4	460,296	6	528,692	6
1180	Accounts receivable due from related parties, net (Note 8 & 28)	-	-	-	-	493	-
130X	Inventories (Note 9 & 29)	3,586,785	46	3,508,275	45	3,558,046	43
1200	Other receivable (Note 28)	19,656	-	5,087	-	1,403	-
1220	Current tax assets (Note 4)	29	-	54	-	53	-
1410	Prepayments (Note 11)	251,981	3	209,909	3	222,242	3
1470	Other current assets (Note 12 & 29)	196,221	3	189,421	2	284,938	3
11XX	Total Current Assets	5,257,193	68	5,212,763	66	5,639,539	68
	Non-Current Assets						
1543	Non-current financial assets at cost (Note 13 & 29)	37,666	1	42,766	1	53,081	1
1600	Property, plant, and equipmen (Note 14 & 29)	2,020,616	26	2,157,348	27	2,204,299	26
1840	Deferred tax assets (Note 4)	108,110	1	151,023	2	152,772	2
1920	Guarantee deposits paid	93,847	1	93,695	1	93,810	1
1990	Other non-current assets (Note 15 & 29)	213,609	3	197,907	3	190,770	2
15XX	Total Non-Current Assets	2,473,848	32	2,642,739	34	2,694,732	32
1XXX	Total Assets	$ 7,731,041	100	$ 7,855,502	100	$ 8,334,271	100
Code	Liabilities and Equity						
	Current Liabilities						
2100	Short-term borrowings (Note 16 & 29)	$ 502,606	6	$ 364,721	5	$ 329,454	4
2110	Short-term notes and bills payable (Note 16 & 29)	149,836	2	49,950	1	104,911	1
2150	Notes payable (Note 17)	233,148	3	190,379	2	197,836	3
2160	Notes payable to related parties (Note 17 & 28)	1,050	-	-	-	5,463	-
2170	Accounts payable (Note 17)	211,464	3	205,547	3	149,854	2
2180	Accounts payable to related parties (Note 17 & 28)	1,213	-	10,012	-	3,042	-
2219	Other payables (Note 18 & 28)	544,810	7	250,828	3	495,188	6
2230	Current tax liabilities (Note 4)	12,477	-	136,076	2	96,069	1
2320	Long-term liabilities, current portion (Note 16 & 29)	458,100	6	406,250	5	775,386	9
2310	Advance receipts	210,162	3	194,815	2	235,190	3
2399	Other current liabilities	17,157	-	16,165	-	5,917	-
21XX	Total Current Liabilities	2,342,023	30	1,824,743	23	2,398,310	29
	Non-Current Liabilities						
2540	Long-term borrowings (Note 16 & 29)	484,438	6	694,850	9	753,400	9
2640	Net defined benefit liability (Note 4)	68,043	1	348,224	4	351,130	4
2645	Guarantee deposits received	32,228	-	27,951	-	27,397	-
2655	Shareholder accounts (Note 28)	45,800	1	45,800	1	45,800	1
2570	Deferred tax liabilities (Note 4)	62,213	1	68,270	1	89,164	1
25XX	Total Non-Current Liabilities	692,722	9	1,185,095	15	1,266,891	15
2XXX	Total Liabilities	3,034,745	39	3,009,838	38	3,665,201	44
	Equity Attributable to the Owner Company (Note 20)						
3110	Ordinary share	4,047,380	52	4,047,380	52	4,047,380	49
3200	Capital surplus	8	-	8	-	-	-
	Retained earnings						
3310	Legal reserve	134,776	2	87,760	1	87,760	1
3320	Special reserve	14,135	-	14,135	-	14,135	-
3350	Unappropriated retained earnings	430,012	5	626,211	8	479,800	6
3300	Total Retained Earnings	578,923	7	728,106	9	581,695	7
3400	Other Equity	38,754	1	36,356	-	17,142	-
31XX	Total Equity Attributable to Owners of Parent	4,665,065	60	4,811,850	61	4,646,217	56
36XX	Non-Controlling Interests	31,231	1	33,814	1	22,853	-
3XXX	Total Equity (Note 20)	4,696,296	61	4,845,664	62	4,669,070	56
	Total Liabilities and Equity	$ 7,731,041	100	$ 7,855,502	100	$ 8,334,271	100

The accompanying notes are an integral of the consolidated financial statements。
(Please refer to the Augest 10, 2016 Deloitte Taiwan Reviewed Report)

Lucky Cement Corporation and Subsidiaries

Consolidated Statements of Comprehensive Income

For the Three Months Ended June 30, 2016 and 2015; For the Six Months Ended June 30, 2016 and 2015

（Reviewed，Not Audited）

In Thousands of New Taiwan Dollars, except Earnings per Share

Code		For the Three Months Ended June 30, 2016		For the Three Months Ended June 30, 2015		For the Six Months Ended June 30, 2016		For the Six Months Ended June 30, 2015	
		Amount	%	Amount	%	Amount	%	Amount	%
	Operating Revenue（Note 28）								
4110	Sales revenue	$1,110,745	100	$1,348,666	100	$2,107,876	100	$2,637,263	100
4190	Less：Sales discounts and allowances	(1,412)	-	(2,941)	-	(2,907)	-	(4,664)	-
4100	Net sales revenue	1,109,333	100	1,345,725	100	2,104,969	100	2,632,599	100
5000	Operating costs（Note 9, 21 & 28）	915,660	83	1,037,507	77	1,720,487	82	2,054,382	78
5900	Gross Profit from operations	193,673	17	308,218	23	384,482	18	578,217	22
	Operating expenses（Note 21 & 28）								
6100	Selling expense	27,705	2	29,362	2	53,714	2	57,723	2
6200	Administrative expenses	32,903	3	41,813	3	64,684	3	74,890	3
6000	Total Operating Expenses	60,608	5	71,175	5	118,398	5	132,613	5
6500	Net other income (expenses)（Note 21）	100	-	4	-	100	-	4	-
6900	Net operating income	133,165	12	237,047	18	266,184	13	445,608	17
	Non-Operating Income and Expense（Note 21 & 28）								
7100	Interest income	485	-	844	-	904	-	1,458	-
7110	Rent income	2,527	-	2,432	-	4,990	-	4,865	-
7130	Revenue from dividends	7	-	5,453	1	7	-	5,453	-
7190	Other income	3,761	1	1,066	-	5,171	-	1,912	-
7225	Gain or loss on disposals of investments	593	-	115	-	1,936	-	4,186	-
7230	Foreign exchange gains or loss	369	-	176	-	(482)	-	1,638	-
7590	Miscellaneous disbursements	(4,930)	-	(3,979)	-	(8,428)	-	(8,443)	-
7670	Impairment loss	-	-	-	-	-	-	(3,185)	-
7510	Interest Expense	(7,897)	(1)	(11,222)	(1)	(15,408)	(1)	(23,286)	(1)
7000	Total Non-Operating Income and Expenses	(5,085)	-	(5,115)	-	(11,310)	(1)	(15,402)	(1)
7900	rofit from continuing operations before tax	128,080	12	231,932	18	254,874	12	430,206	16
7950	Tax expense（Note 4 & 22）	29,912	3	53,379	4	51,328	2	85,320	3
8000	Profit from continuing operations	98,168	9	178,553	14	203,546	10	344,886	13
8100	Profit (loss) from discontinued operations（Note 23）	(7,775)	(1)	(24,698)	(2)	(8,782)	(1)	(36,026)	(1)
8200	Profit for the period	90,393	8	153,855	12	194,764	9	308,860	12

(To be continued)

(Continued)

Code		For the Three Months Ended June 30, 2016 Amount	%	For the Three Months Ended June 30, 2015 Amount	%	For the Six Months Ended June 30, 2016 Amount	%	For the Six Months Ended June 30, 2015 Amount	%
	Other comprehensive income								
8360	Components of other comprehensive income that will be reclassified to profit or loss：								
8361	Exchange differences on translation	$ 2,469	-	($ 186)	-	$ 3,626	-	$ 86	-
8362	Unrealised gains (losses) on valuation of available-for-sale financial assets	4,581	1	(12,250)	(1)	(1,231)	-	(10,897)	(1)
8300	Other comprehensive income or loss, net	7,050	1	(12,436)	(1)	2,395	-	(10,811)	(1)
8500	Total comprehensive income	$ 97,443	9	$ 141,419	11	$ 197,159	9	$ 298,049	11
	Profit (loss), attributable to:								
8610	Attributable to owner of parent	$ 91,452	8	$ 159,250	12	$ 194,844	9	$ 315,548	12
8620	Attributable to non-controlling intereststs	(1,059)	-	(5,395)	(1)	(80)	-	(6,688)	-
8600		$ 90,393	8	$ 153,855	11	$ 194,764	9	$ 308,860	12
	Comprehensive income attributable to:								
8710	Attributable to owner of parent	$ 98,505	9	$ 146,692	11	$ 197,242	9	$ 304,438	11
8720	Attributable to non-controlling interestsits	(1,062)	-	(5,273)	-	(83)	-	(6,389)	-
8700		$ 97,443	9	$ 141,419	11	$ 197,159	9	$ 298,049	11
	Earnings per share（Note 25）								
	From continuing operations and discontinuing operations								
9750	Basic	$ 0.23		$ 0.39		$ 0.48		$ 0.78	
9850	Diluted	$ 0.23		$ 0.39		$ 0.48		$ 0.78	
	From continuing operations								
9710	Basic	$ 0.24		$ 0.44		$ 0.50		$ 0.84	
9810	Diluted	$ 0.24		$ 0.43		$ 0.49		$ 0.84	

The accompanying notes are an integral of the consolidated financial statements。

（Please refer to the Augest 10, 2016 Deloitte Taiwan Reviewed Report）

Lucky Cement Corporation and Subsidiaries

Consolidated Statements of Changes in Equity

For the six months ended June 30, 2016 and 2015

(Reviewed，Not Audited)

In Thousands of New Taiwan Dollars，except Earnings Per Share Amounts

		Equity Attributable to Shareholders of the Parent									
				Retained Earnings			Others				
Code		Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on available-for-sale financial assets	Total	Non-controlling Interestests	Total Equity
A1	Balance, January 1, 2015	$ 4,047,380	$ -	$ 49,806	$ 14,135	$ 445,049	($ 8,011)	$ 36,263	$ 4,584,622	$ 30,492	$ 4,615,114
	2014 Appropriation and Distribution of Retained Earnings										
B1	Legal Reserve	-	-	37,954	-	(37,954)	-	-	-	-	-
B5	Cash Dividends－NT$ 0.6 Per Share	-	-	-	-	(242,843)	-	-	(242,843)	-	(242,843)
O1	Subsidiary Shareholers' Cash Dividends	-	-	-	-	-	-	-	-	(1,250)	(1,250)
D1	Net income for the six months ended June 30, 2015	-	-	-	-	315,548	-	-	315,548	(6,688)	308,860
D3	Other comprehensive income (loss) for the six months ended June 30, 2015	-	-	-	-	-	(209)	(10,901)	(11,110)	299	(10,811)
D5	Total comprehensive income (loss) for the six months ended June 30, 2015	-	-	-	-	315,548	(209)	(10,901)	304,438	(6,389)	298,049
Z1	Balance, June 30, 2015	$ 4,047,380	$ -	$ 87,760	$ 14,135	$ 479,800	($ 8,220)	$ 25,362	$ 4,646,217	$ 22,853	$ 4,669,070
A1	Balance, January 1, 2016	$ 4,047,380	$ 8	$ 87,760	$ 14,135	$ 626,211	($ 6,793)	$ 43,149	$ 4,811,850	$ 33,814	$ 4,845,664
	2015 Appropriation and Distribution of Retained Earnings										
B1	Legal Reserve	-	-	47,016	-	(47,016)	-	-	-	-	-
B5	Cash Dividends－NT$ 0.85 Per Share	-	-	-	-	(344,027)	-	-	(344,027)	-	(344,027)
O1	Subsidiary Shareholers' Cash Dividends	-	-	-	-	-	-	-	-	(2,500)	(2,500)
D1	Net income for the six months ended June 30, 2016	-	-	-	-	194,844	-	-	194,844	(80)	194,764
D3	Other comprehensive income (loss) for the six months ended June 30, 2016	-	-	-	-	-	3,629	(1,231)	2,398	(3)	2,395
D5	Total comprehensive income (loss) for the six months ended June 30, 2016	-	-	-	-	194,844	3,629	(1,231)	197,242	(83)	197,159
Z1	Balance, June 30, 2016	$ 4,047,380	$ 8	$ 134,776	$ 14,135	$ 430,012	($ 3,164)	$ 41,918	$ 4,665,065	$ 31,231	$ 4,696,296

The accompanying notes are an integral of the consolidated financial statements。

(Please refer to the Augest 10, 2016 Deloitte Taiwan Reviewed Report)

Lucky Cement Corporation and Subsidiaries

Consolidated Statements of Cash Flows

For the six months ended June 30, 2017 and 2016

(Reviewed , Not Audited)

In Thousands of New Taiwan Dollars

Code		For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
	Cash Flow from Operating Activities		
A00010	Profit from continuing operations before tax	$ 254,874	$ 430,206
A00020	loss from discontinued operations before tax	(8,782)	(36,026)
A10000	Profit before Tax	246,092	394,180
A20000	Adjustments:		
A20300	Provision (reversal of provision) for bad debt expense	(31)	874
A20100	Depreciation expense	154,344	168,097
A20200	Depletion & amortization expense	3,895	14,122
A23500	Impairment loss on financial assets	-	3,185
A20900	Interest expense	15,408	23,717
A21200	Interest income	(904)	(1,460)
A21300	Dividend income	(7)	(5,453)
A22500	Loss (gain) on disposal of property, plan and equipment	(100)	9,647
A23100	Loss (gain) on disposal of investments	(1,936)	(4,290)
A30000	Changes in operating assets and liabilities		
A31130	Notes receivable	(70,519)	64,253
A31140	Notes receivable due from related parties	199	1,903
A31150	Accounts receivable	138,724	27,875
A31160	Accounts receivable due from related parties	-	(482)
A31200	Inventories	(78,510)	12,662
A31180	Other receivable	(14,641)	2,414
A31230	Prepayments	(42,072)	(17,118)
A31240	Other current assets	(66)	(590)
A32130	Notes payable	42,769	(116,126)
A32140	Notes payable to related parties	1,050	5,412

(To be continued)

(Continued)

Code		For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
A32150	Accounts payable	5,917	(74,308)
A32160	Accounts payable to related parties	(8,799)	(3,700)
A32180	Other payable	(52,406)	54,218
A32210	Receipts in advance	15,347	(26,427)
A32230	Other current liabilities	992	(13,982)
A32240	Net defined benefit liability	(280,181)	390
A33000	Cash inflow (outflow) generated from operations	74,565	519,013
A33100	Interest received	$ 959	$ 1,405
A33300	Interest paid	(15,661)	(23,704)
A33500	Income taxes paid	(138,071)	(14,356)
AAAA	Net cash flows from (used in) operating activities	(78,208)	482,358
	Cash Flow from Investing Activities		
B00300	Acquisition of available-for-sale financial assets	(62,804)	(110,617)
B00400	Proceeds from disposal of available-for-sale financial asset	40,685	92,875
B01400	Proceeds from capital reduction of financial assets at cost	5,100	-
B02700	Acquisition of property, plant and equipment	(19,091)	(83,661)
B02800	Proceeds from disposal of property, plant and equipment	3,167	1,205
B03800	Decrease in refundable deposits （Increase）	(152)	126
B06600	Decrease (increase) in other financial assets	(6,709)	(49,666)
B06800	Decrease (increase) in other non-current assets	(19,597)	15,927
B07600	Dividends received	7	5,453
BBBB	Net cash flows from (used in) investing activities	(59,394)	(128,358)
	Cash flows from (used in) financing activities		
C00200	Increase (decrease) in short-term loans	137,885	(65,659)

（ To be continued）

(Continued)

Code		For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
C00500	Increase (decrease) in short-term notes and bills payable	100,000	(4,000)
C01600	Proceeds from long-term debt	102,888	-
C01700	Repayments of long-term debt	(261,450)	(177,442)
C03000	Increase in guarantee deposits received	4,277	1,330
CCCC	Net cash flows from (used in) financing activities	83,600	(245,771)
DDDD	Effect of exchange rate changes on cash	2,232	675
EEEE	Net increase (decrease) in cash	(51,770)	108,904
E00100	Cash at beginning of period	220,129	261,107
E00200	Cash at end of period	$ 168,359	$ 370,011

The accompanying notes are an integral of the consolidated financial statements。

（Please refer to the Augest 10, 2016 Deloitte Taiwan Reviewed Report）

Lucky Cement Corporation Limited and Subsidiaries

Notes to Consolidated Financial Statements

For the six months ended June 30, 2016 and 2015

（Reviewed，Not Audited）

(Amounts in Thousands of New Taiwan Dollars, Unless Specified Otherwise)

1. Company History

Lucky Cement Corporation Ltd., (hereinafter referred to as the “Company” , the Company and its subsidiaries hereinafter referred to as the”Group”) established in 1974. The stocks of which are listed on the Taiwan Stock Exchange started from June, 1990, to produce and sell Portland cement as the main business.

The accompanying consolidated financial statements used New Taiwan Dollars (NT$) as the functional currency of the Company.

2. The Date and Procudure of Financial Report

The accompanying consolidated financial statements were reported to the Board of Directors and issued on August 10, 2016.

3. To Be Applicable for New Release, Revised Regulations, and Interpretation

(1) The IFRS, IAS, IFRIC and SIC in issue and endorsed by Financial Supervisory Commission (FSC) with effective date starting 2017.

According to Rule No. 1050026834 issued by the FSC, the following IFRS, IAS, IFRIC and SIC (hereinafter referred to as the “IFRSs”) endorsed by the FSC should be adopted by the Company starting 2017.

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB (Note 1)
Annual Improvements to IFRSs 2010 - 2012 Cycle	July 1, 2014（Note 2）
Annual Improvements to IFRSs 2011 - 2013 Cycle	July 1, 2014
Annual Improvements to IFRSs 2012 - 2014 Cycle	January 1, 2016（Note 3）
Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception	January 1, 2016
Amendment to IFRS 11 Accounting for Acquisitions of Interests in Joint Operations	January 1, 2016
IFRS 14 Regulatory Deferral Accounts	January 1, 2016
Amendment to IAS 1 Disclosure Initiative	January 1, 2016
Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortization	January 1, 2016
Amendment to IAS 16 and IAS 41: Agriculture：Bearer Plants	January 1, 2016
Amendment to IAS 19 Defined Benefit Plans: Employee Contributions	July 1, 2014
Amendment to IAS 36 Recoverable Amount Disclosures for Non-Financial Assets	January 1, 2014
Amendment to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting	January 1, 2014
IFRIC 21 Levies	January 1, 2014

Note 1：Except the notes, the above New Release／Revised／Amended Standards or Interpretations will start from the year of the effective date.

Note 2：The amendment to IFRS 2 will be applied to the day-based basic share payment transaction after July 1, 2014; The Group following the acquisition date on July 1, 2014 will begin to apply the amendments to IFRS 3 and IFRS 13 takes effect when it is amended. The remaining amendments are effective for annual periods beginning on or after January 1, 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.

The adoption of aforementioned IFRSs with effective date starting 2017 will not have a significant effect on the Group's accounting policies.

(2) The IFRSs issued by IASB but not endorsed by FSC

The Group has not applied the following IFRSs issued by the IASB but not endorsed by the FSC. As of the date that the consolidated financial statements were issued, the initial adoption to the following standards and interpretations is still subject to the effective date to be published by the FSC, except for IFRS 15, which is endorsed by the FSC with effective date starting 2018.

New, Revised or Amended Standards and Interpretations	Effective Date Issued by IASB (Note)
Amendment to IFRS 2 Classification and Measurement of Share-based Payment Transactions	January 1, 2018
IFRS 9 Financial Instruments	January 1, 2018
Amendments to IFRS 9 and IFRS 7 Mandatory Effective Date of IFRS 9 and Transition Disclosure	January 1, 2018
Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Effective date to be determined by IASB
IFRS 15 Revenue from Contracts with Customers	January 1, 2018
Amendment to IFRS 15 Clarifications to IFRS 15	January 1, 2018
IFRS 16 Leases	January 1, 2019
Amendment to IAS 7 Disclosure Initiative	January 1, 2017
Amendment to IAS 12 Recognition of Deferred Tax Assets for Unrealized Losses	January 1, 2017

Note：Except the notes, the above New Release／Revised／Amended Standards or Interpretations will start from the year of the effective date.

A. IFRS 9, "Financial Instruments"

Recognition and impairment of financial assets

All recognized financial assets currently in the scope of IAS 39, "Financial Instruments: Recognition and Measurement," will be subsequently measured at either the amortized cost or the fair value. The classification and measurement requirements in IFRS 9 are stated as follows.

For the debt instruments invested by the Group, if the contractual cash flows that are solely for payments of principal and interest on the principal amount outstanding, the classification and measurement requirements are stated as follows:

① If the objective of the Group's business model is to hold the financial asset to collect the contractual cash flows such assets are measured at the amortized cost. Interest revenue should be recognized in profit or loss by using the effective interest method, continuously assessed for impairment and the impairment loss or reversal of impairment loss should be recognized in profit and loss.

② If the objective of the Group's business model is to hold the financial asset both to collect the contractual cash flows and to sell the financial assets such assets are measured at fair value through other comprehensive income and are continuously assessed for impairment. Interest revenue should be recognized in profit or loss by using the effective interest method. A gain or loss on a financial asset measured at fair value through other comprehensive income should be recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses. When such financial asset is derecognized or reclassified, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

The other financial assets which do not meet the aforementioned criteria should be measured at the fair value through profit or loss.

However, the Group may irrevocably designate an investment in equity instruments that is not held for trading as measured at fair value through other comprehensive income. All relevant gains and losses shall be recognized in other comprehensive income, except for dividends which are recognized in profit or loss. No subsequent impairment assessment is required, and the cumulative gain or loss previously recognized in other comprehensive income cannot be reclassified from equity to profit or loss.

Impairment of financial assets

The IFRS 9 switch to use "Expected Credit Losses, ECL" to recognize the impairment of financial asset that financial assets of amortized cost measurement, fair value through other comprehensive income (FVOCI), rents receivable, and IFRS 15 "the income of customer contract." That is produced the contract asset or loan commitment and financial guarantee contract that recognize as allowance account for credit losses. If the credit risk of previous financial asset did not increase obviously after recognized, the allowance account for credit losses will measure the ECL the next 12 months. If the credit risk of previous financial asset did increase obviously and non-lowed credit risk after recognized, the allowance account for credit losses will measure the ECL of remaining duration. However, the accounts receivable that did not include a major financial that ECL must by the duration to measure the allowance account for credit losses.

In addition, it has financial assets of credit impairment while initial recognition. The Group considered the ECL of initial recognition that counted as effective rate after credit adjustment. The subsequent allowance account for credit losses will measure as subsequent ECL accumulated changes in equity.

B. IFRS 16 "Leases"

IFRS 16 sets out the accounting standards for leases that will supersede IAS 17 and a number of related interpretations.

Under IFRS 16, if the Group is a lessee, it shall recognize right-of-use assets and lease liabilities for all leases on the consolidated balance sheets except for low-value and short-term leases. The Group may elect to apply the accounting method similar to the accounting for operating lease under IAS 17 to the low-value and short-term leases. On the consolidated statements of comprehensive income, the Group should present the depreciation expense charged on the right-of-use asset separately from interest expense accrued on the lease liability; interest is computed by using effective interest method. On the consolidated statements of cash flows, cash payments for both the principal and interest portion of the lease liability are classified within financing activities.

When IFRS 16 becomes effective, the Group may elect to apply this Standard either retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of the initial application of this Standard recognized at the date of initial application.

There is no significant impact on the accounting treatment of the Group for the lessor.

Except for the aforementioned impact, as of the date the accompanying consolidated financial statements were issued, the Group continues in evaluating the impact on its financial position and financial performance as a result of the initial adoption of the other standards or interpretations. The related impact will be disclosed when the Group completes the evaluation.

4. Summary of Significant Accounting Policies

(1) Statement of Compliance

The accompanying consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34, "Interim Financial Reporting," endorsed and issued into effect by the FSC. The consolidated financial statements do not present all the disclosures required for a complete set of annual consolidated financial statements prepared under the IFRSs endorsed and issued into effect by the FSC (collectively, "Taiwan-IFRSs").

(2) Basis of Consolidation

A. Principles for the preparation of Consolidated Financial Statements

The consolidated financial statements are prepared in the same way as the consolidated financial statements for the year 2015. For related instructions, please refer to Note 4 of the consolidated financial statements for the year 2015.

B. Subsidiary details, shareholding ratio and operating items, please refer to Note10 & Schedule 6.

(3) Other significant accounting policies

In addition to the following instructions, please refer to the summary statement of the major accounting policies for the consolidated financial statements for the year 2015.

A. To determine welfare postprandial benefits

The pension costs during the interim period are based on the pension cost rate determined at the end of the previous year and are calculated on the basis of the beginning of the year to the end of the period and are subject to significant market volatility, major plan revision, pay off or other significant One-time matters to be adjusted.

B. Income tax

Income tax is the sum of current income tax and deferred income tax. The income tax for the interim period is assessed on an annual basis and is calculated at the rate applicable to the expected total annual surplus.

5. Significant Accounting Judgment, Estimation and Assumption of the Main Source of Uncertainty

The major accounting judgments, estimates and assumptions used in consolidated financial statements are as same as those of the consolidated financial statements for the year 2015.

6. Cash

	June 30, 2016	December 31, 2015	June 30, 2015
Cash on hand and revolving funds	$ 1,509	$ 1,499	$ 1,578
Checking and demand deposits	156,858	199,377	362,242
Bank foreign currency demand deposits	9,992	19,253	6,191
	$ 168,359	$ 220,129	$ 370,011

Market interest rate range for Cash in banks on the Date of the Balance Sheet is as follows:

June 30, 2016	December 31, 2015	June 30, 2015
0.05%~0.17%	0.08%~0.17%	0.08%~0.17%

For the period ended June 30, 2016, December 31, 2015 and June 30, 2015, the certificates of deposits with the original maturity date over three months were NT$1,500,000, NT$1,500,000 and NT$4,800,000 respectively, that were classified as other current assets - other financial assets (Note 12).

7. Available-for-Sale Financial Assets

	June 30, 2016	December 31, 2015	June 30, 2015
Listed and OTC stocks	$ 110,410	$ 146,427	$ 141,952
Domestic mutual funds	76,780	30,625	11,078
Foreign mutual funds	6,600	-	-
Foreign corporate bonds	5,909	-	-
	$ 199,699	$ 177,052	$ 153,030

8. Notes receivable and accounts receivable

	June 30, 2016	December 31, 2015	June 30, 2015
Notes receivable			
From operating activities			
Non-related parties	$ 512,860	$ 442,341	$ 520,631
Related parties	$ -	$ 199	$ -
Accounts receivable			
From operating activities			
Non-related parties	$ 362,499	$ 502,815	$ 564,639
Less: allowance for uncollectible accounts	(40,896)	(42,519)	(35,947)
	$ 321,603	$ 460,296	$ 528,692
Related parties	$ -	$ -	$ 493

The Group to the average credit period of sales goods is 90-150 days. When determined the notes receivable and accounts receivable recoverability, the Group considered any changes of notes receivable and accounts receivable from the original credit to the credit quality of balance sheet day. If the credit quality has been changed, credit judged in accordance with the change reason. When the Group assess the accounts receivable has an objective diminish evidence, separate assess the impairment amount. If there is no accounts receivable of objective diminish evidence, assess the overall impairment. The Group may assess the accounts receivable that the ratio for non-return recognize as allowance for bad debts in accordance with the experiences.

(1) Notes receivable

The Group had no notes receivable that are overdue and not been recognized for allowance for bad debts at the balance sheet date on June 30, 2016, December 31, 2015 and June 30, 2015.

The mortgage information of notes receivable, please see the Note 29 for reference.

(2) Accounts receivable

The analysis of accounts receivable is as below:

	June 30, 2016	December 31, 2015	June 30, 2015
30 days or less	$ 178,646	$ 255,972	$ 264,578
31 to 60 days	113,997	157,002	191,086
61 to 90 days	18,966	28,240	36,105
91 to 120 days	5,990	14,607	20,200
121 to 150 days	2,910	6,069	9,114
Above 151 days	41,990	40,925	44,049
Total	$ 362,499	$ 502,815	$ 565,132

The above may base on the open amount day for aging.

For some Accounts Receivable that were past due at the end of the reporting period in the consolidated balance sheets, the Group did not recognize an allowance for bad debts loss of accounts receivable, because there was no significant change in credit quality and the amounts were considered recoverable from the managers' opinions in the Group.

The aging of overdue but not impairment accounts receivable is as the following:

	June 30, 2016	December 31, 2015	June 30, 2015
Above 151 days	$ 9,328	$ 6,641	$ 12,430

The aging will based on the days of overdue.

The changed information in allowance for the uncollectible accounts-accounts receivable is as below:

	Individual impairment loss	Group impairment loss	Total
Balance on January 1, 2015	$ 33,372	$ 2,041	$ 35,413
Less: write-off	(340)	-	(340)
Add：Provision for bad debt expense	30	844	874
Balance on June 30, 2015	$ 33,062	$ 2,885	$ 35,947
Balance on January 1, 2016	$ 40,384	$ 2,135	$ 42,519
Less: write-off	(1,592)	-	(1,592)
Less: reversal	-	(31)	(31)
Balance on June 30, 2016	$ 38,792	$ 2,104	$ 40,896

9. Inventories

	June 30, 2016	December 31, 2015	June 30, 2015
Developing and un-developing real estate	$ 3,210,200	$ 3,200,723	$ 3,291,345
Raw materials	214,503	143,683	115,168
Finished goods	79,541	100,569	75,677
Repaired part and materials	41,509	42,557	37,260
Work in progress	28,765	13,146	30,162
Merchandise	12,267	7,597	8,434
	$ 3,586,785	$ 3,508,275	$ 3,558,046

The cost of sales related with inventories in six months ended June 30, 2016 was NT$1,720,487,000 which included inventory valuation losses

NT$935,000. The cost of sales related with inventories in six months ended June 30, 2015was NT$2,054,382,000 which included loss for market price declines inventories NT$275,000.

As at June 30, 2016, December 31, 2015 and June 30, 2015, the estimated retrieved inventories over 12 months were NT3,210,200,000, NT$3,200,723,000 and NT$3,291,345,000 respectively, most of them are construction in progress and land to be constructed.

See the Note 29 for the information of inventory pledge.

10. Subsidiaries

The subsidiaries in the consolidated financial statements:

			Percentage of held stock			
Investment Business	Subsidiary Title	Business Type	June 30, 2016	December 31, 2015	June 30, 2015	Remark
Lucky Cement Corp.	Dasheng Enterprise Co., Ltd.	Sale and rental national residential, commercial buildings, parking lots and industrial areas	99.99	99.99	99.99	2.
	Luckicon Ready-mixed Concrete Factory Co.,	Production and sell concrete	99.99	99.99	99.99	
	Lucky Cement Corp., Japan	Buy and sell cement	100.00	100.00	100.00	
	Luckyship Marine Co., Ltd.	Shipping agent	99.99	99.99	99.99	
	Just Bright Ltd.	Investment Business	100.00	100.00	100.00	
	Hojen Harbor Company	Invest and build up public construction	50.00	50.00	50.00	
	ELUMINA Technology Inc.	Manufacture and sale light-emitting diode products	70.59	70.59	70.59	3.
Luckicon Ready-mixed Concrete Factory Co.,	Fuyu Development Company	Mine gravel	75.00	75.00	75.00	
ELUMINA Technology Inc.	Elumina Holding Limited	Holding company	100.00	100.00	100.00	
Elumina Holding Limited	ELUMINA （Xiamen） Technology Inc.	Manufacture and sale light-emitting diode products	100.00	100.00	100.00	

Note：

1. Important subsidiaries are Luckicon Ready-mixed Concrete Factory Co., Ltd. and Dasheng Enterprise Co., Ltd.

2. Dasheng Enterprise Co., Ltd. made a capital reduction was made up for a loss of NT$ 100,000,000 in July 2015 and issued the new share of NT$300,000,000 in cash at the same time.
3. ELUMINA Technology Inc. made a capital increased by NT$40,000,000 in cash and the Company subscribed NT$28,234,000 according to the shareholding ratio of ELUMINA in September 2015. The Company's board of directors resolved to dissolve ELUMINA Technology Inc. and its subsidiaries on August 11, 2015.

The financial statements of Dasheng Enterprise Co., Ltd and Luckicon Ready-mixed Concrete Factory Co., Ltd. for the six months ended June 30, 2016 and 2015 have reviewed by accountants. The consolidated financial statements of other subsidiaries have not reviewed by accountants. Total assets of the non-significant subsidiaries are NT$229,624,000 and NT$174,194,000, which are 2.97% and 2.09% of consolidated assets; total liabilities are NT$77,308,000 and NT$53,791,000, which are 2.55% and 1.47% of consolidated liabilities. The comprehensive losses are NT$5,941,000 and NT$24,689,000 for the three months ended June 30, 2016 and 2015; NT$4,221,000 and NT$36,239,000 for six months ended June 30, 2016 and 2015.

11. Prepayments

	June 30, 2016	December 31, 2015	June 30, 2015
Prepaid expenses	$ 153,411	$ 76,064	$ 133,597
Office supplies	87,240	93,866	84,988
Advanced payment for material	10,568	39,885	2,425
Others	762	94	1,232
	$ 251,981	$ 209,909	$ 222,242

12. Other current assets

	June 30, 2016	December 31, 2015	June 30, 2015
Other financial assets			
Restricted assets	$ 116,788	$ 170,079	$ 239,383
Bond investment under repurchase agreement	60,000	-	30,000
Certificate of deposit with original maturity over 3 months	1,500	1,500	4,800
Excess business tax paid	15,768	15,480	10,544
Others	2,165	2,362	211
	$ 196,221	$ 189,421	$ 284,938

The market interest rate range of other financial assets on the balance sheet date is as follows:

	June 30, 2016	December 31, 2015	June 30, 2015
Restricted assets	0.15%~2.60%	0.27%~3.10%	0.40%~4.00%
Bond investment under repurchase agreement	0.31%~0.40%	-	0.55%
Certificate deposits with an original maturity of more than 3 months	1.28%	1.28%	0.88%

Please see the Note 29 for the mortgage information of other current assets for reference.

13. Financial assets at cost

	June 30, 2016	December 31, 2015	June 30, 2015
Domestic unlisted (OTC) ordinary shares	$ 37,666	$ 42,766	$ 48,766
Domestic Emerging common stock	-	-	4,315
	$ 37,666	$ 42,766	$ 53,081

The above stocks may distinguish as available-for-sale financial assets in accordance with the type of financial assets measurement.

The Group, which holds the above stock investment, may measure the cost impairment lost on the end of the reporting period. Because the interval is significant of the fair value estimates and cannot assess reasonably each type of probability, managers in the Group think the fair value cannot be reliable measure.

Please see the Note 29 for the mortgage information of financial assets measured at cost for reference.

14. Property, plant and equipment

	Land	Building	Machinery and equipment	Electrical equipment	Transportation equipment	Other equipment	Unfinished construction	Total
Cost								
Balance on January 1, 2015	$ 724,675	$ 2,236,113	$ 6,136,397	$ 1,183,976	$ 965,118	$ 517,981	$ -	$11,764,260
Add	-	-	13,877	3,131	66,308	345	-	83,661
Disposal	-	-	(49,201)	-	(68,095)	(17,792)	-	(135,088)
Net exchange differences	-	(3,843)	(800)	-	(25)	(219)	-	(4,887)
Balance on June 30, 2015	$ 724,675	$ 2,232,270	$ 6,100,273	$ 1,187,107	$ 963,306	$ 500,315	$ -	$11,707,946
Accumulated depreciation								
Balance on January 1, 2015	$ -	$ 1,595,020	$ 5,491,135	$ 1,130,747	$ 773,983	$ 473,199	$ -	$ 9,464,084
Depreciation	-	49,984	71,323	9,618	30,122	7,050	-	168,097
Disposal	-	-	(41,715)	-	(68,020)	(14,501)	-	(124,236)
Net exchange differences	-	(3,477)	(596)	-	(17)	(208)	-	(4,298)
Balance on June 30, 2015	$ -	$ 1,641,527	$ 5,520,147	$ 1,140,365	$ 736,068	$ 465,540	$ -	$ 9,503,647
Net on June 30, 2015	$ 724,675	$ 590,743	$ 580,126	$ 46,742	$ 227,238	$ 34,775	$ -	$ 2,204,299
Cost								
Balance on January 1, 2016	$ 724,675	$ 2,238,761	$ 6,097,299	$ 1,187,107	$ 1,029,787	$ 497,100	$ 4,500	$11,779,229
Add	-	4,430	5,314	4,101	4,825	421	-	19,091
Disposal	-	(44,783)	(28,865)	-	(5,993)	(2,023)	-	(81,664)
Net exchange differences	-	13,108	1,786	-	45	77	-	15,016
Balance on June 30, 2016	$ 724,675	$ 2,211,516	$ 6,075,534	$ 1,191,208	$ 1,028,664	$ 495,575	$ 4,500	$11,731,672
Accumulated depreciation								
Balance on January 1, 2016	$ -	$ 1,701,280	$ 5,577,304	$ 1,146,483	$ 730,088	$ 466,726	$ -	$ 9,621,881
Depreciation	-	34,961	70,698	3,901	38,104	6,680	-	154,344
Disposal	-	(44,783)	(25,798)	-	(5,993)	(2,023)	-	(78,597)
Net exchange differences	-	11,852	1,437	-	21	118	-	13,428
Balance on June 30, 2016	$ -	$ 1,703,310	$ 5,623,641	$ 1,150,384	$ 762,220	$ 471,501	$ -	$ 9,711,056
Net on January 1, 2016	$ 724,675	$ 537,481	$ 519,995	$ 40,624	$ 299,699	$ 30,374	$ 4,500	$ 2,157,348
Net on June 30, 2016	$ 724,675	$ 508,206	$ 451,893	$ 40,824	$ 266,444	$ 24,074	$ 4,500	$ 2,020,616

The part of the parent company's land use rights is temporarily registered in the name of a third person. The trustee has issued a closing statement and applied land to set up a mortgage at the parent company.

The Group's property, plant and equipment are depreciated on the straight-line method basis of the following durable years:

Buildings	
Main building of Plant	35 to 55 years
Electrical power equipment	10 to 15 years
Engineering system	3 to 5 years
Machinery and equipment	2 to 10 years
Electrical equipment	5 to 15 years
Transportation equipment	3 to 10 years
Other equipment	3 to 10 years

The mortgage information of Property, Plant and Equipment, please refer to Note 29.

15. Other non-current assets

	June 30, 2016	December 31, 2015	June 30, 2015
Restricted assets	$ 98,566	$ 98,533	$ 98,526
Prepayments	96,260	80,591	66,218
Net limestone mining rights	18,783	18,783	26,026
	$ 213,609	$ 197,907	$ 190,770

The restricted asset of other non-current assets has the market interest rate range on the end of reporting period is as follows:

	June 30, 2016	December 31, 2015	June 30, 2015
Restricted assets	0.13%~1.157%	0.34%~1.276%	0.35%~1.345%

Other information regarding to non-current asset collaterals, please refer to Note 29.

16. Loans

(1) Short-term borrowings

	June 30, 2016	December 31, 2015	June 30, 2015
Secured borrowings			
Bank loan	$ 302,606	$ 282,199	$ 268,768
Unsecured borrowings			
Credit loan	200,000	82,522	60,686
	$ 502,606	$ 364,721	$ 329,454

The interest rate of the bank loan is as follows：

	June 30, 2016	December 31, 2015	June 30, 2015
Secured borrowings	1.56%~1.96%	1.51%~2.10%	1.49%~2.50%
Unsecured borrowings	1.68%	1.691%~1.702%	0.75%~1.37%

(2) Short-term notes and bills payable

	June 30, 2016	December 31, 2015	June 30, 2015
Commercial paper payable	$ 150,000	$ 50,000	$ 105,000
Less: Discount on short-term notes and bills payable	164	50	89
	$ 149,836	$ 49,950	$ 104,911

Short-term notes and bills payable that is not due as follows:

June 30, 2016

Guarantee / acceptance institution	Par Value	Discount Amounts	Carrying Amounts	Rate range
Commercial paper payable				
Ta Ching Bills Finance Corporation	$ 60,000	$ 51	$ 59,949	2.250%
Mega Bills Finance Corporation	30,000	46	29,954	1.738%
Grand Bills Finance Corporation	60,000	67	59,933	1.738%
	$ 150,000	$ 164	$ 149,836	

December 31, 2015

Guarantee / acceptance institution	Par Value	Discount Amounts	Carrying Amounts	Rate range
Commercial paper payable				
Ta Ching Bills Finance Corporation	$ 50,000	$ 50	$ 49,950	1.75%

June 30, 2015

Guarantee / acceptance institution	Par Value	Discount Amounts	Carrying Amounts	Rate range
Commercial paper payable				
Ta Ching Bills Finance Corporation	$ 60,000	$ 55	$ 59,945	2.800%
Mega Bills Finance Corporation	45,000	34	44,966	2.308%
	$ 105,000	$ 89	$ 104,911	

The maturity of each guaranteed commercial paper is 180 days or less.

(3) Long-term borrowings

	June 30, 2016	December 31, 2015	June 30, 2015
Secured borrowings			
Bank loan	$ 942,538	$ 1,101,100	$ 1,525,700
Foreign currency direct financing loan	-	-	3,086
	942,538	1,101,100	1,528,786
Less: Long-term borrowings have maturity of 1 year or less	(458,100)	(406,250)	(775,386)
Long-term borrowings	$ 484,438	$ 694,850	$ 753,400

Borrowing maturity date of bank secured borrowings is in August 2019. The annual interest rates of long-term borrowings were 1.8776%~2.5317%, 2.09%~2.6057% and 2.0049%~3.4660% respectively for June 30, 2016, December 31, 2015 and June 30, 2015.

The Company borrowed money from Taiwan Cooperative Bank, and the total credit amount was NT$500,000,000 in November 2011. It may not be revolving and the grace period is 2 years. Every 6 months was served as an installment and paid by 10 installments for the principle from May 2014.

The Comapy borrowed money from Taiwan Cooperative Bank in July 2014, the amount was NT$240,000,000 and the principle will be repaid NT$ 12,000,000 every 3 months.

In March 2012, the Company signed a joint credit contract with the banking group of Mega International Commercial Bank Co., Ltd. as the host bank. The main purpose of the credit application is to support the funds required for the expansion of the Heren mine in Hualien County and the total credit line is NT$800,000,000. Every 6 months was served as an installment and paid by 14 installments for the principle from September 2012. In the credit extension period, the Company's current ratio, liability ratio and the interest guarantee multiple in the consolidated financial statements should reach the requirements of the credit contract for the first half of the year and annual.

The Company borrowed money from Mega International Commercial Bank Co., Ltd. in April 2011 and the total credit line was NT$100,233,000. It may not be revolving. It was a short-term working capital loan originally and listed short-term borrowings. It has transferred to recognize medium-term loan in accordance with the credit contract, and repaid NT$7,200,000 per quarter from June 2014.

The Company borrowed money from the Export-Import Bank of the Republic of China in July 2014 and the total credit line was NT$100,000,000. The principle has repaid once in August 2015. The Company borrowed money from the Export-Import Bank of the Republic of China in January 2016, the total credit line was NT$100,000,000 and credit period was from January 1, 2016 to January 31, 2017. According to the contract, the revolving can be used within the credit line before expiration and the principle will be repaid once in maturity.

The Company borrowed money from Industrial Bank of Taiwan in August 2013 and the total credit line was NT$100,000,000. It may not be revolving and the grace period is 2 years. The principle has repaid once in August 2015. The Company borrowed money from Industrial Bank of Taiwan in August 2015 and the total credit line was NT$100,000,000. It may not be revolving.

The Company borrowed money from Bank of Taiwan in December 2014 and the total credit line was NT$100,000,000. It may not be revolving. Every 3 months was served as an installment and paid by 8 installments for the principle from February 2015. It has been repaid earlier in December 2015. The Company borrowed money from Bank of Taiwan in February 2016, the total credit line was NT$100,000,000 and repaid NT$12,500,000 per quarter after 1 year grace period.

In August 2010, the subsidiary signed a joint credit contract with the banking group of Agricultural Bank of Taiwan as the host bank. The main purpose of the credit application is to support the funds required to repay the existing debt of the financial institution and the capital required to build townhouses. The first category borrowing is the long-term borrowings and the total credit line is NT$500,000,000 which cannot be revolving. The principal is repaid monthly from November 2010 and the principal is repaid in 5 years in installments. The settlement was completed in August 2015. The other borrowing is a long-term secured borrowings with a credit line of NT$400,000,000. It shall not be revolving. The borrowings shall be repaid on the maturity date set out in each application and the settlements has completed repaid in August 2015.

The subsidiary signed a direct financing contract with Chailease Finance Co., Ltd. in October 2012 for US$1,980,000. The principal is repaid from November 2012, it is a three-month period for a total of 12 instalments and the settlement was completed in August 2015. The interest rate of 4.5753% calculated on March 31, 2015.

The subsidiary signed a credit agreement with Mega International Commercial Bank Co., Ltd. in July 2015 with the maturity date on July 2019. The main purpose of the credit application was to repay the existing debts of other financial institutions. The total credit line was NT$270,000,000 which was not allowed to be revolving and the principle will be repaid once in maturity.

The subsidiary signed a credit agreement with Mega International Commercial Bank Co., Ltd. in November 2015 with the maturity date on November 2019. The main purpose of the credit application is to purchase ship equipment. The total credit line is NT$38,000,000 which cannot be revolving. The principal is repaid from February 2016, it is a three-month period for a total of 16 instalments.

17. Notes and accounts payable

	June 30, 2016	December 31, 2015	June 30, 2015
Notes payable			
From operating activities			
Non-related parties	$ 233,148	$ 190,379	$ 197,836
Related parties	$ 1,050	$ -	$ 5,463
Accounts payable			
From operating activities			
Non-related parties	$ 211,464	$ 205,547	$ 149,854
Related parties	$ 1,213	$ 10,012	$ 3,042

18. Other payables

	June 30, 2016	December 31, 2015	June 30, 2015
Dividends payable	$ 348,994	-	$ 242,843
Wages and salaries payable	73,005	$ 117,237	72,806
Taxes payable	24,395	51,554	77,097
Utilities expense payable	14,606	22,468	26,309
Payable on machinery and equipment	11,631	12,692	6,103
Maintenance fee payables	10,449	5,414	3,503
Other	61,730	41,463	66,527
	$ 544,810	$ 250,828	$ 495,188

19. Post-employment benefit plan

The pension expenses associated with defined benefit plan are based on the pension expenses determined by the actuarial decision of December 31, 2015 and 2014 respectively, for each of the following items:

	For the Three Months Ended June 30, 2016	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Operating costs	$ 1,340	$ 1,390	$ 2,680	$ 2,787
Selling expenses	319	335	640	664
Administrative expenses	588	637	1,176	1,275
	$ 2,247	$ 2,362	$ 4,496	$ 4,726

In accordance with the Labor Standards Act, which was amended on February 4, 2015, the employer shall estimate the balance of the special account of the Labor Retirement Reserve by the end of each year, and if the balance is less than the amount of the labor that provides for the retirement of the provisions of the amount of the pension, the employer shall make the difference before the end of March of the next year. The balance of the special account of the Labor Retirement Reserve for the Company, Luckicon Ready-mixed Concrete Factory Co., Ltd. and Dasheng Enterprise Co., Ltd. is NT$ 288,448,000 in six months ended June 30, 2016.

20. Equity

(1) Share capital

	June 30, 2016	December 31, 2015	June 30, 2015
Authorized shares (in thousands)	498,646	498,646	498,646
Authorized capital	$ 4,986,460	$ 4,986,460	$ 4,986,460
Issued and paid shares (in thousands)	404,738	404,738	404,738
Issued capital	$ 4,047,380	$ 4,047,380	$ 4,047,380

A holder of issued common shares with par value of NT$10 per share is entitled to vote and to receive dividends.

(2) Capital surplus

	June 30, 2016	December 31, 2015	June 30, 2015
Others	$ 8	$ 8	$ -

Others of capital surplus are the capital surplus arising from the Company's failure to subscribe in the issuance of new shares to increase the capital of the subsidiary in according with the proportion to its shareholdings.

Capital surplus arising from investments using the equity method must not be used for any purpose.

(3) Retained earnings and dividend policy

In accordance with the amendments to the Company Act in May 2015, the recipients of dividends and bonuses are limited to shareholders and do not include employees. The amendments to Articles of Incorporation on earnings distribution policy had been approved by the Company’s shareholders in its meeting held on June 15, 2016. The distribution policy for employee remuneration is set out in Articles of Incorporation.

Following the earnings distribution policy in accordance with the amendments to the articles of incorporation, the Company states that in case of earning upon settled annually, the Company shall appropriate its 10% as legal surplus reserve first and account equity deduction occurred in the current year as special surplus reserve, addition to legal payment of business tax and compensation of historical annual loss, and after the bonus of 3% for employees and 5% for directors and supervisors, wherein if the dividend per share from the sum of balance thereafter and 40%~80% of aggregated surplus yet allocated in the previous year has not reached NTD$0.1 with calculation of the upper limit, 80%, it shall be reserved, not for allocation and allocation case shall be proposed in the Board of Directors, further presented for acknowledgement in the Meeting of Shareholders. The distribution policy of employee remunerations and remunerations for directors and sunpervisors, please refer to the employee benefits in Note 21 (3). The appropriation & allocation ratio of the preceding surplus and stock to cash ratio shall be paid in cash dividend or stock dividend subject to real profit and situation of fund in the current year, with consideration of fund for investment and diluted level of surplus per share in the Meeting of Board of Directors. However, the allocated stock dividend shall be limited to 20% of the issued stock; in case that the aggregated equity deduction or equity deduction that is insufficient to account as surplus w/tax in the current year, it shall account equivalent amount of special surplus reserve from the aggregated surplus yet be allocated in the previous year and deduct it prior to the appropriation and allocation earlier. Thereafter, whenever equity deduction is turned, the turned amount shall be allocated as surplus. The allocation of related surplus shall be passed and acknowledged in the General Meeting of Shareholders held in the next year and shall be accounted in the current year.

The Company shall account and turn special surplus reserve pursuant to the provisions set forth in the Letter, Letter No. Jin-Kuang-Fa-Tzi No. 1010012865, Letter No. Jin-Kuang-Fa-Tzi No. 1010047490, and "Following the adoption of the International Financial Reporting Standards (IFRSs), the question and answer of the applicable special surplus reserve". Thereafter, whenever equity deduction is turned, the turned amount shall be allocated as surplus. When the balance of deductions from other equity is reversed, the surplus may be distributed in respect of the revolved part.

Legal surplus reserve shall be appropriated to its balance until it reaches the gross amount of paid-up capital of the Company. Legal surplus reserve shall be used to compensate the loss. In case of zero loss, its legal surplus reserve which goes beyond 25% of the total paid-up capital shall be allocated in cash after being appropriated as capital.

When allocating the unappropriated retained earnings, shareholders other than the residents within the territory of the Republic of China may acquire shareholder deductible that was calculated based on the tax deductible ratio on the Day of Dividend Allocation.

The appropriations of 2015 and 2014 earnings have been approved by shareholders in its meeting held on June 15, 2016 and June 12, 2015. The appropriations and dividends per share were as follows:

	Appropriation of Earnings		Dividend per share（NT$1.00）	
	2015	2014	2015	2014
Legal reserve	$ 47,016	$ 37,954		
Cash dividends	344,027	242,843	$ 0.85	$ 0.6

(4) Special reserve

The Company has adopted the IFRSs standards for the accounted special reserve that shows as follow:

	June 30, 2016	December 31, 2015	June 30, 2015
Special reserve	$ 14,135	$ 14,135	$ 14,135

The amount of the accumulated conversion of the Company is NT$14,135,000 transferred to the retained surplus, and the same amount of special reserve has been added.

(5) Non-controlling interests

	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Balance at the begin of the year	$ 33,814	$ 30,492
Number of share attributable to non-controlling equity		
Loss	(80)	(6,688)
Exchange differences on translation of foreign financial statements	(3)	295
Unrealized gains (losses) on available-for-sale financial assets	-	4
Cash dividends distributed by subsidiaries	(2,500)	(1,250)
Balance at the end of the period	$ 31,231	$ 22,853

21. Profit from continuing operations

(1) Net other income (expense)

	For the Three Months Ended June 30, 2016	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Gains on disposals of property, plant and equipment	$ 100	$ 4	$ 100	$ 4

(2) Depreciation, amortization and depletion

	For the Three Months Ended June 30, 2016	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Depreciations summary by functions				
Operating costs	$ 70,346	$ 76,884	$ 141,962	$ 153,688
Operating expenses	3,574	3,847	7,099	7,964
Non-operating income and expenses	2,642	2,949	5,283	5,898
	$ 76,562	$ 83,680	$ 154,344	$ 167,550
Amortization summary by functions				
Operating costs	$ 1,916	$ 3,096	$ 3,457	$ 5,182
Operating expenses	219	107	438	334
	$ 2,135	$ 3,203	$ 3,895	$ 5,516
Depletion summary by functions				
Operating costs	$ -	$ 4,418	$ -	$ 8,414

(3) Employee benefits

	For the Three Months Ended June 30, 2016	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Post-employment benefits				
Defined contribution plans	$ 3,507	$ 3,394	$ 7,112	$ 6,616
Defined benefit plans	2,247	2,362	4,496	4,726
	5,754	5,756	11,608	11,342
Other employee benefits	122,551	118,069	222,211	227,353
	$ 128,305	$ 123,825	$ 233,819	$ 238,695
Summarized by function				
Operating costs	$ 92,182	$ 89,966	$ 168,635	$ 171,449
Operating expenses	36,123	33,859	65,184	67,246
	$ 128,305	$ 123,825	$ 233,819	$ 238,695

According to the amendments of the Company Act in May 2015 and the amendments of the Company's Articles of Incorporation (hereinafter referred to as the "Articles") approved by the shareholder meeting in June 2016, the Company appropriated employee bonuses and remunerations of directors and supervisors in 3% and 5% respectively in the current year's profit before tax deducted the employee bonuses and remunerations of directors and supervisors. The estimated bonus to employee and remuneration to directors and supervisors were based on 3% and 5% of the profit before tax respectively for three months and six months ended on June 30, 2016.

The Articles before the amendment stipulated to distribute bonus to employee and remuneration to directors and supervisors at the rates of 3% and 5%, respectively, of appropriated retained earnings after tax. For the three and six months ended June 30, 2015, the bonus to employees and the remuneration to directors and supervisors estimated 3% and 5%, respectively in accordance with the Articles before the amendment.

	For the Three Months Ended June 30, 2016	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Employees' bonuses	$ 3,789	$ 4,300	$ 7,777	$ 8,520
Remunerations for directors and supervisors	$ 6,315	$ 7,167	$ 12,962	$ 14,200

Annual consolidated financial report with any changes with the numbers of the amount after the released date will be handled according to the Accounting Estimate and be adjusted accordingly next year.

The resolution of the board of directors on March 28, 2016 and The shareholder meeting on June 12, 2015 for the employees' bonuses and remunerations of directors and supervisors in 2015 and 2014 is as below. The employees' bonuses and remunerations of directors and supervisors in the consolidate statements for the year 2015 and 2014. The employee bonuses and the remunerations of the directors and supervisors were reported to the shareholders meeting after the amendments of the Articles to the shareholder meeting resolutions held on June 15, 2016.

	2015	2014
	Cash	Cash Bonus
Employees' compensation/bonus	$ 18,636	$ 10,248
Remuneration for directors and supervisors	31,060	17,079

The resolution of the board of directors on March 28, 2016 and The shareholder meeting on June 12, 2015 for the employees' bonuses and remunerations of directors and supervisors is no different with the employees' bonuses and remunerations of directors and supervisors in the consolidate statements for the year 2015 and 2014.

The resolution of the board of directors in 2016 and the resolution of the shareholder meeting in 2015 for the bonuses of employees and the remunerations of directors and supervisors of the Company, please check it on the Market Observation Post System of the Taiwan Stock Exchange.

(3) Gains and Losses on disposals of investments

	For the Three Months Ended June 30, 2016	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Total gains on Disposals of Available-for-Sale financial assets	$ 599	$ 115	$ 1,942	$ 4,186
Total losses on Disposals of Available-for-Sale financial assets	(6)	-	(6)	-
Net profit	$ 593	$ 115	$ 1,936	$ 4,186

(4) Foreign exchange gains or losses

	For the Three Months Ended June 30, 2016	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Total foreign exchange gains	$ 761	$ 2,647	$ 1,455	$ 7,188
Total foreign exchange losses	(392)	(2,471)	(1,937)	(5,550)
Net profit (loss)	$ 369	$ 176	($ 482)	$ 1,638

22. Income Tax from Continuing Operations

(1) Income tax recognized as profit or loss

The main components of the income tax expense are as follows:

	For the Three Months Ended June 30, 2016	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Current income tax				
Created in current period	$ 2,918	$ 42,738	$ 4,282	$ 82,740
Undistributed profits tax.	8,618	13,897	8,618	13,897
Adjustments on prior years	1,572	720	1,572	720
	13,108	57,355	14,472	97,357
Deferred income tax				
Created in current period	16,804	(3,976)	36,856	(12,037)
Income tax expenses of recognised in profit or loss	$ 29,912	$ 53,379	$ 51,328	$ 85,320

(2) The related information of Imputation System

	June 30, 2016	December 31, 2015	June 30, 2015
Unappropriated retained earnings After 1998	$ 430,012	$ 626,211	$ 479,800
Balance in shareholders' imputation tax credit account	$ 140,106	$ 13,027	$ 28,906

The Tax Creditable Ratios which are applicable for disposition of net income in 2015 and 2014 are respectively 22.37% and 6.49%.

According to the Income Tax Act, when the Company distributes the surplus after 1998, the shareholders can follow the tax creditable ratio to calculate their acquired Imputation Tax Credit.

For the individual shareholder who is resident of Taiwan, the deductible tax amount of the allotted net dividends is 50% of the original deductible tax amount from January 1, 2015.

(3) Income tax approval

As of the end of 2013, income tax declaration cases of the Company and Luckicon Ready-mixed Co., approved by the tax collection authorities.

As of the end of 2014, income tax declaration cases of Hojen Harbour Development Co., Ltd., Dasheng Enterprise and Luckyship Co., Fuyu Development Company and ELUMINA Technology Inc., approved by the tax collection authorities.

23. Discontinuing Operations

The board of directors of the Company decided to dissolve ELUMINA technology Inc., its subsidiaries - Elumina Holding Limited and Elumina (Xiamen) Company on August 11, 2015, and had the dissolution of liquidation; the Group classified the cash-generating units into the discounting operation in 2015. As of June 30, 2016, ELUMINA technology, Inc. and its subsidiaries have still in the processing of dissolution of liquidation.

The loss of discontinuing operations in current period is as bellow:

	For the Three Months Ended June 30, 2016	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Current loss	($ 7,775)	($ 15,047)	($ 8,782)	($ 26,375)
Disposal of gain (loss)	-	(9,651)	-	(9,651)
	($ 7,775)	($ 24,698)	($ 8,782)	($ 36,026)

Information regarding to the profit or loss and cash flow of business suspension unit is as bellow:

	For the Three Months Ended June 30, 2016	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Operating revenue	$ -	$ 334	$ -	$ 4,362
Operating costs	-	(3,978)	-	(8,530)
Operating expenses	(7,526)	(5,500)	(8,522)	(15,280)
Non-operating income and expenses	(249)	(15,554)	(260)	(16,578)
Pre-tax loss of business suspension units	(7,775)	(24,698)	(8,782)	(36,026)
Tax expense	-	-	-	-
Current loss	($ 7,775)	($ 24,698)	($ 8,782)	($ 36,026)
Loss of business suspension unit belongs to:				
Owners of the Company	($ 5,488)	($ 17,395)	($ 6,199)	($ 25,274)
Non-controlling interests	(2,287)	(7,303)	(2,583)	(10,752)
	($ 7,775)	($ 24,698)	($ 8,782)	($ 36,026)
Net cash outflows generated from operations			($ 1,860)	($ 15,470)
Net cash flows from investing activities			-	15,104
Net cash outflows from financing activities			-	(4,345)
Net cash flows (outflows)			($ 1,860)	($ 4,711)

24. Earnings per Share

Unit : NTD 1.00 per share

	For the Three Months Ended June 30, 2016	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Basic earnings(loss) per share				
From continuing operations	$ 0.24	$ 0.44	$ 0.50	$ 0.84
From discontinued operations	(0.01)	(0.05)	(0.02)	(0.06)
Total basic earnings (loss) per share	$ 0.23	$ 0.39	$ 0.48	$ 0.78
Diluted earnings per share				
From continuing operations	$ 0.24	$ 0.43	$ 0.49	$ 0.84
From discontinued operations	(0.01)	(0.04)	(0.01)	(0.06)
Total diluted earnings per share	$ 0.23	$ 0.39	$ 0.48	$ 0.78

To calculate the net profit of earnings per share and the weighted average shares of ordinary stock which is belonging to continuing business units is as follows:

Profit

	For the Three Months Ended June 30, 2016	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Profit attributable to owners of parent	$ 91,452	$ 159,250	$ 194,844	$ 315,548
Plus: used to calculate the basic unit of the loss of business units per unit loss of net loss	5,488	17,395	6,199	25,274
To calculate the net profit of the continuing business unit's basic and diluted earnings per share	$ 96,940	$ 176,645	$ 201,043	$ 340,822

Number of share

Unit：1,000 shares

	For the Three Months Ended June 30, 2016	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
The weighted average shares of ordinary stock which is used to calculate the basic earnings per share	404,738	404,738	404,738	404,738
Dilution Effect of potential ordinary stock:				
Employee bonus	841	1,554	1,729	1,647
To calculate the weighted average shares of ordinary stock for diluted earnings per share	405,579	406,292	406,467	406,385

If the Company chooses to pay employee remuneration or bonus in stocks or cash, the calculation of diluted earnings per share assumes that employee remuneration or bonus will be paid by shares, and when the potential ordinary shares have a dilution effect, they are included the weighted average number of ordinary shares outstanding to calculate diluted earnings per share. The dilution effect of these potential ordinary shares will also continue to be taken into account when the next annual shareholders' meeting resolves employee remuneration or bonus to issue shares before the calculation of diluted earnings per share.

25. Agreement of Operating Lease

(1) The Group is the tenant

Operating lease includes lease of land, plant, storage land, etc.; the lease period is 1 to 5 years. And as the end of lease, if there is any addition or modification of rented production equipment for ready-mixed concrete factory and related equipment in Keelung factory rented by Luckicon Ready-mixed Co., should be transferred to the lessor free.

The total amount of future minimum lease payments for non-cancelable operating lease is as follows:

	June 30, 2016	December 31, 2015	June 30, 2015
Within 1 year	$ 34,209	$ 39,543	$ 22,014
More than 1 year but no more than 5 years	26,494	50,967	36,696
	$ 60,703	$ 90,510	$ 58,710

Recognized expense of Lease payment as below:

	For the Three Months Ended June 30, 2016	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Lease payment	$ 12,423	$ 13,969	$ 25,927	$ 28,163

(2) The Group is the lessor

Operating lease includes lease of property, plant and equipment; the lease period is 1 to 5 years.

The total amount of future minimum lease payments for non-cancelable operating lease is as follows:

	June 30, 2016	December 31, 2015	June 30, 2015
Within 1 year	$ 7,528	$ 13,958	$ 7,140
More than 1 year but no more than 5 years	3,471	5,971	1,328
	$ 10,999	$ 19,929	$ 8,468

26. Financial Risk Management

The Group manages capital risk to ensure that maximizing the remuneration of shareholders by optimizing the debt and equity balances under the premise of keeping operating of each corporation in the Group.

27. Financial Instrument

(1) Fair value information - financial instrument which is not measured at fair value

For financial assets and liabilities that are not measured at fair value, there are no significant differences between the carrying amount and the fair value.

(2) Fair value information – financial instrument at fair value

A. Fair value hierarchy

June 30, 2016

	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets				
Domestic listed (OTC) stock	$ 110,410	$ -	$ -	$ 110,410
Domestic Fund Benefit Certificate	76,780	-	-	76,780
Foreign Fund Benefit Certificate	6,600	-	-	6,600
Foreign corporate bonds	5,909	-	-	5,909
Total	$ 199,699	$ -	$ -	$ 199,699

December 31, 2015

	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets				
Domestic listed (OTC) stock	$ 146,427	$ -	$ -	$ 146,427
Domestic Fund Benefit Certificate	30,625	-	-	30,625
Total	$ 177,052	$ -	$ -	$ 177,052

June 30, 2015

	Level 1	Level 2	Level 3	Total
Available-for-sale financial assets				
Domestic listed (OTC) stock	$ 141,952	$ -	$ -	$ 141,952
Domestic Fund Benefit Certificate	11,078	-	-	11,078
Total	$ 153,030	$ -	$ -	$ 153,030

There is no transfer between level 1 and level 2 of fair value measurement in six months ended June 30, 2016 and 2015.

B. The evaluation technique and assumption used for measuring fair value

The fair value of financial instrument traded at active market is determined by the reference to market quotation.

(3) Type of finance instruments

	June 30, 2016	December 31, 2015	June 30, 2015
Financial assets			
Loans and receivables（Note 1）	$ 1,299,332	$ 1,396,664	$ 1,793,939
Available-for-sale financial assets（Note 2 ）	237,365	219,818	206,111
Financial liabilities			
Measured at amortized cost（Note 3）	2,513,660	2,055,300	2,741,728

Note1: The balance includes loans and receivables measured at amortized cost such as cash, notess receivable, accounts receivable, other receivables and other financial assets

Note2: The balance includes the balance of financial asset measured at costs that are classified as available- for- sale.

Note3: The balance includes financial liabilities masured at amortised cost such as short-term borrowings, notes payable, accounts payable, partical other payables and long-term borrowings.

(4) Objective and policy of financial risk management

The main financial instruments of the Group include receivables, payables and loans. The financial department of the Group provides services for each business unit, coordinates and enters into domestic and international financial market operations. The financial department of the Group supervises and manages the related financial risk of operation of the Group in accordance with the internal risk report for risk degree and extensive analysis of exposure. The risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The financial department reports on the managers of the Group to assess whether it meets the established business strategy and risk scope in each quarter.

A. Market risk

The main financial risk for operation of the Group is foreign currency exchange risk (please see ① as follows) and interest rate risk (please see ② as follows).

The exposure of related market risk of financial instrument of the Group and the management and measurement of the exposure don’t change.

① Currency risk

The Group's carrying amount of monetary assets and monetary liabilities denominated in non-functional currencies on the balance sheet date, including monetary items denominated in non-functional currencies that have been written off in the consolidated financial statements, please see Note 30 for reference.

Sensitivity Analysis

The Group is mainly impacted by the foreign exchange rate fluctuation of USD, EUR and RMB.

The following table shows sensitivity analysis of the Group when individual functional currency increases or decreases 5% for each relevance currency rate. 5% is as sensitivity ratio used for reporting currency risk to key management personnel of the Group, and also represented assessment of reasonably possible range of fluctuation of foreign currency rate by the management personnel. The following table shows when the individual functional currency increases 5% relative to each relevant currency, it will make pre-tax income or amount of change in equity; and when the individual functional currency decreases 5% relative to each relevant currency, it will have impact of pre-tax income or equity in negative for same amount.

	Effect of US dollars		Effect of EUR	
	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Profit (loss)	($ 1,219)	$ 618	$ -	$ 22

	Effect of RMB	
	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Profit (loss)	($ 352)	($ 396)

The above is mainly originated from the outstanding cash in banks, receivables, other financial assets, other short-term borrowings, payables and long-term borrowings, calculated in USD, EUR and RMB which are not in cash flow hedge on the end of reporting period in the balance sheet of the Group.

② Interest rate risk

The financial assets in interest rate exposure and the carrying amount of financial liability on the end of reporting period in balance sheet the Group are as follows:

	June 30, 2016	December 31, 2015	June 30, 2015
Interest rate risk with fair value			
-Financial assets	$ 144,845	$ 157,660	$ 255,755
-Financial liabilities	372,800	202,300	74,600
Interest rate risk with cash flow			
-Financial assets	332,715	424,776	580,776
-Financial liabilities	1,222,180	1,313,471	1,888,551

Sensitivity Analysis

The following sensitivity analysis is determined by rate exposure of non-derivatives on balance sheet date. The internal of the Group reports to key management personnel about rate of change in interest rate which means that increase rate increases or decreases 25 basic points; this also represents the assessment of reasonably possible change range for interest rate from key management personnel.

If interest rate decreases/increases 25 basic points, the profit before tax in six months ended June 30, 2016 and 2015 separately increases NT$1,112,000 and NT$1,635,000 with all other variables held constant; the main reasons are floating rate loan, demand deposit and exposure in restricted asset interest rate risk of the Group.

B. Credit risk

Credit risk means that the counterparty arrears contract obligation and cause the Group financial loss risk. As the end of reporting period in balance sheet, the Group may be caused exposure of the maximum credit risk that the Group may suffer financial loss due to the counterparty not doing contract obligation and the financial guarantee provided by the Group, which is mainly from the carrying amount of financial assets recognized on consolidated balance sheet.

In addition to the analysis of the following table, the maximum credit exposure amount (excluded fair value of borrowing cost) of each financial instrument of the Group is same as the carrying amount:

	June 30, 2016		December 31, 2015		June 30, 2015	
	Book Value	Largest credit risk exposed amount	Book Value	Largest credit risk exposed amount	Book Value	Largest credit risk exposed amount
Off-balance sheet commitments and guarantee						
Endorsement for subsidiary	$ -	$ 1,287,275	$ -	$ 1,324,238	$ -	$ 1,076,120

The policy adopted by the Group is only having trade with the counterparty who has high reputation, and getting sufficient guarantee to reduce the financial loss risk arising from arrears under the necessary situation.

The credit risk of the Group is mainly concentered on the key account (KA) of the Group; as the end of June 30, 2016, December 31, 2015 and June 30, 2015, the receivables exceed 5% of total receivables, which are separately 45.80%, 44.22% and 40.14% of total receivables.

C. Liquidity risk

The Group can operate and reduce the impact of fluctuations in cash flows by managing and maintaining enough cash in place. The management personnel in the Group supervises using situation of bank finance to ensure following the loan borrowing clause.

Bank loan is an important source of liquidity for the Group. As the end of June 30, 2016, December 31, 2015 and June 30, 2015, the unused long-term and short-term bank loan commitments of the Group are separately NT$2,603,985,000, NT$3,101,906,000 and NT$1,739,228,000.

The following table is the contractual maturity analysis of non-derivative balance of financial liabilities during maturity time in the agreement, in accordance with the maturity date which may be the first date asking the Group, which is written by undiscounted cash flows of financial liabilities.

June 30, 2016

	Weighted average valid rate (%)	Requirement: Pay at once or less than one month	1 month to 3 months	3 months to 12 months	1 year to 5 years	Above 5 years
Non - derivative financial liabilities						
No debt-bearing liability	-	$ 326,024	$ 608,423	$ 70,142	$ 60,751	$ 16,850
Floating interest rate tool	1.92%	12,000	120,000	605,742	484,438	-
Fixed interest rate tool	1.65%	100,000	100,000	172,800	-	-
		$ 438,024	$ 828,423	$ 848,684	$ 545,189	$ 16,850

December 31, 2015

	Weighted average valid rate (%)	Requirement: Pay at once or less than one month	1 month to 3 months	3 months to 12 months	1 year to 5 years	Above 5 years
Non - derivative financial liabilities						
No debt-bearing liability	-	$ 236,670	$ 294,200	$ 209,292	$ 109,531	$ 16,599
Floating interest rate tool	2.16	14,363	96,187	536,421	666,500	-
Fixed interest rate tool	1.73	-	-	202,300	-	-
		$ 251,033	$ 390,387	$ 948,013	$ 776,031	$ 16,599

June 30, 2015

	Weighted average valid rate (%)	Requirement: Pay at once or less than one month	1 month to 3 months	3 months to 12 months	1 year to 5 years	Above 5 years
Non - derivative financial liabilities						
No debt-bearing liability	-	$ 308,563	$ 510,777	$ 124,724	$ 59,734	$ 16,850
Floating interest rate tool	2.32	48,466	456,786	629,899	753,400	-
Fixed interest rate tool	2.06	-	-	74,600	-	-
		$ 357,029	$ 967,563	$ 829,223	$ 813,134	$ 16,850

28. Related Party Transactions

The transaction, account balance, income and losses between the Company and subsidiaries will be completely eliminated after consolidated reporting, so they are not disclosed in the notes. The transaction between related party and the Group is as follows:

(1) Business transaction

	For the Three Months Ended June 30, 2016	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Sales				
Other related parties	$ -	$ -	$ 308	$ 836
Purchase				
Other related parties	$ 4,118	$ 11,154	$ 18,055	$ 22,209
Operating costs - transportation expenses				
Other related parties	$ 3,217	$ 3,509	$ 6,015	$ 6,644
Operating expenses				
Other related parties	$ 1,977	$ 89	$ 2,056	$ 1,797
Non-operating income and expenses				
Other related parties	$ 486	$ 518	$ 1,036	$ 1,037

The prices of purchases andsales of goods and the payment period between the Group and its related parties are negotiated respectively. Both are equivalent to non-related persons.

Non-operating income is rental revenue between the Company and related parties; the determination and collection method of rent are same as general leasing transactions.

(2) Balance of receivables from related parties on balance sheet date is as follows：

	June 30, 2016	December 31, 2015	June 30, 2015
Notes receivable			
Other related parties	$ -	$ 199	$ -
Accounts receivable			
Other related parties	$ -	$ -	$ 493
Other receivable			
Other related parties	$ 882	$ 779	$ 785

(3) Balance of payables from related parties on balance sheet date is as follows:

	June 30, 2016	December 31, 2015	June 30, 2015
Notes payable			
Other related parties	$ 1,050	$ -	$ 5,463
Accounts payable			
Other related parties	$ 1,213	$ 10,012	$ 3,042
Other payable			
Other related parties	$ 929	$ 1,448	$ 1,781

(4) Loans from related parties

	June 30, 2016	December 31, 2015	June 30, 2015
Shareholder accounts			
Other related parties	$ 45,800	$ 45,800	$ 45,800

Shareholder accounts of the Group are interestless borrowing from stockholders.

(5) Remunerations of key management personnel

The remunerations of the Directors and other key management personnel were as follows:

	For the Three Months Ended June 30, 2016	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Short-term employee benefits	$ 12,036	$ 5,041	$ 27,534	$ 13,312
Benefit after retirement	315	281	520	467
	$ 12,351	$ 5,322	$ 28,054	$ 13,779

Remunerations of key management personnel will be decided by remuneration committee with personal performance and market trend.

29. Pledged Assets

The Group uses the pledged assets as collateral for long-term and short-term bank loans, short-term notes and bills payable, debt litigation and other credit accommodation:

	June 30, 2016	December 31, 2015	June 30, 2015
Notes receivable	$ 13,428	$ 78,966	$ 56,225
Repurchase bond investment (Other current assets)	60,000	-	30,000
Construction in progress–net (Inventory)	2,954,238	2,954,238	3,067,665
Restricted assets (Other current assets and Other non-current assets)	215,354	268,612	337,909
Financial assets at cost	-	-	8,907
Property, plant and equipment	1,502,462	1,580,213	1,593,609
Limestone mining right (Other non-current assets)	18,783	18,783	26,026
	$ 4,764,265	$ 4,900,812	$ 5,120,341

30. Significant Information of Foreign Currency Assets and Liabilities

The following information is expressed in accordance with the total currency without functional currency of the Group; the disclosed exchange rate refers to the exchange rate of foreign currency to functional currency. There are foreign currency assets and liabilities without important impact as follow:

Unit： Thousands of NT$ and foreign currency

June 30, 2016

	Foreign curreny	Exchange rate	Book value
Financial assets			
Monetary items			
US dollars	$ 778	32.275 (USD：NTD)	$ 25,098
US dollars	7	6.5874 (USD：RMB)	241
RMB	1,457	4.829 (RMB：NTD)	7,038
Financial Liabilities			
Monetary items			
US dollars	30	32.275 (USD：NTD)	968

December 31, 2015

	Foreign curreny	Exchange rate	Book value
Financial assets			
Monetary items			
US dollars	$ 2,072	32.825 （USD：NTD）	$ 68,007
US dollars	7	6.4936 （USD：RMB）	245
RMB	1,617	4.978 （RMB：NTD）	8,051
Financial Liabilities			
Monetary items			
US dollars	1,011	32.825 （USD：NTD）	33,181

June 30, 2015

	Foreign curreny	Exchange rate	Book value
Financial assets			
Monetary items			
US dollars	$ 1,545	30.86 （USD：NTD）	$ 47,673
US dollars	7	6.1136 （USD：RMB）	230
RMB	1,599	4.95 （RMB：NTD）	7,914
Financial Liabilities			
Monetary items			
US dollars	1,953	30.86 （USD：NTD）	60,261
EUR	13	34.46 （EUR：NTD）	448

Foreign exchange gains/losses (realized or unrealized) of the Group for three months ended on June 30, 2016 and 2015 are respectively grains NT$390,000 and NT$2,564,000; for six months ended on June 30, 2016 and 2015 are respectively losses NT$453,000 and gains NT$2,937,000. Because there is variety of foreign currency transactions, it cannot disclose exchange gains and losses in accordance with foreign currency of each important impact.

31. Additional Disclosures

(1)Significant Transactions and (2) The Related Information of transferring to investment:

A. Financings provided: Schedule 1.

B. Endorsement/guarantee provided: Schedule 2.

C. Marketable securities held (excluding investments in subsidiaries and associates): Schedule 3.

D. Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital: None.

E. Acquisition of individual real estate properties at costs of at least NT$300 million or 20% of the paid-in capital: None.

F. Disposal of individual real estate properties at prices of at least NT$300 million or 20% of the paid-in capital: None

G. Total purchases from or sales to related parties of at least NT$100 million or 20% of the paid-in capital: Schedule 4

H. Receivables from related parties amounting to at least NT$100 millions or 20% of the paid-in capital: Schedule 5.

I. Information about the derivative financial instruments transaction: None.

J. Others: The business relationship between the parent and the subsidiaries and significant transactions between them: Please Schedule 8.

K. Information of the investees: Schedule 6.

(3) Investment Information in mainland China:

A. The name of the investee in mainland China, the main businesses and products, its issued capital, method of investment, information on inflow or outflow of capital, percentage of ownership, income (losses) of the investee, share of profits/losses of investee, ending balance, amount received as dividends from the investee, and the limitation on investee: Schedule 7.

B. Significant direct or indirect transactions with the investee, its prices and terms of payment and unrealized gains or losses: There are no significant transactions and unrealized gains or losses between the parent company and the investee company in mainland China.

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

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

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

④The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purpose: None

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

⑥Other transactions that have material effect on the profit or loss for the period or on the financial position, such as the rendering or receiving of services: None

32. Segment Information

The Group defined its reportable segments as follows: ：

Cement segment: producing and selling business for products related to cement.

Other segment: Other operations of non-cement business。The main business of ELUMINA Technology Inc. and its subsidiary Elumina Holding Ltd. and ELUMINA (Xiamen) company are producing and selling light-emitting Diode, and the unit of cash is transferred to discontinued operation on August, 2015; please see Note 23 for related instruction.

(1) Revenue of segments and operating results

The Group revenues and operating results analyzed by the operating segments were as follows:

	Income of Department		Profit/Loss of Department	
	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015	For the Six Months Ended June 30, 2016	For the Six Months Ended June 30, 2015
Cement segment	$ 2,081,622	$ 2,632,542	$ 262,372	$ 444,432
Other segmentt	23,347	57	555	(5,355)
;Gross amount of business unit	$ 2,104,969	$ 2,632,599	262,927	439,077
Rent income			4,990	4,865
Dividend revenue			7	5,453
Interest revenue			904	1,458
Gains (losses) on disposals of investments			1,936	4,186
Foreign exchange gains(losses)			(482)	1,638
Impairment loss on financial assets			-	(3,185)
Interest expense			(15,408)	(23,286)
Profit from continuing operations before tax			254,874	430,206
Loss from discontinued operations before tax			(8,782)	(36,026)
Profit (loss) before tax			$ 246,092	$ 394,180

The revenue of segments reported above is generated with external client exchanges. There is no selling between segments in three months ended in June 30, 2016 and 2015.

The revenue of segments means the profits earned by each segment, excluded interest revenue which shall be apportioned, rent income, dividend revenue, other income, grains (losses) on disposals of investments, foreign exchange gains(losses), other expense, impairment loss on financial assets and interest expense.

(2) Total assets and liabilities of segments

Segment assets	June 30, 2016	December 31, 2015	June 30, 2015
Continuing operating segment			
Cement segment	$ 4,284,821	$ 4,399,719	$ 4,854,527
Other segment t	3,443,384	3,451,063	3,475,455
Total of segment assets	7,728,205	7,850,782	8,329,982
Assets related discontinued operations	2,836	4,720	4,289
Total assets	$ 7,731,041	$ 7,855,502	$ 8,334,271

Lucky Cement Corporation and Subsidiaries

Financings Provided

For the Six Months Ended June 30, 2016

Schedule 1 In Thousands of New Taiwan Dollars

No.	Company of Lending Funds	Borrower	Relation Account	Mmaximum Balance in Current Period	Where is the related party	Balance, end of the period (Note 4)	Amonut of real dealing (Note 5)	Interest rate collar (%)	Character on loan of funds (Note 1)	Amount between business	Necessary reasons for short term financial assets	Amount of allowance for uncollectible be submitted	Collateral		Limitation of loan of funds to individual party (Note 2)	Total limitation of loan of funds (Note 3)
													Name	Value		
0	Lucky Cement Corp.	Dasheng Enterprise	Receivables of Affiliated Enterprise — Financing	$ 400,000	Yes	$ 400,000	$ 225,450	2.228 ~2.437	(2)	$ -	Operating Turnover	$ -	—	—	$ 466,507	$ 1,866,026
2	Luckicon Ready-mixed Co.	Dasheng Enterprise	Receivables of Affiliated Enterprise — Financing	40,000	Yes	40,000	40,000	2.15	(2)	-	Operating Turnover	-	—	—	62,800	125,600

Note 1：The expressions for nature of fund loan is as follows:：

(1) Party with business.

(2) Party with short-term financing need.

Note 2：The subject whom Lucky Cement Corporation made loans is the shareholder of 50% above of subsidiary shall be kept less than 10% of end-of-year net value; the subject whom a loan was made is a shareholder of more than 20%, yet less than 50% shall be kept less than 5% of end-of-year net value; the rest shall be subject to 2% of end-of-year net value; Luckicon Ready-mixed Concrete Factory Co., Ltd. shall be subject to 20% of end-of-year net value.

Note 3：It is subject to 40% of end-of-year net value of companies making loans.

Note 4：It refers to the line of loan approved by the Board of Directors.

Note 5：The trade between headquarter and subsidiary has been written off in the prepared financial statement.

Lucky Cement Corporation and Subsidiaries

Endorsement/Guarantee Provided

For the Six Months Ended June 30, 2016

Schedule 2

Unit：NT$1,000, unless otherwise noted

No.	Company Name of endorser	The party for enforcement and guarantee		Limitation amount of enforcement and guarantee for single enterprise (Note 1)	Maximun balance of enforcement and guarantee in current period	Balance of enforcement and guarantee, end of the periodr	Amonut of real dealing	Amount of enforcement and guarantee by property guarantee	Ratio of accumulated amount of enforcement and guarantee to net value of financial statement of lastest period (%)	Maximun limitation on enforcement and guarantee (Note 2)	Enforcement and guarantee belong to parent vs. subsidiary company	Enforcement and guarantee belong to subsidiary vs. parent company	Enforcement and guarantee belong to Mainland China	Remark
		Company	Relations											
0	Lucky Cement Corp.	Dasheng Enterprise	Subsidiary	$ 1,866,026	$ 1,190,000	$ 1,140,000	$ 428,500	$ 270,000 (Note 3)	23.22%	$ 2,332,533	Y	–	–	
		Luckicon Ready-mixed Co.	Subsidiary	1,866,026	100,000	70,000	-	-	1.43%	2,332,533	Y	–	–	
		Luckyship Marine Co.	Subsidiary	1,866,026	45,000	45,000	39,638	-	0.92%	2,332,533	Y	–	–	
		Lucky Cement Corp., Japan	Subsidiary	1,866,026	50,175 (US$ 1,500,000)	32,275 (US$ 1,000,000)	9,806 (US$ 304,000)	32,275 (Note 4)	0.66%	2,332,533	Y	–	–	

Note 1：The upper limit that Lucky Cement Corporation endorses for single company shall not go beyond 10% of the net value, except for limit of 40% accounting for the net value of subsidiary.

Note 2：The gross line of endorsement approved by the Meeting of Shareholder shall be subject to 50% of the net value.

Note 3：Other finance asset – restricted asset NT$50,000,000 and other finance asset –bond under repurchase agreement NT$60,000,000 are provided as collateral.

Note 4：Other finance asset - restricted asset US$300,000 is provided as collateral.

Lucky Cement Corporation and Subsidiaries

Marketable Securities Held

June 30, 2016

Schedule 3

In Thousands of New Taiwan Dollars

Company	Type and Name of Securities	Relationship with the Issuer of Securities	Account	End of period				Remarks
				Shares	Carrying Amount (Note 2)	(%)	Fair Value (Note 1)	
Lucky Cement Corp.	Non-listed (OTC) Company Common Stock							
	CANDO CORPORATION	—	Non-current financial assets at cost	398,889	$ -	0.1	$ -	Note 3
	Jonfeng Mining Co., Ltd	—	Non-current financial assets at cost	1,071,428	12,094	10.58	13,836	
	Redwood Group Ltd	—	Non-current financial assets at cost	700,837	5,433	0.18	7,409	
	WK TECHNOLOGY FUND	—	Non-current financial assets at cost	2,890,000	17,000	2.22	23,913	
	Listed (OTC) Company Common Stock							
	Medigen Biotechnology Corporation	—	Current available-for-sale financial assets	28,628	510	-	2,347	
	United Microelectronics Corporation	—	Current available-for-sale financial assets	72,351	4,370	-	912	
	Winbond Electronics Corp.	—	Current available-for-sale financial assets	119,500	4,970	-	1,066	
	First Financial Holding Co. Ltd.	—	Current available-for-sale financial assets	822	19	-	14	
	Capital Securities Corp.	—	Current available-for-sale financial assets	818	12	-	7	
	Hua Nan Financial Holdings Co. Ltd.	—	Current available-for-sale financial assets	346	8	-	6	
	China Development Financial	—	Current available-for-sale financial assets	13,496	135	-	105	
	Taiwan Cement Corp.	—	Current available-for-sale financial assets	400,000	15,983	-	12,820	
	Asia Cement Corporation	—	Current available-for-sale financial assets	500,000	18,566	-	13,950	
	Fund beneficiary certificate							
	Future Asset Asia Pacific Real Estate Security Fund- Stock A, free of interest allocation	—	Current available-for-sale financial assets	100,000	1,004	-	966	
	Franklin Templeton Investment Funds-Franklin U.S. Government Fund Class A (Mdis) USD	—	Current available-for-sale financial assets	10,672	3,342	-	3,245	
	Eastspring Investments - US High Investment Grade Bond Fund - A	—	Current available-for-sale financial assets	3,598	1,671	-	1,674	
	Old Mutual Total Return USD Bond Fund A Accumulation Shares	—	Current available-for-sale financial assets	2,602	1,671	-	1,681	
	Bond investment under repurchase agreement							
	Land bank of Taiwan 10	—	Other current financial assets	-	30,000	-	30,000	Has been used as collateral for the financing guarantees of Dasheng Enterprise

(To be continued)

(Continued)

Company	Type and Name of Securities	Relationship with the Issuer of Securities	Account	End of period				Remarks
				Shares	Carrying Amount (Note 2)	(%)	Fair Value (Note 1)	
Lucky Cement Corp.	Bond investment under repurchase agreement							
	Central Government Bonds Jia-2	—	Other current financial assets	-	30,000	-	30,000	Has been used as collateral for the financing guarantees of Dasheng Enterprise
Luckyship Marine Co.	Non-listed (OTC) Company Common Stock							
	Jonfeng Mining Co., Ltd.	—	Non-current financial assets at cost	35,129	$ 1,239	0.35	$ 458	
	Listed (OTC) Company Common Stock							
	Medigen Biotechnology Corporation	—	Current available-for-sale financial assets	242	10	-	20	
Just Bright Ltd.	Listed Company Common Stock							
	Global Lighting Technologies Inc.	—	Current available-for-sale financial assets	1,091,908	25,722	-	79,163	
Luckicon Ready-mixed Co.	Fund Beneficiary Certificate							
	Huanan Bank Yungchang Kirin Monetary Market Fund	—	Current available-for-sale financial assets	440,966	5,200	-	5,225	
	Taishin 1699 Money Market Fund	—	Current available-for-sale financial assets	2,245,005	30,000	-	30,039	
	UPAMC James Bond Money Market Fund	—	Current available-for-sale financial assets	605,778	10,000	-	10,017	
	MEGA BAOJUAN Money Market Fund	—	Current available-for-sale financial assets	2,421,953	30,000	-	30,032	
	Allianz Global Investors Target Multi Income Fund	—	Current available-for-sale financial assets	50,000	505	-	501	
	Marketable Security - Corporate Bond							
	Cathay United Jenai EMC USD Fixed Interest Allocation Bond	—	Current available-for-sale financial assets	-	5,630	-	5,909	

Note 1: Reference of fair value: If there is no market price of non-current financial assets at cost for reference then according to the latest net equity; the bond of other financial assets is book value; the stock of available-for-sale of financial assets is the closed price at end of June 2016; its fund beneficiary certificate of available-for-sale financial assets is net value at the end of June 2016; the marketable security - corporate bond of available-for-sale financial assets is the market price at the end of June 2016.

Note 2: The available-for-sale financial assets recognized the original purchase cost.

Note 3: It has been recognized as loss of impairments.

Note 4: Please refer to Schedule 6 and 7 for information regarding to subsidiary investment.

Lucky Cement Corporation and Subsidiaries

Total Purchases from or Sales to Related Parties of at least NT$100 Million or 20% of the Paid-in Capital

For Six months ended June 30, 2016

Schedule 4

In Thousands of New Taiwan Dollars

Company Name	Transaction Counterpart	Relations	Transaction Status				Status and Reasons of Difference between Transaction Condition and General Transaction		Accounts, Notes Receivable (Payable)		Remarks
			Purchase (Sale)	Amount (Note)	Account for Purchase (Sale) Percentage to Total (%)	Credit Period	Unit Price	Credit Period	Balance (Note)	Accounts, Notes Receivable (Payable) Percentage to Total (%)	
Lucky Cement Corp.	Luckicon Ready-mixed Co.	Subsidiary	Sale	($ 177,757)	(10.36)	About 90 days	quite	quite	Accounts receivable $ 31,723 Notes receivable 19,999	5.35 3.37	

Note：It has been written off in the prepared financial statement.

Lucky Cement Corporation and Subsidiaries

Receivables from Related Parties Amounting to at least NT$100 Million or 20% of the Paid-in Capital

June 30, 2016

Schedule 5

In Thousands of New Taiwan Dollars

Company of Accounts Receivable	Transaction Counterpart	Relations	Balance of Accounts Receivable due from Related Parties (Note)	Turnover Rate	Accounts Receivable past-due from Related Parties		Balance of Accounts Receivable due from Related Parties, Receive Amount after end of the period	Address Amount of Allowance for Bad Debts
					Amount	Disposal Method		
Lucky Cement Corp.	Dasheng Enterprise	Subsidiary	Financing $ 225,817	—	$ -	—	$ 407	$ -

Note：It has been written off in the prepared financial statement.

Lucky Cement Corporation and Subsidiaries

Names, Locations, and Related Information of Investees

For the Six Months Ended June 30, 2016

Schedule 6

In Thousands of New Taiwan Dollars

Investment company	Invested company	Address	Main business items	Original investment amount: At the end of the period	Original investment amount: End of last year	Holding at the end of the period: Number of shares	Holding at the end of the period: Rate	Holding at the end of the period: Carrying Amount	Current (loss) profit of invested company	Investment (loss) profit accounted this Period (Note 1)	Remarks
Lucky Cement Corp.	Dasheng Enterprise	14F., No.237, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Construction Business	$ 1,877,473	$ 1,877,473	158,294,180	99.99	$ 2,360,891	($ 12,184)	($ 12,184)	Note 1 & 4
	Luckicon Ready-mixed Co.	No.191, Sec. 1, Meishi Rd., Yangmei Dist., Taoyuan City 326, Taiwan (R.O.C.)	Ready-mixed Concrete Manufacture & Trades	99,998	99,998	21,999,868	99.99	314,001	22,388	22,388	Note 1 & 4
	Luckyship Marine Co.	13F., No.237, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Shipping Agent	8,615	8,615	5,499,929	99.99	50,200	3,355	3,355	Note 3 & 4
	Just Bright Ltd.	Tropic Isle Building, PO Box 438, Road Town, Tortola, British Virgin Islands	Investment Business	1,566	1,566	50,000	100.00	79,166	3	3	Note 3 & 4
	Lucky Cement Corp., Japan	Aichi, Japan hekinan Yu Jin-Pu-cho 12 gu	Cement Trading	84,959	84,959	200	100.00	28,056	1,200	1,200	Note 3 & 4
	Hojen Harbour Development Co.,	13F., No.237, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Invest in public construction	1,250	1,250	125,000	50.00	891	-	-	Note 3 & 4
	Elumina Technology Inc.	12F., No.237, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Manufacture and Sale Light-emitting Diode Products	93,384	93,384	9,338,400	70.59	-	(8,782)	(6,199)	Note 2, 3 & 5
Luckicon Ready-mixed Co.	Fuyu Development Co.	13F., No.237, Songjiang Rd., Zhongshan Dist., Taipei City 104, Taiwan (R.O.C.)	Mine Gravel	7,500	7,500	750,000	75.00	26,281	10,013	7,510	Note 3 & 4
Elumina Technology Inc.	ELUMINA HOLDING LIMITED	Beaufort House, P. O. Box 438, Road Town, Tortola, British Virgin Islands	Holding Company	45,563	45,563	1,282,000	100.00	20	(229)	(229)	Note 3 & 4

Note 1：It has been calculated pursuant to the Accountant's audited financial statement.。

Note 2：The negative carrying amount aggregated to NT$26,911,000 as of June 30, 2016 and recognized as other liabilities.

Note 3：It has been calculated pursuant to the financial statements without Accountant's auditing.

Note 4：The carrying amount of long-term equity investment accounted investment profit/loss and net equity of the invested company have been written off in the prepared financial statement.

Note 5：The long-term equity investment with accumulated negative carrying amount, the recognized investment loss and the net equity of the company being invested are all written off in the prepared financial statement

Note 6：Please refer to Schedule 7 for the information regarding to the invested company in China.

Lucky Cement Corporation and Subsidiaries

Investment Information in Mainland China

For the Six Months Ended June 30, 2016

Schedule 7

Unit：NT$1,000, unless otherwise noted

Invested company in China	Major business	Paid-up capital	Inventory type (Note 1)	The amount of accumulated investment remitted from Taiwan at the beginning of the period (Note 5)	Remittance or recovery of investment amount in this period		The amount of accumulated investment remitted from Taiwan at the end of the period	Current profit and loss of invested company (Note 2 & 5)	The proportion of shares held by the Company directly or indirectly	Investmend (Loss) profit accounted of this period (Note 2 & 5)	Book value of end-of-period investment (Note 2 & 5)	Investment income has been remitted as of this period
					Remittance	Recovered						
ELUMINA (Xiamen) Technology Inc.	Manufacture and sale light-emitting diode products	$ 80,631	(2)	$ 80,631	$ -	$ -	$ 80,631	($ 228)	70.59%	($ 161)	$ 284	$ -

Cumulative amount of investment from Taiwan investing China at end of this period	Investment Review Committee of the Ministry of Economic Affairs approved amount of investment	Upper limit of investment to China pursuant to regulation of Investment Review Committee of the Ministry of Economic Affairs (Note 4)
US$ 2,522,000	US$ 1,286,000	$4,665,065x60%=$2,799,039

Note 1：Investment mode has the following three kinds, wherein types are presented hereof:

(1) Direct investment in China.

(2) Invest in China companies through companies in the third area（investment company of the third area is ELUMINA HOLDING LIMITED）.

(3) Others

Note 2：Calculation of financial statement with audited by Taiwan Headquarter's Certified Accountant.。

Note 3：Calculated by the limits set forth in the "China Investment or Technic Cooperation & Review Principle" issued by Investment & Review Committee, August 29, 2008

Note 4：At the beginning of the period, the capital increase of ELUMINA (Xiamen) Technology Inc. was US$1,236,000, which was still subject to the approval of the investment amount by the Investment Commission, Ministry of Economic Affairs (MOEAIC).

Note 5：It has been written off in the preparation of consolidated financial statement.

Lucky Cement Corporation and Subsidiary

Intercompany Relationships and Significant Intercompany Transactions

For the Six Months Ended June 30, 2016

Schedule 8

In Thousands of New Taiwan Dollars

No.	Name of Trader	Subject in Trade	Relations with trader (Note 1)	State of Trade			
				Account	Amount	Condition of Trade	The ratio of total revenue or total assets (%)
0	Lucky Cement Corp.	Luckicon Ready-mixed Co.	1	Notes receivable	$ 19,999	About 90 days	0.26
	Lucky Cement Corp.	Luckicon Ready-mixed Co.	1	Accounts receivable	31,723	About 90 days	0.41
	Lucky Cement Corp.	Luckicon Ready-mixed Co.	1	Other receivables	115	About 90 days	-
	Lucky Cement Corp.	Luckicon Ready-mixed Co.	1	Cement pending in delivery and advance sales receipts	12,113	About 90 days	0.16
	Lucky Cement Corp.	Luckicon Ready-mixed Co.	1	Sales revenue	177,757	About 90 days	8.44
	Lucky Cement Corp.	Luckicon Ready-mixed Co.	1	Rent income	762	30 days	0.04
	Lucky Cement Corp.	Elumina Holding Limited	1	Other receivables	363	30 days	-
	Lucky Cement Corp.	Fuyu Development Co.	1	Other receivables	1	About 90 days	-
	Lucky Cement Corp.	Fuyu Development Co.	1	Notes payable	2,000	About 90 days	0.03
	Lucky Cement Corp.	Fuyu Development Co.	1	Other payables	31,638	About 90 days	0.41
	Lucky Cement Corp.	Fuyu Development Co.	1	Cost of sales	2,054	About 90 days	0.10
	Lucky Cement Corp.	Fuyu Development Co.	1	Rent income	9,940	30 days	0.47
	Lucky Cement Corp.	Fuyu Development Co.	1	Other income	600	30 days	0.03
	Lucky Cement Corp.	Luckyship Marine Co.	1	Other receivables	4	About 90 days	-
	Lucky Cement Corp.	Luckyship Marine Co.	1	Rent income	128	30 days	0.01
	Lucky Cement Corp.	Dasheng Enterprise	1	Other financial assets - Financing Payment	225,450	Financing, did not express the repayment period	2.92
	Lucky Cement Corp.	Dasheng Enterprise	1	Notes receivable	367	About 90 days	0.02
	Lucky Cement Corp.	Dasheng Enterprise	1	Other receivables	3	About 90 days	-
	Lucky Cement Corp.	Dasheng Enterprise	1	Rent income	40	30 days	-
	Lucky Cement Corp.	Dasheng Enterprise	1	Interest income	2,994	30 days	0.14
	Lucky Cement Corp.	Hojen Harbour Development Co.,	1	Other receivables	4	About 90 days	-
	Lucky Cement Corp.	Hojen Harbour Development Co.,	1	Rent income	8	30 days	-
	Lucky Cement Corp.	Lucky Cement Corp., Japan	1	Other receivables	68	30 days	-
1	Luckicon Ready-mixed Co.	Fuyu Development Co.	1	Rent income	4,500	30 days	0.21
	Luckicon Ready-mixed Co.	Dasheng Enterprise	3	Notes receivable	64	About 90 days	-
	Luckicon Ready-mixed Co.	Dasheng Enterprise	3	Accounts receivable	258	About 90 days	-
	Luckicon Ready-mixed Co.	Dasheng Enterprise	3	Other financial assets - Financing Payment	40,000	Financing, did not express the repayment period	0.52
	Luckicon Ready-mixed Co.	Dasheng Enterprise	3	Sales revenue	572	About 90 days	0.03
	Luckicon Ready-mixed Co.	Dasheng Enterprise	3	Interest income	428	30 days	0.02
2	Elumina Technology Inc.	ELUMINA (Xiamen) Technology Inc.	1	Accounts receivable	40,293	About 90 days	0.52

Note 1： The relationships among the transaction parties are as follows:

(1) The Company to the subsidiary

(2) The subsidiary to the Company

(3) Between subsidiaries