SILICONWARE PRECISION INDUSTRIES CO., LTD

PARENT COMPANY ONLY FINANCIAL STATEMENTS

AND REPORT OF INDEPENDENT ACCOUNTANTS

DECEMBER 31, 2015 AND 2014

Address: No.123, Sec. 3, Dafeng Rd., Tanzi Dist., Taichung City 427, Taiwan (R.O.C.)
Telephone: +886-4-2534-1525

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

AUDIT REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Shareholders of

Siliconware Precision Industries Co., Ltd.

We have audited the parent company only balance sheets of Siliconware Precision Industries Co., Ltd. as of December 31, 2015 and 2014, and parent company only statements of comprehensive income, changes in shareholders' equity and cash flows for the years then ended December 31, 2015 and 2014. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the accompanying parent company only financial statements referred to above present fairly, in all material respects, the parent company only financial position of Siliconware Precision Industries Co., Ltd. as of December 31, 2015 and 2014, and their parent company only financial performance and their cash flows for the years then ended December 31, 2015 and 2014, in conformity with the "Rules Governing the Preparation of Financial Statements by Securities Issuers".

PricewaterhouseCoopers, Taiwan

Republic of China

February 4, 2016

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

SILICONWARE PRECISION INDUSTRIES CO., LTD.

PARENT COMPANY ONLY BALANCE SHEETS

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

			As of	
	Notes	December 31, 2015	December 31, 2014 (Adjusted)	January 1, 2014 (Adjusted)
Current Assets				
Cash and cash equivalents	6 (1) , 6 (6)	$ 20,392,205	$ 27,136,296	$ 14,360,457
Available-for-sale financian assets, current	6 (4) , 6 (6)	1,067,204	-	-
Notes receivable, net	6 (6)	7,207	4,946	10,582
Accounts receivable, net	6 (2) , 6 (6) , 7	13,260,852	15,002,054	12,533,552
Other receivables	6 (6) , 7	583,482	884,456	650,557
Inventories	6 (3)	3,961,294	3,892,761	3,397,890
Other current assets - other	6 (6) , 8	1,488,209	1,136,957	1,117,682
		40,760,453	48,057,470	32,070,720
Non-current Assets				
Available-for-sale financial assets, non-current	6 (4) , 6 (6)	5,526,412	8,999,903	6,087,053
Investments accounted for using the equity method	6 (5)	13,369,515	10,127,384	9,170,844
Property, plant and equipment	6 (7) , 7	56,723,980	56,453,085	48,981,194
Intangible assets	6 (8)	177,712	238,223	345,303
Deferred income tax assets	6 (21)	924,021	673,106	803,545
Other non-current assets - other	6 (6)	467,629	520,137	488,119
		77,189,269	77,011,838	65,876,058
TOTAL ASSETS		$ 117,949,722	$ 125,069,308	$ 97,946,778
Current Liabilities				
Financial liability at fair value through profit or loss, current	6 (6) , 6 (9)	$ 1,798,920	$ 1,095,552	$ -
Notes payable	6 (6)	-	735,000	-
Accounts payable	6 (6) , 7	5,773,071	6,417,757	6,030,325
Other payables	6 (6) , 6 (12) , 7	10,369,330	9,237,020	8,565,285
Current income tax liabilities	6 (21)	828,766	1,801,509	683,510
Current portion of long-term loans	6 (6) , 6 (11)	5,991,128	6,970,152	3,154,196
Other current liabilities - other	6 (6)	717,453	703,747	295,475
		25,478,668	26,960,737	18,728,791
Non-current Liabilities				
Convertible bonds	6 (6) , 6 (10)	12,627,311	11,875,483	-
Long-term loans	6 (6) , 6 (11)	7,858,036	12,794,062	15,355,557
Deferred income tax liabilities	6 (21)	-	13,159	40,926
Other non-current liabilities	6 (6) , 6 (13)	1,385,065	1,319,248	1,360,298
		21,870,412	26,001,952	16,756,781
Total Liabilities		47,349,080	52,962,689	35,485,572
Shareholders' Equity				
Capital stock	6 (14)	31,163,611	31,163,611	31,163,611
Capital reserve	6 (5) , 6 (15)	15,758,358	15,771,456	15,771,853
Retained earnings	6 (16)			
Legal reserve		9,967,775	8,797,005	8,207,777
Special reserve		-	-	244,604
Unappropriated earnings		9,921,153	11,678,749	5,888,409
Accumulated Other Comprehensive Income	6 (17)	3,789,745	4,695,798	1,184,952
Total Shareholders' Equity		70,600,642	72,106,619	62,461,206
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		$ 117,949,722	$ 125,069,308	$ 97,946,778

The accompanying notes are an integral part of these parent company only financial statements.

SILICONWARE PRECISION INDUSTRIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,

EXCEPT EARNINGS PER SHARE)

	Notes	For the years ended December 31, 2015	2014 (Adjusted)
Operating Revenues	7	$ 72,473,681	$ 75,113,877
Operating Costs	6 (3) , 6 (18) , 7	(53,399,237)	(56,157,535)
Gross Profit		19,074,444	18,956,342
Realized Intercompany Loss		-	(1,273)
Realized Gross Profit		19,074,444	18,955,069
Operating Expenses	6 (18) , 7		
Selling expenses		(1,023,350)	(987,100)
General and administrative expenses		(3,177,695)	(2,168,874)
Research and development expenses		(3,540,394)	(3,432,979)
		(7,741,439)	(6,588,953)
Operating Profit		11,333,005	12,366,116
Non-operating Income and Expenses			
Other income	6 (19) , 7	536,252	417,895
Other gains and losses	6 (20) , 7	(50,652)	686,904
Finance costs		(529,289)	(370,629)
Share of profit of subsidiaries, associates and joint venture accounted for using the equity method	6 (5)	869,945	786,629
Dividends income		347,408	223,235
Gains on disposal of investments	6 (4) , 6 (5)	140,626	639,103
Losses on financial liabilities at fair value through profit or loss	6 (9)	(703,368)	(321,233)
Impairment losses	6 (4) , 6 (5) , 6 (7)	(1,904,664)	(497,947)
		(1,293,742)	1,563,957
Income before Income Tax		10,039,263	13,930,073
Income Tax Expense	6 (21)	(1,277,006)	(2,185,659)
Net Income		$ 8,762,257	$ 11,744,414
Other Comprehensive Income	6 (17) , 6 (21)		
Items that will not be reclassiflied to profit or loss			
Remeasurements of post employment benefit obligations		(179,842)	(53,911)
Income tax relating to items that will not be reclassified to profit or loss		30,572	9,165
Items that may be subsequently reclassified to profit or loss			
Exchange difference on translation of foreign financial statements		(227,905)	555,285
Unrealized (loss)/gain on available-for-sale financial assets		(549,845)	2,948,369
Income tax relating to items that will not be reclassified to profit or loss		20,967	51,938
Other Comprehensive Income for the year, net of tax		(906,053)	3,510,846
Total Comprehensive Income for the year		$ 7,856,204	$ 15,255,260
Earnings Per Share	6 (22)		
Basic		$ 2.81	$ 3.77
Diluted		$ 2.78	$ 3.74

The accompanying notes are an integral part of these parent company only financial statements.

SILICONWARE PRECISION INDUSTRIES CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

				Retained Earnings			Other Equity Items			
	Notes	Capital Stock	Capital Reserve	Legal Reserve	Special Reserve	Unappropriated Earnings	Unrealized Gain/Loss on Valuation of Available-for-sale Financial Assets	Exchange Difference on Translation of Foreign Financial Statements	Remeasurements of Post Employment Benefit Obligations	Total
For the year ended December 31, 2014										
Balance at January 1, 2014		$ 31,163,611	$ 15,771,853	$ 8,207,777	$ 244,604	$ 5,965,224	$ 949,549	$ 167,318	$ -	$ 62,469,936
Effect of restrospective application and restatement		-	-	-	-	(76,815)	-	-	68,085	(8,730)
Adjusted balance at January 1, 2014		31,163,611	15,771,853	8,207,777	244,604	5,888,409	949,549	167,318	68,085	62,461,206
Appropriation of earnings for prior years:	6(16)									
Legal reserve		-	-	589,228	-	(589,228)	-	-	-	-
Cash dividends		-	-	-	-	(5,609,450)	-	-	-	(5,609,450)
Reversal of special reserve		-	-	-	(244,604)	244,604	-	-	-	-
Adjustment for changes in ownership percentage in equity investments	6(15)	-	(397)	-	-	-	-	-	-	(397)
Net income		-	-	-	-	11,744,414	-	-	-	11,744,414
Other comprehensive income	6(17)	-	-	-	-	-	3,002,367	553,225	(44,746)	3,510,846
Total comprehensive income		-	-	-	-	11,744,414	3,002,367	553,225	(44,746)	15,255,260
Balance at December 31, 2014		$ 31,163,611	$ 15,771,456	$ 8,797,005	$ -	$ 11,678,749	$ 3,951,916	$ 720,543	$ 23,339	$ 72,106,619
For the year ended December 31, 2015										
Balance at January 1, 2015		$ 31,163,611	$ 15,771,456	$ 8,797,005	$ -	$ 11,707,700	$ 3,951,916	$ 720,543	$ -	$ 72,112,231
Effect of restrospective application and restatement		-	-	-	-	(28,951)	-	-	23,339	(5,612)
Adjusted balance at January 1, 2015		31,163,611	15,771,456	8,797,005	-	11,678,749	3,951,916	720,543	23,339	72,106,619
Appropriation of earnings for prior years:	6(16)									
Legal reserve		-	-	1,170,770	-	(1,170,770)	-	-	-	-
Cash dividends		-	-	-	-	(9,349,083)	-	-	-	(9,349,083)
Adjustment for changes in ownership percentage in equity investments	6(15)	-	(12,978)	-	-	-	-	-	-	(12,978)
Adjustment for changes in equity of subsidiaries	6(15)	-	(120)	-	-	-	-	-	-	(120)
Net income		-	-	-	-	8,762,257	-	-	-	8,762,257
Other comprehensive income	6(17)	-	-	-	-	-	(529,330)	(227,453)	(149,270)	(906,053)
Total comprehensive income		-	-	-	-	8,762,257	(529,330)	(227,453)	(149,270)	7,856,204
Balance at December 31, 2015		$ 31,163,611	$ 15,758,358	$ 9,967,775	$ -	$ 9,921,153	$ 3,422,586	$ 493,090	($ 125,931)	$ 70,600,642

The accompanying notes are an integral part of these parent company only financial statements.

SILICONWARE PRECISION INDUSTRIES CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	For the years ended December 31, 2015	2014 (Adjusted)
Cash flows from operating activities			
Income before tax		$ 10,039,263	$ 13,930,073
Adjustments to reconcile income before tax to net cash provided by operating activities:			
Depreciation	6(7) , 6(18)	11,455,367	10,491,418
Amortization	6(18)	526,156	539,880
Losses on financial liabilities at fair value through profit or loss	6(9)	703,368	321,233
Interest expense		528,912	370,229
Interest income	6(19)	(97,547)	(92,539)
Dividend income		(347,408)	(223,235)
Foreign currency exchange loss on convertible bonds		451,156	516,543
Share of profit of subsidiary, associates and joint venture accounted for using equity method	6(5)	(869,945)	(786,629)
Gains on disposal of property, plant and equipment	6(20)	(41,470)	(300,243)
Gains on disposal of investments	6(4) , 6(5)	(140,626)	(639,103)
Impairment losses of financial assets	6(4)	1,856,442	-
Gains on reversal of impairment loss of non-financial assets	6(5), 6(20)	(134,992)	-
Impairment losses of non-financial assets	6(5) , 6(7)	48,222	497,947
Realized intercompany loss		-	1,273
Foreign currency exchange (gain)/loss on long-term loan		(191,083)	572,250
Changes in assets and liabilities related to operation			
Notes receivable		(2,260)	5,635
Accounts receivable		1,741,202	(2,468,501)
Other receivables		308,659	(156,408)
Inventories		(68,532)	(494,871)
Other current assets - other		(302,772)	(16,906)
Other non-current assets - other		(69,898)	-
Accounts payable		(644,686)	387,432
Other payables		306,874	1,116,946
Other current liabilities		32,573	268,537
Other non-current liabilities		(6,270)	(4,299)
Cash provided by operations		25,080,705	23,836,662
Interest received		103,248	82,992
Dividend received		347,408	223,478
Interest paid		(221,896)	(309,743)
Income tax paid		(2,462,283)	(903,888)
Net cash provided by operating activities		22,847,182	22,929,501

(Continued)

SILICONWARE PRECISION INDUSTRIES CO., LTD.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS (CONTINUED)

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		For the years ended December 31,	
	Notes	2015	2014 (Adjusted)
Cash flows from investing activities			
Proceeds from disposal of available-for-sale financial assets	6(4)	$ -	$ 674,622
Proceeds from disposal of investments accounted for using the equity method	6(5)	29,645	-
Increase in pledged deposits	8	(44,800)	(2,900)
Acquisition of investments accounted for using the equity method	6(5)	(2,401,000)	(63,818)
Acquisition of property, plant and equipment	6(23)	(11,882,714)	(17,897,014)
Proceeds from disposal of property, plant and equipment		156,272	310,212
Increase in refundable deposits		(73,074)	(2,592)
Decrease in refundable deposits		2,987	68
Acquisition of intangible assets	6(8)	(106,456)	(63,745)
Increase in other non-current assets		(168,366)	(400,370)
Net cash used in investing activities		(14,487,506)	(17,445,537)
Cash flows from financing activities			
Proceeds from issurance of convertible bonds		-	12,089,536
Proceeds from long-term loans		2,500,000	3,850,000
Repayment of long-term loans		(8,235,833)	(3,178,166)
Increase in deposit-in		56,126	145,654
Decrease in deposit-in		(74,977)	(5,713)
Payment for cash dividends	6(16)	(9,349,083)	(5,609,436)
Net cash (used in)/provided by financing activities		(15,103,767)	7,291,875
Net (decrease)/increase in cash and cash equivalents		(6,744,091)	12,775,839
Cash and cash equivalents at the beginning of the year		27,136,296	14,360,457
Cash and cash equivalents at the end of the year	6(1)	$ 20,392,205	$ 27,136,296

The accompanying notes are an integral part of these parent company only financial statements.

1. History and Organization

Siliconware Precision Industries Co., Ltd. (the "Company") was incorporated as a company limited by shares under the Company Law of the Republic of China (R.O.C.) in May 1984, and has been listed on the Taiwan Stock Exchange (TWSE) since April 1993. The Company is mainly engaged in the assembly, testing and turnkey services of integrated circuits. The address of the registered office is No. 123, Sec. 3, Da Fong Rd., Tantzu, Taichung 427, Taiwan, R.O.C.

2. The date of authorization for issuance of financial statements and procedures for authorization

The parent company only financial statements have been authorized to issue by the Board of Directors on February 4, 2016.

3. Application of New Standards, Amendments and Interpretations

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

According to Financial-Supervisory-Securities-Auditing No. 1030010325 issued by FSC on April 3, 2014, commencing 2015, companies with shares listed on the TWSE or traded on the Taipei Exchange or Emerging Stock Market shall adopt the 2013 version of IFRS (not including IFRS 9, 'Financial instruments') as endorsed by the FSC and Regulations Governing the Preparation of Financial Reports by Securities Issuers effective January 1, 2015 (collectively referred herein as "the 2013 version of IFRS") in preparing the financial statements. The impact of adopting the 2013 version of IFRS is listed below:

A. IAS 19 (revised), 'Employee benefits'

The revised standard makes amendments that net interest amount, calculated by applying the discount rate to the net defined benefit asset or liability, replaces the finance charge and expected return on plan assets. Past service cost will be recognized immediately in the period incurred and will no longer be amortized using straight-line basis over the average period until the benefits become vested. An entity is required to recognize termination benefits at the earlier of when the entity can no longer withdraw an offer of those benefits and when it recognizes any related restructuring costs, rather than when the entity is demonstrably committed to a termination. Additional disclosures are required for defined benefit plans.

The Company recognizes previously unrecognized past-service costs and actuarial gains and losses into other comprehensive income. Remeasurements of post employment benefit obligations are expressed in other comprehensive income. As of January 1 and December 31, 2014, we increased the net defined benefit obligation by $11,112 and $10,062, increased deferred tax assets by $2,382 and $4,450, decreased retained earnings by $76,815 and $28,951, and increased other equity item by $68,085 and $23,339, respectively. In 2014, we decreased operating costs and operating expenses by $8,807 and $4,405, respectively, and increased basic earnings per share from $3.76 to $3.77.

B. IAS 1, 'Presentation of financial statements'

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

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

C. IFRS 12, 'Disclosure of interests in other entities'

The standard integrates the disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured entities and requires disclosure of interests in such entities. The Company discloses additional aggregate financial information about its interests in consolidated entities and unconsolidated entities accordingly. Please see Note 6(5).

D. IFRS 13, 'Fair value measurement'

The standard defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The standard sets out a framework for measuring fair value from market participants' perspective, and requires disclosures on fair value measurements. For non-financial assets only, fair value is determined based on the highest and best use of the asset. Based on the Company's assessment, the adoption of the standard has no significant impact on its parent company only financial statements, and the Company has disclosed additional information about fair value measurements accordingly. Please see Note 12(3).

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

None.

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

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

New Standards, Interpretations, and Amendments	Effective date by International Accounting Standards Board
Recoverable amount disclosures for non-financial assets (amendments to IAS 36)	January 1, 2014
Novation of derivatives and continuation of hedge accounting (amendments to IAS 39)	January 1, 2014
IFRIC 21, 'Levies'	January 1, 2014
Defined benefit plans: employee contributions (amendments to IAS19R)	July 1, 2014
Improvements to IFRSs 2010-2012	July 1, 2014
Improvements to IFRSs 2011-2013	July 1, 2014
IFRS 14, 'Regulatory deferral accounts'	January 1, 2016
Accounting for acquisition of interests in joint operations (amendments to IFRS 11)	January 1, 2016
Clarification of acceptable methods of depreciation and amortisation (amendments to IAS 16 and IAS 38)	January 1, 2016
Agriculture: bearer plants (amendments to IAS 16 and IAS 41)	January 1, 2016
Equity method in separate financial statements (amendments to IAS 27)	January 1, 2016
Sale or contribution of assets between an investor and its associate or joint venture (amendments to IFRS 10 and IAS 28)	To be determined by International Accounting Standards Board
Improvements to IFRSs 2012-2014	January 1, 2016
Investment entities: applying the consolidation exception (amendments to IFRS 10, IFRS 12 and IAS 28)	January 1, 2016
Disclosure initiative (amendments to IAS 1)	January 1, 2016
Disclosure initiative (amendments to IAS 7)	January 1, 2017
Recognition of deferred tax assets for unrealised losses (amendments to IAS 12)	January 1, 2017
IFRS 15, 'Revenue from contracts with customers'	January 1, 2018
IFRS 9, 'Financial instruments'	January 1, 2018
IFRS 16, 'Leases'	January 1, 2019

Except for the following, the initial application of the above new standards and interpretations with effective dates on January 1, 2014 and July 1, 2014 has not had any material impact on the Company’s financial condition and operating result based on its assessments.

Amendments to IAS 36 clarify that the Company is only required to disclose the recoverable amount of impairment accrual or reversal. Moreover, if the recoverable amount of impaired assets is based on fair value less costs of disposal, it is required to disclose the level of the fair value hierarchy, the valuation technique(s) used and key assumptions.

For new standards and interpretations with effective dates on or after January 1, 2016, the Company continues in evaluating the impact on its financial position and financial performance as a result of the initial adoption of these standards or interpretations. Related impact will be disclosed when the Company completes the evaluation.

4. Summary of Significant Accounting Policies

(1) Compliance Statement

The accompanying parent company only financial statements are prepared in conformity with “Regulations Governing the Preparation of Financial Reports by Securities Issuers”.

(2) Basis of Financial Statements Preparation

The parent company only financial statements have been prepared under the historical cost convention, except for certain financial assets and financial liabilities which are carried at fair value and defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation. The preparation of the parent company only financial statements requires the use of certain critical accounting estimates and also requires management to exercise its judgment in the process of applying the accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign Currency Translation

A. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognized in other gains and losses of the statement of comprehensive income.

B. Translation differences on non-monetary financial assets and liabilities held at fair value through profit or loss are recognized as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available-for-sale, are included in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

C. Translation differences from the Company and its subsidiaries entities that have a functional currency different from the presentation currency is recognized in other comprehensive income. When disposing of foreign operations, those translation differences recognized in other comprehensive income would be realized as profit or loss.

(4) Classification of Current and Noncurrent Assets / Liabilities

A. Assets that meet one of the following criteria are classified as current assets, otherwise they are classified as noncurrent assets:

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

(b) Assets held mainly for trading purposes;

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

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

B. Liabilities that meet one of the following criteria are classified as current liabilities, otherwise they are classified as noncurrent liabilities:

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

(b) Liabilities arising mainly from trading activities;

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

(d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date.

(5) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, time deposits that meet operating short-term cash commitments and that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value, and other short-term highly liquid investments.

(6) Accounts Receivable

Accounts receivable is recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. Accounts receivable expected to be collected within one year is not reported at present value due to the facts that the difference between the maturity value and the fair value discounted by implicit interest rate is immaterial and the frequency of transactions is high.

(7) Inventories

Inventories are recorded at cost when acquired under a perpetual inventory system. Cost is determined using the weighted-average method. The cost of work in process comprises raw materials, direct labor, other direct costs and related production overheads based on normal operating capacity. As of the balance sheet date, inventories are stated at the lower of cost or net realizable value by item, except where it may be appropriate to company similar or related items. Net realizable value is the estimated selling price in the ordinary course of business less all estimated costs of completion and necessary selling expenses.

In the service agreements with and/or purchase orders from customers, the Company and the customer both agree what materials are to be provided by the customer and what materials are to be provided by the Company. Materials provided by the customers are considered consigned materials. According to the service agreement and/or purchase order, title (ownership) of the consigned materials belongs to the customers. The Company does not take title to these consigned materials. The Company does not have any rights or obligations with respect to the consigned materials other than keeping them in good care while under the Company’s custody, and therefore the risk does not transfer to the Company. In addition, the customers are informed of the status and locations of integrated circuits being assembled and/or tested by the Company which provides further evidence that the customers are taking control or monitoring those consigned materials. As such, the Company does not book the consigned materials into its inventory account.

(8) Financial Assets

A. Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, available-for-sale, and held-to-maturity. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

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

A financial asset held for trading is classified in this category of acquired principally for the purpose of selling in the short term. Derivatives are also categorized as held for trading unless they are designated as hedges.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Except for maturities greater than one year after the end of the reporting period, which are classified as non-current assets; otherwise, they are classified as current assets. The Company's loans and receivables are comprised of accounts receivable and other receivables on the balance sheet.

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any of the other categories. Except for those that are expected to be disposed more than one year after the end of the reporting period, which are classified as non-current assets, otherwise, they are classified as current assets.

(d) Held-to-maturity financial assets

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company intends to and has the ability to hold to maturity.

B. Recognition and Measurement

(a) Regular purchases and sales of financial assets are recognized on the trade date (the date on which the Company commits to purchase or sell the asset). Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the statements of comprehensive income. Other financial assets not carried at fair value through profit or loss are initially recognized at fair value plus transaction costs. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or transferred and the Company has transferred substantially all risks and rewards of ownership.

(b) Financial assets at fair value through profit or loss and available-for-sale financial assets are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" are presented as non-operating income and expenses in the statements of comprehensive income. Changes in the fair value of securities classified as available-for-sale are recognized in other comprehensive income. Dividend income from these two categories of assets is recognized in the statements of comprehensive income as dividend income when the Company has the right to receive dividend.

(c) Loans and receivables and held-to-maturity financial assets are subsequently carried at amortized cost using the effective interest method. Subsequent interest is recognized in the statements of comprehensive income as other income.

(d) When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the statements of comprehensive income as 'gain/loss on disposal of investments' and 'impairment losses', respectively.

(9) Impairment of Financial Assets

A. Loans and Receivables

(a) The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial asset is impaired and impairment losses are incurred only if:

i. There is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the asset (a "loss event"),
ii. That loss event has an impact on the estimated future cash flows of the financial asset or a group of financial assets, and
iii. The amount can be reliably estimated.

Evidence of impairment includes:
i. The issuer or the debtor is experiencing significant financial difficulty;
ii. Default or delinquency in interest or principal payment;
iii. Concessions made to the insolvent debtor by creditors owing to economic or legal considerations;
iv. The probability that they will enter bankruptcy or other financial reorganization;
v. The disappearance of an active market for that financial asset because of financial difficulties;
vi. Where observable data indicates that there is a measurable decrease in the estimated future cash flow from a a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial asset in the Company, such as:
- Deterioration of debtor's repayment condition
- Changes in national or local economic conditions that correlate with defaults on the assets in the Company

(b) The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment. For those impaired assets, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the allowance for doubtful accounts and the amount of the loss is recognized in the parent company only statements of comprehensive income. In subsequent period, if the amount of the impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the parent company only statements of comprehensive income. The reversal shall not result in a carrying amount of a financial asset that exceeds what the amortized cost would have been had the impairment not been recognized at the date the impairment is reversed.

B. Available-for-sale Financial Assets

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. Other than the conditions mentioned in item A. (a) above, in the case of equity investments classified as available-for-sale, objective evidence of impairment for an investment in an equity instrument includes information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in the equity instrument may not be recovered. Significant or prolonged decline in the fair value of the security below its cost is also objective evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss - is removed from equity and recognized in profit or loss. Impairment losses already recognized in the parent company only statements of comprehensive income on equity instruments are not reversed through profit or loss.

(10)Investments Accounted for Using the Equity Method

The investments accounted for using the equity method include investments in subsidiaries, associates and joint ventures.

A. Subsidiaries are all entities (including special purpose entities) over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The Company evaluates its investment in subsidiaries in parent company only financial statements using the equity method. Unrealized intercompany profit or loss between the Company and its subsidiaries is eliminated. Subsidiaries' accounting policies are consistent with the policies adopted by the Company.

B. The Company's share of subsidiaries' post-acquisition profit or loss is recognized in the statement of comprehensive income, and its share of subsidiaries' post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Company's share of losses in a subsidiary equals to or exceeds its interest in the subsidiary, the Company shall recognize the loss proportional to its shares.

C. Associates are all entities over which the Company has significant influence, exclusive of subsidiaries or joint ventures. Significant influence means the power to participate in the financial and operating policy decisions of the investees, but not control or jointly control those decisions. A joint venture is a contractual arrangement whereby the parties undertake an economic activity that is subject to joint control. The parties that have joint control of the arrangement have rights to the net assets of the arrangement. As a result, all the strategic financial and operating policy decisions relating to the activities of the joint venture require the unanimous consent of the parties sharing control. The Company applies the equity method to account for its investment in associates and interest in joint venture. The investments are initially recognized at cost, and the portion of acquisition cost over net identifiable assets is recognized as goodwill, which is never amortized and perceived as a segment of overall investment while assessing the impairment. Any excess of the Company's share of the net fair value of the identifiable assets over the acquisition cost is recognized in profit or loss.

D. The Company's share of post-acquisition profit or loss in associates and joint ventures is recognized under non-operating income and expenses in the parent company only statements of comprehensive income, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Company's share of losses in an associate or joint venture equals to or exceeds its interest in the associate or joint venture, including any other unsecured receivables, the Company does not recognize further losses, unless it has legal or constructive obligations or made payments on behalf of the associate or joint venture. When changes in an associate's or joint venture's equity that are not recognized in profit or loss or other comprehensive income of the associate or joint venture and such changes not affecting the Company's ownership percentage of the associate or joint venture, the Company recognizes the Company's share of change in equity of the associate or joint venture in equity in proportion to its ownership.

E. Profits and losses resulting from the transactions between the Company and its associates or joint ventures are recognized in the Company's financial statements only to the extent of unrelated investor's interests in the associates or joint ventures. Unrealized losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates or joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Company. In the case that an associate or joint venture issues new shares and the Company does not subscribe or acquire new shares proportionately, which results in a change in the Company's ownership percentage of the associate but maintains significant influence on the associate, then capital surplus shall be adjusted for its share of equity interest. If the above condition causes a decrease in the Company's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately.

F. When the Company disposes associates and joint ventures, (e.g., loss of significant influence over associates or joint venture), other comprehensive income and capital surplus previously recognized in relation to the investment in associates and joint venture shall be reclassified to profit and loss. The associate or joint venture is to be re-measured, with the difference between fair value and carrying value recognized in current period's profit or loss. If the Company still retains significant influence over the associate or joint venture, then the aforementioned other comprehensive income and capital surplus are reclassified to profit or loss proportionately.

G. According to the Rules Governing the Preparation of Financial Reports by Securities Issuers, net income and other comprehensive income in the parent company only financial statements shall use the same allotments as the ones that are attributable to owners of the parent in the consolidated financial statements. Equity in parent company only financial statements should equal to equity attributable to owners of the parent in the consolidated financial statements.

H. The Company assesses its subsidiaries, associates and joint ventures for signs of impairment every quarter. If there is any, the Company would calculate the recoverable amount and recognize impairment loss.

(11)Property, Plant and Equipment

A. Property, plant and equipment are stated at historical cost. The acquisition costs include the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating, and the obligations to dismantle and remove the items and restore the site on which they are located. The subsequent costs will only be recognized under the conditions that future economic benefits associated with the item will flow to the Company and the item cost can be measured reliably. Day-to-day servicing costs and repairment expenditures are recognized as expenses as incurred.

B. The Company capitalizes borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset as part of the cost of that asset. The capitalized borrowing costs will be depreciated through the residual useful lives of related items. Borrowing costs which do not qualify for capitalization are recognized in profit or loss.

C. If material part of replacing items of property, plant and equipment has different useful live from the main asset, it should be recognized and depreciated separately. Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives. The estimated useful lives of property, plant and equipment are as follows:

Property, plant and equipment	Estimated useful lives
Buildings	
-Main buildings	20 - 55 years
-Construction and improvements	3 - 15 years
Machinery and equipment	5 - 6 years
Utility equipment, Furniture and fixtures and Other equipment	2 - 6 years

D. The assets' residual value, useful lives, and depreciation method are reviewed and adjusted when appropriate in each reporting period. Gains and losses on disposals are recognized as other gains and losses in the statements of comprehensive income.

(12)Intangible Assets

Intangible assets are the expenditures of license fees and computer software. License fees are capitalized at historical cost. Acquired computer software is capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Both license fees and computer software are intangible assets with limited useful lives. Computer software is amortized over 3 years whereas license fees are amortized over their economic lives or the contract years using straight-line method. Subsequent measurements are measured using costs less accumulated amortization.

(13)Impairment of Non-financial Assets

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

(14)Accounts Payable

Accounts payable is obligation to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Account payable is recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Accounts payables of which payment due is within one year or less are not discounted as their fair value is close to the value in maturity and are transacted actively.

(15)Derecognition of financial liabilities

The Company derecognizes a financial liability from its balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

(16)Financial liability at fair value through profit or loss

A. Financial liability is classified in fair value through profit or loss while it is held for trading or identified at fair value through profit or loss on initial recognition. A financial liability is held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term, or if it is a derivative that is neither classified as a financial guarantee contract nor designated and effective as a hedging instrument. A financial liability is designated as at fair value through profit or loss upon initial recognition if:
    i. Hybrid (combined) contracts; or
    ii. They eliminate or significantly reduce a measurement or recognition inconsistency; or
    iii. They are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management policy.

B. Financial liabilities at fair value through profit or loss are stated at fair value upon initial recognition, and the related transaction cost are expensed immediately. In subsequent measurement, the Company measures fair value fluctuation in current profit or loss.

(17)Convertible bonds

Convertible bonds issued by the Company contain conversion options (that is, the bondholders have the right to convert the bonds into the Company’s common shares, but not by exchanging a fixed amount of cash for a fixed number of common shares), redemption options and put options. The Company classifies the bonds payable and derivative features embedded in convertible bonds on initial recognition as a financial asset or a financial liability in accordance with the substance of the contractual arrangement. Convertible bonds are accounted for as follows:

i. Conversion options, redemption options and put options embedded in convertible bonds are recognised initially at net fair value as ‘financial liabilities at fair value through profit or loss’. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognised as ‘gain or loss on valuation of financial liabilities at fair value through profit or loss’.

ii. Bonds payable of convertible bonds is initially recognised at the residual value of total issue price less amount of ‘financial liabilities at fair value through profit or loss’ as stated above, and subsequently stated at amortised cost. Any difference between the proceeds and the redemption value is accounted for as the premium or discount on bonds payable and presented as an addition to or deduction from bonds payable, which is amortized in profit or loss as an adjustment to the ‘finance costs’ over the period of bond circulation using the effective interest method.

iii. Any transaction costs directly attributable to the issuance of convertible bonds are allocated to each liability component in proportion to the allocation of proceeds.

iv. When bondholders exercise conversion options, the liability components of the bonds (including ‘bonds payable’ and ‘financial liabilities at fair value through profit or loss’) are remeasured on the conversion date. The book value of common shares issued due to the conversion shall be based on the adjusted book value of the liability components.

(18)Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred, and subsequently carried at amortized cost. Any difference between the proceeds, net of transaction costs, and the redemption value is recognized in the statements of comprehensive income over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facilities will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

(19)Current and Deferred Income Tax

A. Tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, that tax is also recognized in other comprehensive income or directly in equity.

B. Current income tax is calculated on the basis of the tax law enacted or substantively enacted at the balance sheet date in countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

C. An additional 10% tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the shareholders resolve to retain the earnings.

D. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

E. Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

(20)Employee Benefits

A. Pensions

(a) For defined contribution plans, the Company pays contributions over employees' service years and recognizes employee benefit expenses when they are due. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits.

(b) For defined benefit plans, net obligation is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit net obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds (at the balance sheet date) of a currency and term consistent with the currency and term of the employment benefit obligations. Remeasurements arising on defined benefit plans are recognized in other comprehensive income in the period in which they arise and are recorded as other equity. Past-service costs are recognized immediately in profit or loss.

B. Employees' and directors' remuneration

The Company recognizes related expenses and liabilities when the Company has legal or constructive obligation and could reasonably estimate such amount. Any difference between estimated amount and distributed amount resolved in the Board of Directors in the subsequent year shall be adjusted in the profit or loss of the following year.

(21)Provision

A. Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

B. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation, which is discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

C. A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A present obligation that arises from past events but is not recognized because either that it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or that the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized on the balance sheet.

(22)Revenue Recognition

The Company provides assembly, testing, and turnkey services for integrated circuits. The Company recognizes revenue when:

A. the amount of revenue can be measured reliably;

B. it is probable that the economic benefits associated with the transaction will flow to the entity;

C. the stage of completion of the transaction at the end of the reporting period can be measured reliably;

D. the costs incurred for the transaction and the cost to complete the transaction can be measured reliably.

Services provided by the Company include wafer bumping, wafer sort, IC packaging and final testing. Actual services and fees of the Company may vary by customers and are pre-agreed before provision of services. The Company regards each of the captioned services as a separate stage. Fees for each stage of services are negotiated independently and the fee for a specific stage is the then market price for that stage. Revenue is recognized when each stage of services has been completed. Each stage is performed as a whole and may not be separated or proportioned. Sales allowance is estimated by historical experiences and recorded as a deduction to revenue.

(23) Lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease income and expense are recognized on a straight-line basis over the lease period.

5. Critical Accounting Estimates and Judgments and Key Sources of Estimation and Uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors. The resulting accounting estimates may differ from the actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(1) Pension Benefits

The present value of the pension obligations is determined on an actuarial basis. When calculating the present value of defined pension obligations, the Company must apply judgments and estimates to determine a number of actuarial assumptions, including discount rates and future salary growth rate. Any changes in these assumptions could significantly impact the carrying amount of defined pension obligations. For relevant sensitivity analysis, please refer to Note 6 (13).

(2) Fair Value of Derivatives and Other Financial Instruments

The fair value of derivatives and other financial instruments that are not traded in active market is determined by using valuation techniques. The Company applies its professional judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For valuing these derivatives and other financial instruments, the Company maximizes the use of observable market data where it is available and rely as little as possible on entity specific estimates. For sensitivity analyses, please refer to Note 12 (3).

(3) Impairment of available-for-sale equity investments

The Company follows the guidance of IAS 39 to determine when an available-for-sale equity investment is impaired. This determination requires significant judgment. In making this judgment, the Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and short-term business outlook for the investee. If the declines in fair value below cost were considered significant or prolonged, the Company would transfer the accumulated fair value adjustments recognized in equity on the impaired available-for-sale financial assets to the income statement. Please refer to Note 6 (4).

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

6. Details of Significant Accounts

(1) Cash and Cash Equivalents

	As of December 31,	
	2015	2014
Cash on hand and petty cash	$ 897	$ 1,218
Savings accounts and checking accounts	1,977,453	2,383,024
Time deposits	18,413,855	24,752,054
	$ 20,392,205	$ 27,136,296

(2) Accounts Receivable, Net

	As of December 31,	
	2015	2014
Accounts receivable	$ 13,276,603	$ 15,270,397
Less: Allowance for sales discounts	(14,056)	(266,648)
Allowance for doubtful accounts	(1,695)	(1,695)
	$ 13,260,852	$ 15,002,054

The Company assessed the carrying value of receivables mentioned above are highly likely to be recovered; therefore the credit risk is low. Please refer to note 12 (1) B for relevant analysis.

Movements on the Company’s allowance for doubtful accounts are as follows:

	2015	2014
Balance as of January 1 and December 31	$ 1,695	$ 1,695

(3) Inventories

	As of December 31,	
	2015	2014
Raw materials and supplies	$ 3,576,049	$ 3,514,472
Work in process	515,488	487,408
	4,091,537	4,001,880
Less: Allowance for loss on obsolescence and decline in market value of inventories	(130,243)	(109,119)
	$ 3,961,294	$ 3,892,761

The above allowance for loss on obsolescence and decline in market value of inventories were caused by the valuation of raw materials and supplies.

	For the years ended December 31,	
Expense / loss incurred related to inventories:	2015	2014
Cost of goods sold	$53,351,414	$ 56,153,526
Decline in market value and loss on obsolescence	21,124	4,548
Others	26,699	(539)
	$53,399,237	$ 56,157,535

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

(4) Available-for-sale Financial Assets

	As of December 31, 2015	As of December 31, 2014
Current Item:		
Common Stock	$ 1,067,204	$ -
Non-current Items:		
Common Stock	$ 5,336,887	$ 8,799,109
Fund	189,525	200,794
	$ 5,526,412	$ 8,999,903

A. The Company recognized (loss)/gains of ($2,406,287) and $3,628,169 for the change of fair value of available-for-sale financial assets in other comprehensive income and reclassified ($1,856,442) and $679,800 from equity to profit or loss for the years ended December 31, 2015 and 2014, respectively.

B. The Company didn't dispose any of its available-for-sale financial assets for the year ended December 31, 2015. However, the Company disposed 1,225 thousand shares of available-for-sale financial assets and recognized gains on disposal of $639,103 for the year ended December 31, 2014.

C. In 2015, the Company recognizes impairment loss on domestic listed stocks of $1,856,442 because the significant decline in the stock price below its cost.

(5) Investments accounted for using equity method

Investments accounted for using the equity method consisted of the following:

	As of December 31, 2015	As of December 31, 2014
Subsidiaries	$ 13,246,767	$ 10,051,352
Associates	122,748	76,032
	$ 13,369,515	$ 10,127,384

A. Investments in Subsidiaries

	Carrying Amount		% of ownership interest	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
SPIL (B.V.I.) Holding Limited	$ 10,846,029	$ 10,051,352	100.00%	100.00%
Siliconware Investment Co., Ltd	2,400,738	-	100.00%	-
	$ 13,246,767	$ 10,051,352		

(a) Please see Note 4(3) of the consolidated financial statements as of December 31, 2015 for information about the Company and its subsidiaries.

(b) The investment income from the interest in its subsidiaries using the equity method amounted to $1,053,563 and $958,220 for the years ended December 31, 2015 and 2014, respectively.

(c) In November 2015, the Company established Siliconware Investment Co., Ltd. with cash consideration of $2,401,000. Siliconware Investment Co., Ltd. mainly engaged in investment activities and it invested in Yann Yuan Investment Co., Ltd in December 2015.

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

B. Investments in Associates

		Carrying Amount		% of ownership interest	
Associates	Nation of Registration	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
AcSiP Technology Corp. (AcSiP)	Taiwan R.O.C.	$ -	$ 52,405	-	12.08%
Interconnect Tech Pte. Ltd. (Interconnect)	Singapore	-	23,627	-	42.27%
ASM Advanced Packaging Materials Pte. Ltd. (AAPM)	Singapore	122,748	-	39.00%	-
		$ 122,748	$ 76,032		

(a) The Company acquired common shares of AcSiP Technology Corp. (AcSiP) to upgrade assembly related technology. Although the Company holds less than 20% of the equity shares of AcSiP, the Company exercises significant influence by appointing one director of the Board of Directors in AcSiP, thus applies the equity method to account for this investment. In December 2015, the Company disposed all of its shareholdings in AcSip and recognized a disposal gain of $1,059.

(b) Associate, Vertical Circuits, Inc. (VCI), is currently undertaking the bankruptcy process. As of December 31, 2015, the carrying amount of investment in VCI is $0.

(c) In order to develop new generation substrates and increase substrate supply sources, the Company acquired the shares in Interconnect. In 2014, the Company increased the investment in Interconnect with an amount of US$2,114 thousand. The Company initially accounted for this investment as joint venture investment. In September 2014, another joint venture investor, AEM Holdings Ltd., sold all of its shares to a third party at a price that was relatively lower than the holding price of the Company. The Company believed that the transaction was an impairment indicator. The recoverable amount calculated from the share selling price was lower than the carrying amount, and the Company recognized an impairment loss of $442,385 in 2014. In December 2014, the Company entered into a new contractual agreement with PBT Pte. Ltd., and no longer held joint control over Interconnect. As of September 30, 2015, the carrying amount of investment in Interconnect was $0 and unrecognized share of loss was $133,583 due to the sustained losses of Interconnect.

(d) In October 2015, Interconnect sold major assets and liabilities to AAPM in exchange for cash and 39% interests in AAPM. As a result, the Company evaluated the recoverable amounts of investment in Interconnect using the fair value less cost to sell model, and reversed the previous impairment charges amounted to $134,992. The fair value was determined based on a valuation model using unobservable inputs. The Company also recognized previously unrecognized share of loss in Interconnect amounted to $133,583. Interconnect subsequently reduced its capital in December 2015. The 39% interests in AAPM were distributed to the Company as capital return. Accordingly, the Company derecognized the investment in Interconnect and recognized a disposal gain of $139,567.

(e) Set out below are the aggregate carrying value and aggregate amount of the Company's share of operating results of individually immaterial associates.

Aggregate carrying amounts of individually immaterial associates as of December 31, 2015 and 2014 were $122,748 and $76,032, respectively. Aggregate amounts of the Company's share of:

	For the years ended December 31,	
	2015	2014 (Note)
Total comprehensive income	($ 183,618)	($ 171,591)

Note: Since Interconnect has been reclassified from "Joint Venture" to "Associate," related financial information for the fiscal year 2014 is disclosed in "Investments in Associates."

(f) As of December 31, 2014, the fair value of AcSiP, based on the public market stock price, was $28,468.

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

(6) Financial Instruments by Category

Financial Assets	As of December 31, 2015	As of December 31, 2014
Loans and receivables		
Cash and cash equivalents	$ 20,392,205	$ 27,136,296
Notes receivable	7,207	4,946
Accounts receivable	13,260,852	15,002,054
Other receivables	583,482	884,456
Time deposit pledged as collateral (shown as other current assets-other)	384,400	339,600
Refundable deposit (shown as other non-current assets-other)	86,662	16,575
Available-for-sale financial assets, current	1,067,204	-
Available-for-sale financial assets, non-current	5,526,412	8,999,903
	$ 41,308,424	$ 52,383,830

Financial Liabilities	As of December 31, 2015	As of December 31, 2014
Financial liabilities at amortised cost		
Notes payable	$ -	$ 735,000
Accounts payable	5,773,071	6,417,757
Other payables	10,369,330	9,237,020
Receipts under custody (shown as other current liabilities-other)	94,442	88,140
Deposit received (shown as other current liabilities-other and other non-current liabilities)	121,092	139,942
Convertible bonds	12,627,311	11,875,483
Long-term loans (including the current portion)	13,849,164	19,764,214
Other non-current liabilities (shown as other non-current liabilities)	177,525	285,300
Financial liability at fair value through profit or loss	1,798,920	1,095,552
	$ 44,810,855	$ 49,638,408

(7) Property, Plant and Equipment

A. Carrying amount by category:

	As of December 31, 2015	As of December 31, 2014
Land	$ 2,903,192	$ 2,903,192
Buildings	17,595,319	11,295,960
Machinery and equipment	29,202,555	29,757,855
Utility equipment	732,538	352,876
Furniture and fixtures	338,188	302,671
Other equipment	2,857,947	2,549,247
Construction in progress and equipment awaiting for inspection	3,094,241	9,291,284
	$ 56,723,980	$ 56,453,085

B. Movement from period beginning to period end:

(a) From January 1, 2015 to December 31, 2015

i. Cost

	Balance at January 1	Additions	Disposals	Transfers	Balance at December 31
Land	$ 2,903,192	$ -	$ -	$ -	$ 2,903,192
Buildings	20,380,427	1,295,339	-	6,545,803	28,221,569
Machinery and equipment	62,262,493	6,521,265	(6,962,209)	1,965,241	63,786,790
Utility equipment	916,831	105,796	(142,879)	457,955	1,337,703
Furniture and fixtures	849,840	144,219	(172,445)	13,709	835,323
Other equipment	4,556,217	794,611	(295,504)	258,148	5,313,472
Construction in progress and equipment awaiting for inspection	9,291,284	3,043,813	-	(9,240,856)	3,094,241
	$ 101,160,284	$ 11,905,043	($7,573,037)	$ -	$ 105,492,290

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

ii. Accumulated depreciation and impairment

	Balance at January 1	Depreciation expense	Impairment losses	Disposals	Transfers	Balance at December 31
Buildings	$ 9,084,467	$ 1,541,783	$ -	$ -	$ -	$ 10,626,250
Machinery and	32,504,638	8,885,763	30,027	(6,837,159)	966	34,584,235
Utility equipment	563,955	182,818	1,270	(142,878)	-	605,165
Furniture and fixtures	547,169	113,044	9,366	(172,444)	-	497,135
Other equipment	2,006,970	731,959	7,559	(289,997)	(966)	2,455,525
	$ 44,707,199	$ 11,455,367	$ 48,222	($ 7,442,478)	$ -	$ 48,768,310

(b) From January 1, 2014 to December 31, 2014

i. Cost

	Balance at January 1	Additions	Disposals	Transfers	Balance at December 31
Land	$ 2,903,192	$ -	$ -	$ -	$ 2,903,192
Buildings	18,897,360	212,678	(330)	1,270,719	20,380,427
Machinery and equipment	60,195,080	8,182,682	(7,630,764)	1,515,495	62,262,493
Utility equipment	907,424	45,303	(84,575)	48,679	916,831
Furniture and fixtures	859,023	75,024	(87,036)	2,829	849,840
Other equipment	4,106,393	491,870	(405,466)	363,420	4,556,217
Construction in progress and equipment awaiting for inspection	3,443,094	9,047,509	-	(3,199,319)	9,291,284
	$ 91,311,566	$ 18,055,066	($8,208,171)	$ 1,823	$ 101,160,284

ii. Accumulated depreciation and impairment

	Balance at January 1	Depreciation expense	Impairment losses	Disposals	Transfers	Balance at December 31
Buildings	$ 7,789,933	$ 1,295,623	$ -	($ 331)	($ 758)	$ 9,084,467
Machinery and	31,687,478	8,353,576	48,751	(7,594,513)	9,346	32,504,638
Utility equipment	540,744	107,461	325	(84,575)	-	563,955
Furniture and fixtures	523,536	108,799	1,833	(86,999)	-	547,169
Other equipment	1,788,681	625,959	4,653	(403,735)	(8,588)	2,006,970
	$ 42,330,372	$ 10,491,418	$ 55,562	($ 8,170,153)	$ -	$ 44,707,199

C. There is no interest capitalized for the years ended December 31, 2015 and 2014.

D. For idle equipment, the Company adopted fair value less cost to sell method to measure their recoverable amount and recognized impairment loss of $48,222 and $55,562 for the years ended December 31, 2015 and 2014, respectively.

(8) Intangible Assets

	For the year ended December 31, 2015			
Item	Balance at January 1	Additions	Amortizations	Balance at December 31
License Fee	$ 174,262	$ -	($ 120,693)	$ 53,569
Software	63,961	106,456	(46,274)	124,143
	$ 238,223	$ 106,456	($ 166,967)	$ 177,712

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

	For the year ended December 31, 2014			
Item	Balance at January 1	Additions	Amortizations	Balance at December 31
License Fee	$ 257,120	$ 32,177	($ 115,035)	$ 174,262
Software	88,183	31,568	(55,790)	63,961
	$ 345,303	$ 63,745	($ 170,825)	$ 238,223

For the years ended December 31, 2015 and 2014, amortization of $13,771 and $7,020 are included in "operating cost", and amortization of $153,196 and $163,805 are included in "operating expense", respectively.

(9) Financial liabilities at fair value through profit or loss

As of December 31, 2015 and 2014, the detail of financial liabilities at fair value through profit or loss is as follow:

	As of December 31,	
	2015	2014
Conversion option, redemption option and put option of convertible bonds upon initial recognition	$ 774,319	$ 774,319
Valuation adjustments	1,024,601	321,233
	$ 1,798,920	$ 1,095,552

For the years ended December 31, 2015 and 2014, the Company recognized net losses of $703,368 and $321,233 on financial liabilities held for trading, respectively.

(10) Convertible Bonds

As of December 31, 2015 and 2014, the detail of convertible bonds is as follow:

	As of December 31,	
	2015	2014
Unsecured overseas convertible	$ 13,821,965	$ 13,327,948
Less: Discounts on bonds payable	(1,194,654)	(1,452,465)
	$ 12,627,311	$ 11,875,483

In October 2014, the Company issued the fourth unsecured overseas convertible bonds (the "Bonds") of US$400,000 thousand. The Bonds are zero coupon bonds with maturity of 5 years, with par value of US$250 thousand or in any integral multiples thereof.

Key terms and conditions of the Bonds are as follows:

A. Each holder of the Bonds has the right to convert at any time starting from the day immediately following 40 days after the issue date to 10 days prior to the maturity date, except during legal lock-up period, into newly issued listed common shares or American Depositary Shares ("ADRs") at the conversion price $53.1038 dollars, determined on the basis of a fixed exchange rate of US$1 to $30.392 (in dollars). The conversion price will be adjusted in accordance with the conversion provisions due to anti-dilution clause. The conversion price was adjusted to $49.4668 dollars as of December 31, 2015.

B. Unless previously redeemed, repurchased and cancelled, or converted, the Bonds will be redeemed by the Company on the maturity date at an amount equal to 105.11% of the principal, with repayment made in US dollars.

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

C. Each holder shall have the right to request the Company to repurchase all or any portion of the principal amount thereof of a holder's Bonds (1) at 103.04% of the principal amount on the third anniversary of the issuance date or (2) at principal amount plus 1% interest compounded semiannually ("Early Redemption Amount") in the event of a change in control or delisting.

D. The Company may redeem the Bonds in whole or in part, after 3 years after the issuance date, at a price equal to the Early Redemption Amount, provided that the closing price of the Company's common shares on the TWSE, converted into US dollars at the prevailing exchange rate, on 20 trading days within a period of 30 consecutive trading days, is at least 130% of the Early Redemption Amount divided by the conversion ratio. The Company may, in whole but not in part, redeem all of the Bonds at the Early Redemption Amount in the event that more than 90% of the Bonds have been previously redeemed, converted, or repurchased or cancelled, or in the event of changes in the R.O.C.'s tax rules which result in significant unfavorable tax consequences to the Company.

E. The Bonds contained a debt host contract, recognized as convertible bonds, and the Bond Options were aggregately recognized as financial liabilities at fair value through profit or loss. The effective interest rate of the debt host contract was 2.407% and the aggregate fair value of the Bond Options was $774,319 on initial recognition.

(11) Long-term Loans

Name of financial institution	Line of credit	Loan period and repayment method	As of December 31, 2015	As of December 31, 2014
Mega International Commercial Bank (The management bank of syndicated loans)	NT$5 billion and US$0.15 billion	2010.10.29-2015.10.29 Repayables in 6 semi-annually installments starting from April 2013	$ -	$ 3,251,667
Mega International Commercial Bank (The management bank of syndicated loans)	NT$3.257 billion and US$0.25 billion	2012.8.10-2017.8.10 Repayables in 6 semi-annually installments starting from February 2015	6,006,750	11,182,000
KGI Bank	NT$1.5 billion	2013.12.31-2016.12.31 Extendible when due	1,500,000	1,500,000
HSBC Bank (Taiwan) Limited	NT$0.85 billion	2014.8.11-2018.12.13 Repayables in 5 semi-annually installments starting from December 2016	850,000	850,000
Bank of Taiwan	NT$1.5 billion	2014.8.11-2018.12.10 Repayables in 6 semi-annually installments starting from June 2016	1,500,000	1,500,000
Mega International Commercial Bank	NT$1.5 billion	2014.8.11-2019.8.11 Repayables in 6 semi-annually installments starting from February 2017	1,500,000	1,500,000
CTBC Bank	NT$1.5 billion	2015.7.11-2020.7.11 Repayables in 6 semi-annually installments starting from January 2018	1,500,000	-
Taiwan Cooperative Bank	NT$1 billion	2015.11.13-2020.11.13 Repayables in 6 semi-annually installments starting from May, 2018	1,000,000	-
Less:				
Arrangement fee of syndicated loans			(7,586)	(19,453)
Current portion			(5,991,128)	(6,970,152)
			$ 7,858,036	$ 12,794,062
Available lines of credit			$ -	$ 2,500,000
Interest rate			1.2217%-1.6173%	0.9313%-1.5856%

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

A. In order to fulfill the requirements of operational and capital expenditures, the Company entered into syndicated loan agreements with eleven financial institutions, including Mega International Commercial Bank, in October 2010 and August 2012, respectively. All long-term loans are with credit periods of five years and at floating interest rates.

B. Pursuant to the loan agreement, the Company should maintain, on a semi-annual and annual consolidated basis, certain debt covenants, such as current ratio, liability to tangible net worth ratio as well as the ratio of interest coverage. Up to December 31, 2015, the Company has been in compliance with all the debt covenants.

(12) Other Payables

	As of December 31, 2015	As of December 31, 2014
Payables for equipment	$ 3,136,166	$ 2,413,081
Payables for employees' compensations	3,668,664	3,425,377
Others	3,564,500	3,398,562
	$ 10,369,330	$ 9,237,020

(13) Post-employment Benefit

A. In accordance with the Labor Standards Law, the Company has a funded defined benefit pension plan covering all eligible employees prior to the enforcement of the Labor Pension Act ("the Act"), which becomes effective on July 1, 2005, and those employees who choose to stay with the pension mechanism under the Labor Standards Law after the enforcement of the Act. Pension benefits are generally based on service years and six-month average wages and salaries before retirement of the employee. Two units are earned per year for the first 15 years of service and one unit is earned for each additional year of service with a maximum of 45 units. Under the funding policy of the plan, the Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the pension fund, which is administered by the Labor Pension Fund Supervisory Committee (the Committee) and deposited in the names of the Committee in the Bank of Taiwan. Also, the Company would assess the balance in the aforementioned labor pension reserve account by the end of December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method, to the labors expected to be qualified for retirement next year, the Company will make contribution for the deficit by next March.

B. The amounts arising from the defined benefit obligation recognized in the balance sheets are as follows:

	As of December 31, 2015	As of December 31, 2014
Present value of defined benefit obligations	$ 2,392,281	$ 2,225,935
Fair value of plan assets	(1,184,971)	(1,192,196)
Net defined benefit liability	$ 1,207,310	$ 1,033,739

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

C. Movements in net defined benefit liabilities are as follows:

(a) For the year ended December 31, 2015

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Balance at January 1	$ 2,225,935	($ 1,192,196)	$ 1,033,739
Current service cost	20,475	-	20,475
Interest expense	49,670	(26,976)	22,694
	70,145	(26,976)	43,169
Remeasurements:			
Experience adjustments	10,493	-	10,493
Changes in demographic assumptions	18,021	-	18,021
Changes in financial assumptions	145,514	-	145,514
Return of plan assets	-	5,814	5,814
	174,028	5,814	179,842
Pension fund contribution	-	(49,440)	(49,440)
Paid Pension	(77,827)	77,827	-
Balance at December 31	$ 2,392,281	($ 1,184,971)	$ 1,207,310

(b) For the year ended December 31, 2014

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Balance at January 1	$ 2,188,740	($ 1,204,615)	$ 984,125
Current service cost	23,380	-	23,380
Interest expense	48,940	(27,364)	21,576
	72,320	(27,364)	44,956
Remeasurements:			
Experience adjustments	54,556	-	54,556
Return of plan assets	-	(645)	(645)
	54,556	(645)	53,911
Pension fund contribution	-	(49,253)	(49,253)
Paid Pension	(89,681)	89,681	-
Balance at December 31	$ 2,225,935	($ 1,192,196)	$ 1,033,739

D. The Bank of Taiwan was commissioned to manage the Fund of the Company’s and domestic subsidiaries’ defined benefit pension plan in accordance with the Fund’s annual investment and utilization plan and the “Regulations for Revenues, Expenditures, Safeguard and Utilization of the Labor Retirement Fund” (Article 6: The scope of utilization for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilization of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than the aforementioned rates, government shall make payment for the deficit after authorized by the Regulator. The constitution of fair value of plan assets as of December 31, 2015 and 2014 is as follows:

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

	For the Years Ended December 31, 2015	2014
Cash	$ 240,312	$ 251,553
Equity instruments	615,237	626,141
Debt instruments	329,422	314,502
	$ 1,184,971	$ 1,192,196

E. Principal actuarial assumptions for the reporting period are as follows:

	For the years ended December 31, 2015	2014
Discount rate	1.75%	2.25%
Future salary increases	2.00%	2.00%

F. For the years ended December 31, 2015 and 2014, the aforementioned discount rate and future salary increase rate are 0.5% and 0.25% higher (lower) than management's estimates, the impact on the carrying amounts of defined benefit obligation is as follows:

For the Year Ended December 31, 2015	Impact on defined benefit obligation: 0.5% increase	0.5% decrease
Discount rate	($ 145,514)	$ 158,584
Future salary increase rate	$ 157,428	($ 145,896)

For the Year Ended December 31, 2014	Impact on defined benefit obligation: 0.25% increase	0.25% decrease
Discount rate	($ 75,246)	$ 78,775
Future salary increase rate	$ 78,794	($ 75,624)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method has been applied as when calculating the defined benefit liability recognized in the balance sheet.

G. The Company expects to pay $50,429 as contribution to the pension plan in 2016.

H. As of December 31, 2015, the weighted average duration of that retirement plan is 12.9 year. Expected maturity analysis of undiscounted defined benefit obligation was as follows:

Within 1 year	$ 48,448
1-2 year(s)	68,814
2-3 years	77,866
Over 3 years	2,893,403
	$ 3,088,531

I. In accordance with the Labor Pension Act ("LPA"), effective July 1, 2005, the Company has established a defined contribution pension plan covering all regular employees witch R.O.C. nationality. The Company makes monthly contributions to the employees' individual pension accounts on a basis no less than 6% of each employee's monthly salary or wage. The principal and accumulated gains or losses from an employee's personal pension account may be claimed on a monthly basis or in lump sum. The Company recognized $523,736 and $529,917 net of pension costs related to the defined contribution pension plan for the years ended December 31, 2015 and 2014, respectively.

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

J. As of February 4, 2016, the Board of Directors approves pension plans for executive officers, which will increase the net defined benefit obligation by approximately $62,172.

(14) Capital Stock

A. The authorized capital of the Company was $36,000,000 and the paid-in-capital was $31,163,611, with par value of $10 (in dollars) per share.

B. The Company issued $1,500,000 American Depositary Shares (“ADRs”), represented by 30,000,000 units of ADRs, in June 2000. Each ADR represents five shares of common stock of the Company with an offering price of US$ 8.49 (in dollars) per ADR. As of December 31, 2015, the outstanding ADRs amounted to 51,404,643 units. Major terms and conditions of the ADRs are summarized as follows:

(1) Voting Rights:

ADR holders will have no rights to vote directly in shareholders’ meetings with respect to the Deposited Shares. The Depositary shall provide voting instruction to the Chairman of the Company and vote on behalf of the Deposited shares evidenced by ADRs. If the Depositary receives voting instructions from holders of at least 51% of the outstanding ADRs to vote in the same direction on a resolution, the Depositary will vote in the manner as instructed.

(2) Distribution of Dividends:

ADR holders are deemed to have the same rights as holders of common shares with respect to the distribution of dividends.

(15) Capital Reserve

A. Pursuant to the Company Law of the R.O.C., the capital reserve arising from paid-in capital in excess of par on the issuance of stocks and from donation shall be exclusively used to cover accumulated deficits or transferred to capital proportionally either in issuing common stock or in returning cash. Other capital reserves shall be exclusively used to cover accumulated deficits. The amount of capital reserve used to increase capital is limited to 10% of the common stock each year when the Company has no accumulated deficits. The capital reserve can only be used to cover accumulated deficits when the legal reserve is insufficient to cover the deficits.

B. According to the Company Law of the R.O.C., captioned capital reserve is allowed to be transferred to share capital in the following year after the registration of capitalization is approved by the government authority.

	Premium from issuance	Treasury stocks	Recognition of changes in equity of subsidiaries	Proportionate share of net equity change in investees accounted for using the equity method	Others	Total
At January 1, 2015	$ 15,318,835	$ 422,509	$ 17,060	$ 12,978	$ 74	$ 15,771,456
Changes in equity of subsidiaries	-	-	(120)	-	-	(120)
Ownership change in investees accounted for using the equity method	-	-	-	(246)	-	(246)
Disposal of associates	-	-	-	(12,732)	-	(12,732)
At December 31, 2015	$ 15,318,835	$ 422,509	$ 16,940	$ -	$ 74	$ 15,758,358
At January 1, 2014	$ 15,318,835	$ 422,509	$ 17,060	$ 13,375	$ 74	$ 15,771,853
Ownership change in investees accounted for using the equity method	-	-	-	(397)	-	(397)
As of December 31, 2014	$ 15,318,835	$ 422,509	$ 17,060	$ 12,978	$ 74	$ 15,771,456

(16)Retained Earnings

A. According to the Company's original Articles of Incorporation, current year’s earnings before tax, if any, shall be distributed in the following order:

(1) Pay all taxes and duties;

(2) Offset prior years' operating losses, if any;

(3) Set aside 10% of the remaining amount after deducting (1) and (2) as legal reserve;

(4) Set aside no more than 1% of the remaining amount after deducting items (1), (2), and (3) as directors’ and supervisors’ remunerations.

(5) After items (1), (2), (3), and (4) were deducted, 10% of the remaining amount may be allocated as employee bonus and 90% as shareholders' dividend. Dividends may be distributed by way of cash dividend and stock dividend. However, distribution shall be made preferably by way of cash dividend and the amount shall be proposed by the Board of Directors and approved at the Shareholders’ meeting. Dividend distribution to the Company’s Shareholders is recognized as liability in the Company’s financial statements in the period in which the dividends are approved.

With regards to the 2014 employee bonus and director compensation information, please refer to Note 6(18).

B. On December 11, 2015, the Board of Directors approved the newly revised Articles of Incorporation, under which current year’s earnings before tax, if any, shall be distributed in the following order:

(1) Pay all taxes and duties;

(2) Offset prior years' operating losses, if any;

(3) Set aside legal reserve at 10% of the profits left over, until the accumulated legal reserve equals the Company’s paid-in capital;

(4) Set aside or reverse special reserve in accordance with relevant laws or regulations or as requested by the authorities in charge;

(5) Provide dividends and bonuses to shareholders from the remainder of current year’s earnings and unappropriated earnings in prior years, which shall be proposed by the Board of Directors and approved at the Shareholders’ meeting.

The amended Articles of Incorporation will be resolved in the annual shareholders’ meeting in 2016.

C. Legal reserve can only be used to offset deficits or increase capital in issuing common stock or in distributing cash. The amount of legal reserve that may be used to increase capital shall be limited to the portion of the reserve balance exceeding 25% of the capital stock.

D. In accordance with the R.O.C. Securities and Future Bureau (SFB) regulation, in addition to legal reserve, the Company should set aside a special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reserved amount could be included in the distributable earnings.

E. Starting from June 20, 2014, the roles and responsibilities of the Supervisors were replaced by independent directors of the Audit Committee. The authority of the Audit Committee is governed by relevant laws and regulation, with related details determined by the Board of Directors.

F. The Taiwan imputation tax system requires that any undistributed current earnings of a company derived on or after January 1, 1998 to be subject to an additional 10% corporate income tax if the earnings are not distributed in the following year. As of December 31, 2015 and 2014, the undistributed earnings derived on or after the implementation of the imputation tax system were $9,921,153 and $11,678,749, respectively.

G. As of December 31, 2015 and 2014, the balances of stockholders’ imputation tax credit account of the Company were $875,437 and $191,792, respectively. The rate of shareholders’ imputation tax credit to undistributed earnings for the earnings distributed in 2014 was 17.11%. The rate of shareholders’ imputation tax credit to undistributed earnings for the earnings to be distributed in 2015 is expecting to be approximately 17.18%.

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

However, the rate is subject to changes based on the balance of shareholders' imputation tax credit account, the undistributed earnings, and other tax credit amount in accordance with the R.O.C. tax law at the dividend allocation date.

Effective from January 1, 2015, the creditable ratio for individual shareholders residing in the Republic of China will be half of the original creditable ratio according to the revised Article of 66-6 of the Income Tax Law.

H. The appropriations of 2014 and 2013 earnings have been approved at the Shareholders' meeting on June 16, 2015 and June 20, 2014, respectively. The appropriations and dividends per share were as follows:

	For the Years Ended December 31,			
	2014		2013	
	Amount	Dividends per share (in NT dollars)	Amount	Dividends per share (in NT dollars)
Provision of legal reserve	$ 1,170,770		$ 589,228	
Reversal of special reserve	-		(244,604)	
Cash dividends	9,349,083	$ 3.00	5,609,450	$ 1.80

I. At the Shareholders' meetings on June 16, 2015 and June 20, 2014, the Company's Shareholders also resolved to distribute $1,038,787 and $623,272 as employees' cash bonuses and $105,369 and $55,477 as directors' remunerations, respectively. The aforementioned distributed amount is the same as the estimated amount accrued in 2014 and 2013. It was resolved in the board meeting that July 31 and July 22 of the same year is the ex-dividend date. Any information in relation to the Company's shareholders' resolution on earnings distribution will be posted in the "Market Observation Post System" on the website of the Taiwan Stock Exchanges.

J. As of February 4, 2016, the Board of Directors have not approved the earnings distribution for 2015.

(17)Other Equity Items

	Unrealized Gain on Valuation of Available-for-sale Financial Assets	Exchange Difference on Translation of Foreign Financial Statements	Remeasurement of Post Employment Benefit Obligation
As of January 1, 2015, as adjusted	$ 3,951,916	$ 720,543	$ 23,339
Changes in fair value of financial instruments			
- pretax	(2,406,287)	-	-
- tax	20,515	-	-
Recognition of changes in fair value of financial instruments in profit or loss- pretax	1,856,442	-	-
Differences in translation- equity method investments			
- pretax	-	(223,940)	-
- tax	-	(222)	-
Other comprehensive income/losses reclassified to profit or loss upon disposal of investments accounted for using the equity method			
- pretax	-	(3,965)	-
- tax	-	674	-
Remeasurement of post employment benefit obligation			
- pretax	-	-	(179,842)
- tax	-	-	30,572
As of December 31, 2015	$ 3,422,586	$ 493,090	($ 125,931)

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

	Unrealized Gain on Valuation of Available-for-sale Financial Assets	Exchange Difference on Translation of Foreign Financial Statements	Remeasurement of Post Employment Benefit Obligation
As of January 1, 2014, as adjusted	$ 949,549	$ 167,318	$ 68,085
Changes in fair value of financial instruments			
- pretax	3,628,169	-	-
- tax	(60,536)	-	-
Recognition of changes in fair value of financial instruments in profit or loss			
- pretax	(679,800)	-	-
- tax	114,534	-	-
Differences in translation- equity method investments			
- pretax	-	555,285	-
- tax	-	(2,060)	-
Remeasurement of post employment benefit obligation			
- pretax	-	-	(53,911)
- tax	-	-	9,165
As of December 31, 2014, as adjusted	$ 3,951,916	$ 720,543	$ 23,339

(18) Expenses by Nature

	For the Years Ended December 31, 2015	2014
Employee benefit expenses		
Salaries and bonuses	$ 13,508,923	$ 13,431,108
Post employment benefits	566,905	574,873
Others	1,899,270	1,885,238
	$ 15,975,098	$ 15,891,219
Depreciation and amortization expenses	$ 11,981,523	$ 11,031,298

A. In accordance with Article 235 and 235-1 of the Company Act as amended on December 11, 2015, and Jing-Shang-Zi Letter No. 10402413890, employees' compensation (bonus), and directors' remuneration shall not be considered as earnings distribution. An entity shall stipulate a fixed amount or ratio of annual profit to be distributed as employee compensation. The annual profit is defined as income before income tax, employees' compensation and directors' remuneration. If an entity has accumulated deficit, annual profit should be appropriated to cover such losses.

B. In accordance with the Company's Articles of Incorporation as amended and approved by the Board of Directors on December 11, 2015, after covering accumulated losses, 10% of the annual profit shall be set aside as employees' compensation. Additionally, 1% or less of the annual profit shall be set aside as directors' remuneration. Employees' compensation is payable, in the form of cash or shares, to the payroll employees of the Company or its domestic or foreign subsidiaries over which the Company has 50% or more of voting power, who work substantially during the fiscal year in which the annual profit is generated. The amended Articles of Incorporation shall be resolved in the annual shareholders' meeting in 2016.

C. For the years ended December 31, 2015 and 2014, employee compensation (bonus) was accrued at $1,128,007 and $1,038,787, respectively; directors' remuneration was accrued at $112,801 and $105,369, respectively. In 2015, the employees' compensation and directors' remuneration were estimated and accrued based on the annual profits for the year ended December 31, 2015; while in 2014, related expenses were accrued based on the post tax income of 2014 and the percentages stipulated in the Article of Incorporation, taking into account of other factors such as legal reserve.

D. On February 4, 2016, the Board of Directors resolved to distribute $1,128,007 as employee compensation and $112,801 as directors' remunerations, respectively, all paid in cash. The aforementioned distributed amount is the same as the estimated amount accrued in 2015. The employee compensation and directors' remunerations will be distributed after the newly revised Articles of Incorporation is approved in the shareholders' meeting. Information about employee compensation and directors' remuneration of the

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

Company as resolved by the meeting of board of directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(19) Other Income

	For the years ended December 31, 2015	For the years ended December 31, 2014
Interest income	$ 97,547	$ 92,539
Technical service fees	310,475	238,596
Others	128,230	86,760
	$ 536,252	$ 417,895

(20) Other Gains or Losses

	For the years ended December 31, 2015	For the years ended December 31, 2014
Loss on damages and claims	($ 374,613)	($ 110,236)
Foreign exchange gain - net	163,634	492,167
Gain on disposal of property, plant and equipment	41,470	300,243
Gain on reversal of impairment loss on non-financial assets	134,992	-
Others	(16,135)	4,730
	($ 50,652)	$ 686,904

(21) Income Tax

A. Income taxes recognized in profit or loss for the years ended December 31, 2015 and 2014 are as follows:

	For the Years Ended December 31, 2015	For the Years Ended December 31, 2014
Current income tax expense		
Recognition for the current period	$ 1,411,263	2,017,373
Provision of additional 10% tax on undistributed earnings	117,670	1,115
Income tax adjustments for prior years	(39,394)	3,396
	1,489,539	2,021,884
Deferred income tax expense		
Temporary differences	(212,533)	(163,127)
Income tax credits	-	326,902
	(212,533)	163,775
Income tax expense recognized in profit or loss	$ 1,277,006	$ 2,185,659

B. Reconciliation between income tax expense and accounting profit:

	For the Years Ended December 31, 2015	For the Years Ended December 31, 2014
Income tax expense calculated at the statutory tax rate	$ 1,706,675	$ 2,365,867
Expenses not deductible for tax purposes	319,415	9,531
Tax exempt income	(736,103)	(31,353)
Temporary difference not recognised as deferred tax liability	(179,130)	(162,897)
Taxable loss not recognized as deferred tax assets	(1,071)	-
Effect from Alterative Minimum Tax	88,944	-
Provision of additional 10% tax on undistributed earnings	117,670	1,115
Prior year income tax (over)/under estimate	(39,394)	3,396
Income tax expense recognized in profit or loss	$ 1,277,006	$ 2,185,659

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

C. Income taxes recognized in other comprehensive income for the years ended December 31, 2015 and 2014 are as follows:

	For the Years Ended December 31,	
	2015	2014
Unrealized gain on available-for-sale financial assets	$ 20,515	$ 53,998
Exchange difference on translation of foreign financial statements	452	(2,060)
Remeasurement of post employment benefit obligations	30,572	9,165
	$ 51,539	$ 61,103

D. Changes in deferred tax assets and liabilities for the years ended December 31, 2015 and 2014 are as follows:

	2015			
	January 1 (Adjusted)	Profit or Loss	Other Comprehensive Income	December 31
Deferred tax assets (liabilities)				
Unrealized sales allowance	$ 45,458	($ 43,054)	$ -	$ 2,404
Post employment benefit obligations	164,182	(1,065)	30,572	193,689
Unrealized gains on financial assets	(161,973)	-	20,515	(141,458)
Unrealized losses on financial liabilities	54,610	119,572	-	174,182
Currency translation differences	(719)	-	452	(267)
Impairment losses	252,381	(75,205)	-	177,176
Unrealized foreign currency exchange loss	87,302	140,480	-	227,782
Depreciation expense of property, plant and equipment	(12,262)	(2,150)	-	(14,412)
Others	230,968	73,957	-	304,925
	$ 659,947	$ 212,535	$ 51,539	$ 924,021

	2014			
	January 1 (Adjusted)	Profit or Loss	Other Comprehensive Income	December 31 (Adjusted)
Deferred tax assets (liabilities)				
Investment tax credit	$ 326,902	($ 326,902)	$ -	$ -
Unrealized sales allowance	14,179	31,279	-	45,458
Post employment benefit obligations	154,753	264	9,165	164,182
Unrealized gains on financial assets	(215,971)	-	53,998	(161,973)
Unrealized losses on financial liabilities	-	54,610	-	54,610
Currency translation differences	1,341	-	(2,060)	(719)
Impairment losses	296,921	(44,540)	-	252,381
Unrealized foreign currency exchange loss(gain)	(22,306)	109,608	-	87,302
Depreciation expense of property, plant and equipment	(18,620)	6,358	-	(12,262)
Others	225,420	5,548	-	230,968
	$ 762,619	($ 163,775)	$ 61,103	$ 659,947

E. The amounts of taxable temporary difference associated with investment in subsidiaries as deferred tax liabilities are as follows:

	As of December 31,	
	2015	2014
Investment in foreign subsidiaries	$6,679,093	$5,850,632

F. The Company has met the requirement of "Incentives for Emerging Important Strategic Industries in Manufacturing and Technology Services" for its capitalization plans in 2007 and is exempted from income tax for revenues arising from the assembly and testing of certain integrated circuit products for a five-year period from 2015. The five-year income tax exemptions were expired in December 2019.

G. The income tax returns of the Company have been assessed and approved by the Tax Authority through 2013.

(22) Earnings Per Share

The basic EPS is determined by the net income dividing the weighted average of outstanding stocks, without the consideration of the treasury stocks holding by the Company. The diluted EPS is under the assumption that all potential ordinary stocks have been converted into ordinary stocks at the beginning of the period. The revenue and expense generated from the conversion should be included in the computation.

	For the year ended December 31, 2015		
	Income after tax	Weighted average outstanding common stock (in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Net income	$ 8,762,257	3,116,361	$ 2.81
Dilutive effect of employee bonuses	-	33,769	
Diluted earnings per share	$ 8,762,257	3,150,130	$ 2.78

	For the year ended December 31, 2014		
	Income after tax	Weighted average outstanding common stock (in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Net income	$ 11,744,414	3,116,361	$ 3.77
Dilutive effect of employee bonuses	-	23,110	
Diluted earnings per share	$ 11,744,414	3,139,471	$ 3.74

As employees' bonus could be distributed in the form of stock or cash, the diluted EPS computation shall include those estimated shares that would be increased from employees' stock bonus issuance in the weighted-average number of common shares outstanding during the reporting period, which taking into account the dilutive effects of stock bonus on potential common shares. The number of shares is estimated by dividing the amount of employees' bonus by the closing price (after considering the dilutive effect of dividends) of the common shares at the end of the reporting period. Such dilutive effect of the potential shares needs to be included in the calculation of diluted EPS until employees' bonus to be settled in the form of common stocks are approved in the following year.

(23) Non-cash Transactions

A. The investment activities partially paid by cash are as follows:

	For the years ended December 31,	
	2015	2014
Purchase of property, plant and equipment	$ 11,905,043	$ 18,055,066
Decrease in prepayment for equipment	856	-
(Increase)/Decrease in equipment payable, net	(723,085)	541,848
(Increase)/Decrease in notes payable of construction	699,900	(699,900)
Current cash payment	$ 11,882,714	$ 17,897,014

B. Non-cash investing activities:

Interconnect subsequently reduced its capital in December 2015. The 39% interests in AAPM were distributed to the Company as capital return.

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

	For the year ended December 31, 2015
Acquisition of investments accounted for using the equity method-AAPM	$ 137,011
Disposal of accociate - Interconnect :	
Decrease in differences in translation (shown as other equity)	3,291
Decrease in deferred income tax liabilities	674
Decrease in investments accounted for using the equity method	(1,409)
Gains on disposal of investments	(139,567)
	$ -

(24) Operating Lease

The Company leases several parcels of land from the Science Park Administration with expiration date between December 2023 and December 2034. The Company can renew the leases upon expiration. The Company also entered into lease agreements for its buildings and certain machinery and equipment. For years ended December 31, 2015 and 2014, the Company recognized rental expense amounted to $384,650 and $536,557, respectively.

7. Related Party Transactions

Directly or indirectly owned subsidiaries are as follows:

Name of related parties	Relationship with the Company
SPIL (B.V.I.) Holding Limited	Subsidiary of the Company
Siliconware Investment Co., Ltd	Subsidiary of the Company
SPIL (Cayman) Holding Limited	Indirect subsidiary of the Company
Siliconware USA, Inc.	Indirect subsidiary of the Company
Siliconware Technology (Suzhou) Limited	Indirect subsidiary of the Company

Significant related party transactions are as follows:

(1) Sales

	For the years ended December 31, 2015	2014
Indirect subsidiaries	$ 11,603	$ 47,212
Associates	-	4,017
	$ 11,603	$ 51,229

The sales price and payment terms provided to related parties were generally comparable to those provided to third parties.

(2) Purchases

	For the years ended December 31, 2015	2014
Indirect subsidiaries	$ 53,416	$ 173,587
Associates	6,106	14,925
	$ 59,522	$ 188,512

The purchase terms and conditions between the Company and indirect subsidiaries are determined based on mutual agreements due to lack of similar transactions. The sales price and payment terms provided to related parties were generally comparable to those provided to third parties.

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

(3) Accounts Receivables

	As of December 31,	
	2015	2014
Indirect subsidiaries	$ 312	$ 970
Associates	-	170
	$ 312	$ 1,140

(4) Accounts Payables

	As of December 31,	
	2015	2014
Indirect subsidiaries	$ 7,425	$ 110,805
Associates	-	1,867
	$ 7,425	$ 112,672

(5) Commission Expense

	For the years ended December 31,	
	2015	2014
Indirect subsidiaries	$ 453,637	$ 445,255

The Company paid compensation, based on the agreement, to Siliconware USA, Inc. for communicating and maintaining customer relationships with those headquartered in the North America.

(6) Other Receivables

	As of December 31,	
	2015	2014
Indirect subsidiaries	$ 79,739	$ 101,189

(7) Other Payables

	As of December 31,	
	2015	2014
Indirect subsidiaries	$ 53,612	$ 35,710

(8) Other Income

	For the years ended December 31,	
	2015	2014
Indirect subsidiaries	$ 310,475	$ 238,596

The Company collected technology fee from subsidiary, Siliconware Technology (Suzhou) Limited, in accordance with the contract.

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

(9) Property Transaction

For the year ended December 31, 2015

	Type of the property	Sales amount	Book value	Gain on disposal of property, plant and equipment	Other receivables
Indirect subsidiaries	Equipment	$ 109,148	$ 59,349	$ 49,799	$ 82,175

		Purchase amount	Other payables
Indirect subsidiaries	Equipment	$ 49,546	$ 2,671

For the year ended December 31, 2014

	Type of the property	Sales amount	Book value	Gain on disposal of property, plant and equipment	Other receivables
Indirect subsidiaries	Equipment	$ 36,085	$ 15,958	$ 20,127	$ 33,707

		Purchase amount	Other payables
Indirect subsidiaries	Equipment	$ 350,619	$ 120,014

(10) Key Management Compensation

Key management includes directors and other executive officers. Their compensation is shown as below:

	For the Years Ended December 31,	
	2015	2014
Short-term employee benefits	$ 301,490	$ 285,798
Post-employment benefits	1,382	1,310
	$ 302,872	$ 287,108

8. Assets Pledged as Collateral

The following assets have been pledged as collateral against certain obligations of the Company:

Assets	As of December 31, 2015	As of December 31, 2014	Subject of collateral
Time deposits (shown as other financial assets, current)	$ 384,400	$ 339,600	Guarantees for customs duties and land leased from Science Park Administration

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

Significant commitment:

(1) Pursuant to future operating expansion, the Company entered into several facility construction agreements amounting to $1,051,071, of which $659,310 remained unpaid as of December 31, 2015.

(2) The Company entered into several contracts for the use of certain technologies and patents in exchange for loyalty payments. Contracts are valid until the expiry of patents or upon termination by both parties.

(3) Future minimum lease payments made the non-cancellable operating leases are as follows:

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

	As of December 31, 2015
Within 1 year	$ 160,861
1-5 year(s)	273,664
Over 5 years	707,916
	$ 1,142,441

10. Significant Disaster Loss

None.

11. Significant Event After the Reporting Period

As of December 31, 2015, the Company held ChipMOS Technologies Inc. and ChipMOS Technologies (Bermuda) Ltd. 132,775 thousand shares and 1,244 thousand shares, respectively. On January 21, 2016, the Board of Directors of ChipMOS Technologies Inc., have approved the merger of ChipMOS Technologies (Bermuda) Ltd., and ChipMOS Technologies Inc., with ChipMOS Technologies Inc., be the surviving company. Under the agreement, Shareholders of ChipMOS Technologies (Bermuda) Ltd. will receive US$3.71 dollars in cash and 0.9355 share of American Depository Shares ("ADS") of ChipMOS Technologies Inc., in exchange for each share in ChipMos Technologies (Bermuda) Ltd. Each ADS will represent 20 new common shares to be issued by ChipMOS Technologies Inc. The merger is expected to close in the third quarter of 2016, after Shareholders' resolutions from both companies and the approval from governmental authorities and regulators. As of February 4, 2016, the Company is unable to evaluate the result.

12. Others

(1) Financial Risk Management

The Company's activities expose it to a variety of financial risk: market risk (including currency risk, interest rate risk, and price risk), credit risk and liquid risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

A. Market risk

(a) Currency risk

The company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD and the JPY. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations. The Company implements the policy of natural hedging and monitors the foreign exchange rate fluctuation closely to manage the risk. The Company's exposure to foreign exchange risk is as follows:

	As of December 31, 2015			
			Sensitivity analysis	
(Foreign currencies: functional currencies)	Foreign Currencies in thousands	Exchange rates	Movement	Impact to profit and loss before tax (NT$)
Financial assets				
Monetary assets				
United States Dollars : New Taiwan Dollars	$ 793,731	32.775	1%	$ 260,145
Nonmonetary assets				
United States Dollars : New Taiwan Dollars	30,409	32.775	N/A	N/A
Investments accounted for under the equity method				
United States Dollars : New Taiwan Dollars	334,159	32.825	N/A	N/A
Financial Liabilities				
Monetary liabilities				
United States Dollars : New Taiwan Dollars	660,413	32.875	1%	217,111
Japanese Yen : New Taiwan Dollars	3,549,618	0.2747	1%	9,751

	As of December 31, 2014			
			Sensitivity analysis	
(Foreign currencies: functional currencies)	Foreign Currencies in thousands	Exchange rates	Movement	Impact to profit and loss before tax (NT$)
Financial assets				
Monetary assets				
United States Dollars : New Taiwan Dollars	$ 1,093,574	31.60	1%	$ 345,569
Nonmonetary assets				
United States Dollars : New Taiwan Dollars	35,358	31.60	N/A	N/A
Investments accounted for under the equity method				
United States Dollars : New Taiwan Dollars	318,325	31.65	N/A	N/A
Financial Liabilities				
Monetary liabilities				
United States Dollars : New Taiwan Dollars	884,438	31.70	1%	280,367
Japanese Yen : New Taiwan Dollars	3,932,535	0.2666	1%	10,484

Total exchange gain (loss), including realized and unrealized, arising from significant foreign exchange variation on the monetary items held by the Company for the years ended December 31, 2015 and 2014 amounted to $163,634 and $492,167, respectively.

(b) Price risk

Pursuant to the strategic investment objective, the Company is exposed to equity securities price risk in public market because of investments held by the Company, which are classified as available-for-sale financial assets. To manage such market price risk, the Company monitors the future development of the investees and the market trend. Most investments of the Company are in electronic industry.

Unimicron Technology Co., ChipMOS Technologies Inc., and ChipMOS Technologies (Bermuda) Ltd., are traded publicly in the market. Unimicron Technology Co. and ChipMOS Technologies Inc. are listed on Taiwan Stock Exchange, and ChipMOS Technologies (Bermuda) Ltd. is listed on NASDAQ. For other equity investees that are not traded in public market, the Company implements suitable techniques to perform the assessments. As of December 31, 2015 and 2014, if the market price had increased/decreased by 10% with all other variables held constant, other comprehensive income would have increased/decreased by $585,978 and $817,816, respectively.

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

(c) Interest rate risk

The Company's interest rate risk arises from cash, cash equivalents, other receivables, time deposits pledged as collateral (shown as other current assets - other), and borrowings. Mostly, residual cash will be held as deposit. The Company is exposed to interest rate risk arising from cash and cash equivalents at fixed interest rates. As of December 31, 2015 and 2014 the Company held financial assets with cash flow interest rate risk of $41,592 and $104,967, respectively, and financial liabilities with cash flow interest rate risk of $13,856,750 and $19,783,667, respectively. If the interest rate had been increased/ decreased by 10 basis points (0.1%), with foreign exchange rates held constant, income before income tax for the period would have been $13,815 and $19,679 lower/higher.

B. Credit risk

The Company's credit risk mainly arises from cash and cash equivalents (deposits with banks or financial institutions), accounts and notes receivable and refundable deposits.

(a) For risks from banks and financial institutions, the Company periodically assesses their credit ratings based on information provided by external independent rating institutes. Furthermore, to minimize the credit risk, the Company allocates deposits based on each bank's credit rating results. After the assessment, most of banks and financial institutions the Company transacts with are with minimum rating of "A", which represents low credit default risks.

(b) For risks arising from accounts and notes receivable, the Company assesses customers' credit quality through internal risk assessment, taking into account of their current financial conditions and past transaction experiences. After the assessment, management does not expect significant losses from non-performance by these counterparties.

(c) Aging analysis of accounts receivable that were past due is as follows:

	As of December 31, 2015		
	Total	Impaired	Unimpaired
1-90 days	$ 752,086	$ -	$ 752,086
91-180 days	7,484	-	7,484
Over 180 days	13,316	1,695	11,621
	$ 772,886	$ 1,695	$ 771,191

	As of December 31, 2014		
	Total	Impaired	Unimpaired
1-90 days	$ 1,286,562	$ -	$1,286,562
91-180 days	74,528	-	74,528
Over 180 days	36,209	1,695	34,514
	$ 1,397,299	$ 1,695	$ 1,395,604

Note: In 2015 and 2014, no impairment loss incurred on accounts receivable that are not past due.

(d) As of December 31, 2015 and 2014, the Company's ten largest customers accounted for 67% of accounts receivables. The Company considers the concentration of credit risk for the remaining accounts receivable is immaterial.

C. Liquidity risk

The objective of liquidity risk management is to ensure the Company has sufficient liquidity to fund its business needs, and to maintain adequate cash and banking facilities to repay the borrowings. By considering its debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets, and other important factors, the Company's financial department monitors the Company's cash requirements and forecasts its future cash flow.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual terms (including principal and interest payments), which is presented on an undiscounted basis:

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

	As of December 31, 2015				
	Less than 1 year	1-2 years	2-3 years	Over 3 years	Total
Accounts Payable	$ 5,773,071	$ -	$ -	$ -	$ 5,773,071
Other Payables	10,369,330	-	-	-	10,369,330
Other Current Liabilities - Others	215,304	-	-	-	215,304
Convertible Bonds	-	-	-	13,821,965	13,821,965
Long-term Loans (include the current portion)	6,163,404	3,604,387	2,220,940	2,192,170	14,180,901
Other Non-Current Liabilities	-	118,580	59,175	-	177,755
	$ 22,521,109	$ 3,722,967	$ 2,280,115	$ 16,014,135	$ 44,538,326

	As of December 31, 2014				
	Less than 1 year	1-2 years	2-3 years	Over 3 years	Total
Accounts Payable	$ 7,152,757	$ -	$ -	$ -	$ 7,152,757
Other Payables	9,237,020	-	-	-	9,237,020
Other Current Liabilities - Others	227,873	-	-	-	227,873
Convertible Bonds	-	-	-	13,327,948	13,327,948
Long-term Loans (include the current portion)	7,230,907	4,563,626	5,133,816	3,363,746	20,292,095
Other Non-Current Liabilities	-	114,120	114,329	57,060	285,509
	$ 23,848,557	$ 4,677,746	$ 5,248,145	$ 16,748,754	$ 50,523,202

(2) Capital Risk Management

The capital includes common share, paid-in capital, legal reserve, and other equity adjusting items. The Company’s objectives on managing capital are to safeguard the Company’s ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure by using adequate manner, the Company monitors the change in internal capital structure and compares it with other competitors’ performance. The Company monitors the capital on the basis of external limits, including the Group’s consolidated debt covenants on current ratio, liability to tangible net worth ratio, and interest protection multiples are as follows:

A. Current ratio: Current assets divide by current liabilities
B. Liability to tangible net worth ratio: Total liabilities plus externally guaranteed amounts divide by tangible net worth, which is result of net worth less intangible assets
C. Interest protection multiples: Earnings before income taxes plus interest expenses plus depreciation and amortization expenses divide by interest expenses

The strategy to manage the capital remained unchanged during the years ended December 31, 2015 and 2014. The objectives are to keep the current ratio at no less than 100%, liability to tangible net worth ratio no more than 100%, and interest protection multiples no less than 4 times. For the years ended December 31, 2015 and December 31, 2014, no violation occurred, and the Group’s consolidated financial ratios are as follows:

	As of December 31,	
	2015	2014
Current assets	$ 48,785,212	$ 55,207,908
Current liabilities	30,677,239	31,576,043
Current ratio	159%	175%

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

	As of December 31,	
	2015	2014
Total liabilities	$ 52,644,588	$ 57,649,456
Tangible net worth	70,407,868	71,857,449
Liability to tangible net worth ratio	75%	80%

	For the years ended December 31,	
	2015	2014
Earnings before income taxes	$ 10,390,857	$ 14,268,184
Interest expenses	564,540	403,080
Depreciation and amortization	13,513,985	12,435,815
Interest protection multiples	43	67

(3) Fair Value Information

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

Except for convertible bonds which are measured at amortized cost, the management considers that the carrying amounts of financial assets and financial liabilities approximate to their fair values. The fair value of the Company’s short-term financial instruments including cash and cash equivalents, receivables, time deposits, payables, receipts under custody and deposits received approximated their carrying amount due to their maturities within one year. The fair value of these financial instruments are approximated to its carrying amount due to the impact of discounting is not significant, or because the floating interest rates reset periodically to reflect the market conditions and the Company’s credit rating. As of December 31, 2015 and 2014, the book value and the fair value of the convertible bonds are follows:

Balance sheet date	Carrying Amount	Fair Value (Level 3)
December 31, 2015	$ 12,627,311	$ 12,785,745
December 31, 2014	$ 11,875,483	$ 12,016,836

The fair value was determined using discounted cash flow analysis with the applicable yield curve for the duration or the recent transaction prices.

B. The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

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

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

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

The Company’s financial instruments measured at fair value are as follows:

	As of December 31, 2015		
Recurring basis	Level 1	Level 2	Level 3
Available-for-sale financial assets	$5,996,993	$596,623	$ -
Financial liability at fair value through profit or loss	$ -	$ -	$1,798,920

	As of December 31, 2014		
Recurring basis	Level 1	Level 2	Level 3
Available-for-sale financial assets	$8,333,970	$665,933	$ -
Financial liability at fair value through profit or loss	$ -	$ -	$1,095,552

As of December 31, 2015 and 2014, there were no the financial assets which measured at fair value on a non-recurring basis.

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

(1) The fair value of financial instruments traded in active markets is based on quoted market price at the balance sheet date. For financial instruments with fair value not traded in active markets, the Company uses valuation techniques, which maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. The valuation technique currently used for unlisted available-for-sale securities is the market approach. The valuation is based on the benchmark companies' stock prices and other specific indexes. If the investees are investment companies, the Company uses their net equities as fair value because their net equities are measured at fair value.

(2) The fair value of derivative financial liabilities that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

(3) There were no transfers between Level 1 and Level 2 for the years ended December 31, 2015. Beginning from the second quarter of 2014, the Company reclassified the available-for-sale financial asset, ChipMOS Technologies Ltd., from Level 2 to Level 1, due to the stock being publicly traded on April 11, 2014. As a result, the Company valued its fair value by using the closing price of public market as of the balance sheet date.

(4) For the year ended December 31, 2014, the Company issued convertible bonds which contain conversion option, redemption option and put option. Due to significant unobservable inputs used to measure the derivative instruments, the Company classified these measurements as Level 3. The fair value is estimated based on the Binomial Tree Model.

(5) Reconciliation of Level 3 fair value measurements of financial liabilities

	2015	2014
As of January 1	$ 1,095,552	$ -
Issuance	-	774,319
Changes in fair value included in profit or loss	703,368	321,233
As of December 31	$ 1,798,920	$ 1,095,552

The total gains or losses for the years ended December 31, 2015 and 2014 included a loss of $703,368 and $321,233 relating to the financial liabilities at fair value through profit or loss on Level 3. Such fair value gains or losses are included in losses on financial liabilities at fair value through profit or loss.

(6) Information on the fair value measuring using significant unobservable inputs (Level 3) is as follows:

Description	Fair Value at December 31, 2015	Valuation Techniques	Unobservable Inputs	Range of Unobservable Inputs	Relationship of Unobservable Inputs to Fair Value
Conversion option, redemption option and put option of convertible bonds	1,798,920	Binomial model	Expected volatility	34.80%	The higher the volatility, the higher the fair value

(7) The Company has carefully assessed the valuation models and assumptions used to measure fair value; therefore, the fair value measurement is considered reasonable. However, using different valuation models or assumptions may result in difference in fair value measurement. For financial assets and liabilities categorized within Level 3, a 10% increase in the value of stock market price would lead to a decrease in income before tax by $723,250 and $496,496 for the years ended December 31, 2015 and 2014, respectively. On the other hand, a 10% decrease in the value of the stock market price would increase income before tax by $665,390 and $467,428 for the years ended December 31, 2015 and 2014, respectively. A 5% increase in the expected volatility of the value of the derivative instrument would

lead to a decrease in income before tax by $253,795 and $331,385 for the years ended December 31, 2015 and 2014, respectively. A 5% decrease in the expected volatility of the value of derivative instrument would increase income before tax by $365,570 and $339,525, for the years ended December 31, 2015 and 2014, respectively.

13. Special Disclosure Items

(1) Significant Transaction Information

A. Loans to others: None.

B. Endorsement and guarantee provided to third parties: None.

C. The ending balances of marketable securities are summarized as follows:

				As of December 31, 2015				
Investor	Type and Name of securities	The relationship of the issuers with the Company	Financial statement accounts	Numbers of shares (in thousands)	Book value	Percentage of ownership	Fair value	Notes
Siliconware Precision Industries Co., Ltd.	Unimicron Technology Corporation (Stock)	-	Available-for-sale financial assets－current	76,502	1,067,204	4.97%	1,067,204	2
Siliconware Precision Industries Co., Ltd.	ChipMOS Technologies (Bermuda) Ltd. (Stock)	-	Available-for-sale financial assets－noncurrent	1,244	807,125	4.56%	807,125	3
Siliconware Precision Industries Co., Ltd.	ChipMOS Technologies Inc. (Stock)	-	Available-for-sale financial assets－noncurrent	132,775	4,122,664	14.82%	4,122,664	－
Siliconware Precision Industries Co., Ltd.	Hsieh Yong Capital Co., Ltd. (Stock)	-	Available-for-sale financial assets－noncurrent	57,810	407,098	7.58%	407,098	4
Siliconware Precision Industries Co., Ltd.	Mega Mission Limited Partnership (Fund)	-	Available-for-sale financial assets－noncurrent	(Note 1)	189,525	4.00%	189,525	5

Note 1: The contributed capital was US$6,000 thousand.
Note 2: The carrying value includes the impairment loss in the amount of $1,856,442 .
Note 3: The carrying value includes the impairment loss in the amount of $876,079.
Note 4: The carrying value includes the impairment loss in the amount of $330,000 .
Note 5: The carrying value includes the impairment loss in the amount of $71,721.

D. Securities for which total buying or selling exceeds the lower of NT$300,000 or 20 percent of the Company's paid-in capital:

For the year ended December 31, 2015:

					Beginning Balance		Acquisition		Disposal				Ending Balance	
Company Name	Marketable Securities Type and Name	Financial Statement Account	Counter-party	Nature of Relationship	Shares/Units (In Thousands)	Amount	Shares/Units (In Thousands)	Amount	Shares/Units (In Thousands)	Amount	Carrying Value	Gain/Loss on Disposal	Shares/Units (In Thousands)	Amount
Siliconware Precision Industries Co., Ltd.	Siliconware Investment Co., Ltd	Investments accounted for using the equity method	-	Subsidiary	-	$ -	48,020	$ 2,401,000	-	-	-	-	48,020	$ 2,400,738
Siliconware Investment Co., Ltd	Yann Yuan Investment Co., Ltd	Investments accounted for using the equity method	-	-	-	$ -	48,000	$ 2,400,000	-	-	-	-	48,000	$ 2,399,910

E. Acquisition of real estate with an amount exceeding the lower of NT$300,000 or 20 percent of the Company's paid-in capital:

For the year ended December 31, 2015: None.

F. Disposal of real estate with an amount exceeding the lower of NT$300,000 or 20 percent of the Company's paid-in capital:

For the year ended December 31, 2015: None.

G. Related party transactions with purchases and sales amounts exceeding the lower of NT$100,000 or 20 percent of the Company's paid-in capital:

For the year ended December 31, 2015: None.

H. Receivables from related parties exceeding the lower of NT$100,000 or 20 percent of the Company's paid-in capital:

For the year ended December 31, 2015:

			Receivables from Related Parties Amount				Overdue			
Company Name	Related Party	Nature of Relationships	Accounts receivable	Other receivables	Totals	Turnover rate of Accounts receivable	Amount	Action Taken	Amounts Received in Subsequent Period	Allowance for Bad Debts
Siliconware Precision Industries Co., Ltd.	Siliconware Technology (Suzhou)	Indirect subsidiary of the Company	$ 312	$ 161,906	$ 162,218	2.15	$ 1,664	Received in Subsequent Period	$ 211	-

I. Transaction of derivative financial instruments:

For the year ended December 31, 2015: Please refer to the Note 6 (9) and (10).

(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, UNLESS STATED OTHERWISE)

J. Others: the business relationships and the significant transactions as well as amounts between the parent company and the subsidiaries:

For the year ended December 31, 2015 :

				Transaction			
No.	Company name	Counterparty	Relationship	General ledger Account	Amount	Transaction terms	Percentage of consolidated revenues or total assets
0	Siliconware Precision Industries Co., Ltd.	Siliconware USA, Inc.	Indirectly owned subsidiary	Commision	$ 453,637	As specified in contract	0.55%
0	Siliconware Precision Industries Co., Ltd.	Siliconware USA, Inc.	Indirectly owned subsidiary	Other payables	50,969	Comparable to those provided by non-related parties	0.04%
0	Siliconware Precision Industries Co., Ltd.	Siliconware Technology (Suzhou) Limited	Indirectly owned subsidiary	Purchases	53,416	(Note 1)	0.06%
0	Siliconware Precision Industries Co., Ltd.	Siliconware Technology (Suzhou) Limited	Indirectly owned subsidiary	Other revenues	310,475	(Note 1)	0.37%
0	Siliconware Precision Industries Co., Ltd.	Siliconware Technology (Suzhou) Limited	Indirectly owned subsidiary	Accounts payable	7,425	(Note 1)	0.01%
0	Siliconware Precision Industries Co., Ltd.	Siliconware Technology (Suzhou) Limited	Indirectly owned subsidiary	Other receivables	161,906	(Note 1)	0.13%
0	Siliconware Precision Industries Co., Ltd.	Siliconware Technology (Suzhou) Limited	Indirectly owned subsidiary	Other payables	5,314	(Note 1)	0.00%
0	Siliconware Precision Industries Co., Ltd.	Siliconware Technology (Suzhou) Limited	Indirectly owned subsidiary	Property, plant, and equipment	49,546	(Note 1)	0.04%
0	Siliconware Precision Industries Co., Ltd.	Siliconware Technology (Suzhou) Limited	Indirectly owned subsidiary	Property, plant, and equipment	109,149	(Note 1)	0.09%

Note 1: The purchase prices and payment terms provided to/by Siliconware Technology (Suzhou) Limited were determined in accordance with mutual agreement due to no comparable transactions.

(2) Related Information on Investee Companies

For the year ended December 31, 2015:

				Original investments		The Company / majority owned subsidiary owns			Current period		
Investor	Name of Investee	Location	Main activities	Current period ending balance	Prior period ending balance	Shares (in thousands)	Ownership percentage	Book value	Net income (loss) of investee	Income (loss) recognized by the Company	Notes
Siliconware Precision Industries Co., Ltd.	SPIL (B.V.I.) Holding Limited	British Virgin Islands	Investment activities	$ 4,214,730	$ 4,214,730	128,400	100.00%	$ 10,846,029	$ 1,053,704	$ 1,053,704	1 and 4
Siliconware Precision Industries Co., Ltd.	Siliconware Investment Co., Ltd	Taipei, Taiwan	Investment activities	2,401,000	-	48,020	100.00%	2,400,738	(141)	(141)	1
Siliconware Precision Industries Co., Ltd.	Vertical Circuits, Inc.	Scott Valley, CA, USA	Assembly service providing	164,125	164,125	15,710	30.68%	-	-	-	3 and 4
Siliconware Precision Industries Co., Ltd.	AcSiP Technology Corp.	Taoyuan, Taiwan	Researching, designing, and selling RF modules	-	29,657	-	-	-	(98,532)	(10,841)	-
Siliconware Precision Industries Co., Ltd.	Interconnet Tech Pte. Ltd.	Singapore	Designing, manufacturing, and selling substrates.	-	776,976	-	-	-	(397,436)	(156,943)	-
Siliconware Precision Industries Co., Ltd.	Asm Advanced Packaging Materials Pte. Ltd.	Singapore	Designing, manufacturing, and selling substrates.	138,679	-	4,225	39.00%	122,748	(40,601)	(15,834)	3 and 4
Siliconware Investment Co., Ltd	Yann Yuan Investment Co., Ltd	Taipei, Taiwan	Investment activities	2,400,000	-	48,000	33.33%	2,399,910	(269)	(90)	3
SPIL (B.V.I.) Holding Limited	Siliconware USA, Inc.	San Jose, CA, USA	Communications and relationship maintenance with companies headquartered in North America	41,031	41,031	1,250	100.00%	207,980	12,373	12,373	2 and 4
SPIL (B.V.I.) Holding Limited	SPIL (Cayman) Holding Limited	Cayman Islands, British West India	Investment activities	4,273,815	4,273,815	130,200	100.00%	10,714,775	1,041,044	1,041,044	2 and 4

Note 1: The Company’s 100% owned subsidiary.
Note 2: The Company’s indirect subsidiary.
Note 3: The Company's associates which are accounted for under the equity method.
Note 4: The foreign currency exchange rates prevailing at the balance sheet date were used for the currency translation to New Taiwan Dollar.

(3) Information of investment in Mainland China:

A. Information of investment in Mainland China: (The amount in USD is presented in thousands.)

Name of investee in Mainland China	Main activities of investee	Capital	Investment method	Accumulated remittance as of January 1, 2015	Remitted or (collected) during this period	Accumulated remittance as of December 31, 2015	Ownership held by the Company (Direct and indirect)	Current period income (loss) of the investee
Siliconware Technology (Suzhou) Limited	Provision of assembly and testing service	$ 4,267,250 (USD 130,000)	(Note 1)	$ 4,267,250 (USD 130,000)	$ -	$ 4,267,250 (USD 130,000)	100%	$ 1,039,040

Investment income (loss) recognized by the Company during the period	Ending balance of investment	The investment income (loss) remitted back as of December 31, 2015	Accumulated remittance from Taiwan to Mainland China	The investment balance approved by Investment Commissions, Ministry of Economic Affairs	The ceiling of investment in Mainland China according to Investment Commissions, Ministry of Economic Affairs
$1,041,194 (Notes 2 and 4)	$10,714,683	$ -	$ 4,267,250 (USD 130,000)	$ 4,267,250 (USD 130,000)	(Note5)

Note 1: The Company set up a subsidiary in the third country to invest in Mainland China.
Note 2: The investment income (loss) was recorded based on the Company's audited financial statements.
Note 3: The foreign currency exchange rates prevailing at the balance sheet date were used for the currency translation.
Note 4: The current recognized investment income (loss) had excluded the amounts of unrealized intercompany profit or (loss) on disposal of assets and sales.
Note 5: Based on the Rule No. 09704604680, "Regulations Governing Security Investment and Technical Cooperation in the Mainland Area" set by Ministry of Economic Affairs, the Company received documents from the Industrial Development Bureau of Ministry of Economic Affairs which proved that the Company's operation is qualified for operations of operating headquarters. Therefore, the Company is not required to impute the ceiling of investment in Mainland China.

B.Material transactions occurred directly or indirectly between the Company and its Mainland China investee companies via enterprises in other areas:

Please refer to the Note 13(1) J.

14. Segment Information

Not applicable.