China Development Industrial Bank and Subsidiaries

Consolidated Financial Statements for the Six Months Ended June 30, 2015 and 2014 and Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
China Development Industrial Bank

We have audited the accompanying consolidated balance sheets of China Development Industrial Bank (the "Bank") and subsidiaries as of June 30, 2015, December 31, 2014 and June 30, 2014, and the related consolidated statements of comprehensive income for the three months ended June 30, 2015 and 2014, six months ended June 30, 2015 and 2014, and changes in equity and cash flows for the six months ended June 30, 2015 and 2014. These consolidated financial statements are the responsibility of the Bank's management. Our responsibility is to issue a report on these consolidated financial statements based on our audits.

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

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of China Development Industrial Bank and subsidiaries as of June 30, 2015, December 31, 2014 and June 30, 2014, their consolidated financial performance for the three months ended June 30, 2015 and 2014, and their consolidated financial performance and their cash flows for the six months ended June 30, 2015 and 2014, in conformity with the Regulations Governing the Preparation of Financial Reports by Public Banks and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed by the Financial Supervisory Commission of the Republic of China.

As stated in the Note 1 of consolidated financial report, May 1, 2015 was the date of transfer which the Bank transferred to KGI Bank of (a) all assets and liabilities associated with the commercial banking business of the Bank and (b) the Bank's holdings of shares in the Bank's leasing subsidiaries and in the Taiwan Financial Asset Service Corporation in accordance with Article 185 of Company Act and Article 27 of Business Mergers and Acquisitions Act.

We have also issued an auditors' report on the financial statements of China Development Industrial Bank as of and for the six months ended June 30, 2015 and 2014 on which we have issued an unqualified report.

August 24, 2015

<u>Notice to Readers</u>

The accompanying consolidated financial statements are intended only to present the consolidated financial position, performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally accepted and applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

CHINA DEVELOPMENT INDUSTRIAL BANK AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	June 30, 2015		December 31, 2014 (Restated)		June 30, 2014 (Restated)	
ASSETS	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
CASH AND CASH EQUIVALENTS (Notes 3, 6 and 41)	$ 16,757,525	24	$ 11,613,412	3	$ 31,264,347	7
DUE FROM THE CENTRAL BANK AND CALL LOANS TO BANKS (Notes 7 and 42)	-	-	34,411,245	7	56,122,192	12
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Notes 8 and 41)	334,876	-	53,055,918	11	28,126,283	6
SECURITIES PURCHASED UNDER RESELL AGREEMENTS	-	-	23,414,342	5	25,807,786	6
RECEIVABLES, NET (Notes 3, 9, 10, 41 and 42)	6,422,080	9	50,967,975	11	52,164,445	11
CURRENT TAX ASSETS (Notes 39 and 41)	718,964	1	534,996	-	1,545,197	-
DISCOUNTS AND LOANS, NET (Notes 11 and 41)	-	-	126,039,603	27	125,043,317	27
AVAILABLE-FOR-SALE FINANCIAL ASSETS (Notes 12, 41 and 42)	11,237,093	16	123,649,428	26	100,803,028	22
HELD-TO-MATURITY FINANCIAL ASSETS, NET	102,564	-	-	-	-	-
INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD, NET (Notes 3 and 13)	7,616,543	11	5,630,015	1	5,877,996	1
RESTRICTED ASSETS (Notes 14 and 42)	291,735	-	348,983	-	379,482	-
FINANCIAL ASSETS MEASURED AT COST (Notes 3 and 15)	21,162,423	30	30,157,659	6	30,395,980	7
OTHER FINANCIAL ASSETS (Notes 16 and 42)	2,543,559	4	4,179,781	1	2,942,060	1
PROPERTY AND EQUIPMENT, NET (Note 17)	1,251,680	2	1,970,655	1	1,980,586	-
INVESTMENT PROPERTY, NET (Notes 18 and 42)	1,772,058	3	1,295,707	-	1,453,159	-
DEFERRED TAX ASSETS	101,851	-	175,161	-	156,086	-
OTHER ASSETS, NET (Note 19)	339,214	-	6,545,801	1	1,078,752	-
TOTAL	$ 70,652,165	100	$ 473,990,681	100	$ 465,140,696	100
LIABILITIES AND EQUITY						
LIABILITIES						
Deposits from the Central Bank and banks (Notes 20 and 41)	$ -	-	$ 10,331,413	2	$ 4,915,702	1
Financial liabilities at fair value through profit or loss (Notes 8 and 41)	-	-	24,351,007	5	8,905,901	2
Securities sold under repurchase agreements (Notes 8 and 12)	-	-	63,299,830	14	62,453,284	14
Payables (Notes 3, 21 and 41)	802,970	1	3,792,116	1	3,211,931	1
Current tax liabilities (Notes 39 and 41)	321,970	1	457,455	-	515,066	-
Deposits and remittances (Notes 22 and 41)	-	-	173,337,066	37	182,664,342	39
Bank debentures payable (Note 23)	-	-	12,540,304	3	12,504,075	3
Principal received on structured notes	-	-	60,671,951	13	64,613,300	14
Commercial paper payable, net (Notes 24 and 42)	829,597	1	1,666,202	-	1,623,211	-
Other borrowings (Notes 25, 41 and 42)	-	-	5,121,655	1	5,450,469	1
Other financial liabilities (Note 8)	372,931	1	379,912	-	358,317	-
Provisions (Notes 3, 26 and 27)	121,420	-	446,796	-	400,412	-
Deferred tax liabilities	241,555	-	241,555	-	241,555	-
Other liabilities (Notes 3, 28 and 41)	207,685	-	1,254,398	-	1,202,971	-
Total liabilities	2,898,128	4	357,891,660	76	349,060,536	75
EQUITY (Notes 3 and 29)						
Equity attributable to owners of parent						
Capital	20,603,994	29	56,603,994	12	61,603,994	13
Capital surplus	24,699,396	35	28,696,849	6	28,695,657	6
Retained earnings						
Legal reserve	22,425,309	32	19,922,597	4	19,922,597	4
Special reserve	672,736	1	672,736	-	672,736	-
Unappropriated earnings	2,880,684	4	8,240,117	2	4,120,931	1
Exchange differences on translation on foreign financial statements	(994,576)	(1)	(357,161)	-	(1,907,906)	-
Unrealized gains (losses) on available-for-sale financial assets	(2,584,103)	(4)	(161,771)	-	1,485,662	1
Total equity attributable to owners of parent	67,703,440	96	113,617,361	24	114,593,671	25
Non-controlling interests	50,597	-	2,481,660	-	1,486,489	-
Total equity	67,754,037	96	116,099,021	24	116,080,160	25
TOTAL	$ 70,652,165	100	$ 473,990,681	100	$ 465,140,696	100

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

CHINA DEVELOPMENT INDUSTRIAL BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2015		2014 (Restated)		2015		2014 (Restated)	
	Amount	%	Amount	%	Amount	%	Amount	%
INTEREST REVENUES (Notes 30 and 41)	$ 572,532	37	$ 1,912,729	77	$ 2,230,237	55	$ 3,791,171	65
INTEREST EXPENSES (Notes 30 and 41)	(227,462)	(15)	(731,441)	(29)	(917,630)	(23)	(1,397,121)	(24)
NET INTEREST	345,070	22	1,181,288	48	1,312,607	32	2,394,050	41
NET REVENUES OTHER THAN INTEREST								
Service fee income (expense), net (Note 31)	(53,253)	(3)	51,274	2	16,781	-	87,177	2
Gains (losses) on financial assets or liabilities measured at fair value through profit or loss, net (Note 32)	(201,178)	(13)	1,140,694	46	(306,584)	(7)	914,538	16
Realized gains on available-for-sale financial assets, net (Notes 1 and 33)	1,265,801	81	2,144,615	87	1,867,898	46	4,154,990	72
Share of the profit of associates for using equity method (Note 1)	85,961	5	98,102	4	207,874	5	137,942	2
Foreign exchange gain (loss), net	344,129	22	(1,467,413)	(59)	404,818	10	(1,443,731)	(25)
Impairment loss on assets (Note 34)	(134,727)	(9)	(791,622)	(32)	(158,074)	(4)	(832,914)	(14)
Gains (losses) on financial assets measured at cost, net (Note 35)	(391,353)	(25)	(40,545)	(2)	237,088	6	197,971	3
Consulting service revenue	232,442	15	34,539	1	306,222	8	38,110	1
Others (Notes 36 and 41)	75,281	5	127,296	5	160,117	4	142,245	2
Total net revenues other than interest	1,223,103	78	1,296,940	52	2,736,140	68	3,396,328	59
TOTAL NET REVENUES	1,568,173	100	2,478,228	100	4,048,747	100	5,790,378	100
REVERSAL OF ALLOWANCE (ALLOWANCE) FOR BAD DEBTS EXPENSE AND GUARANTEE LIABILITY PROVISION	39,708	2	(4,625)	-	88,102	2	69,365	1
OPERATING EXPENSES (Notes 3, 27, 37, 38 and 41)								
Employee benefits expense	(302,445)	(19)	(460,477)	(19)	(753,764)	(19)	(972,795)	(16)
Depreciation and amortization expense	(24,585)	(2)	(28,480)	(1)	(55,454)	(1)	(56,515)	(1)
Other general and administrative expenses	(227,855)	(14)	(257,840)	(10)	(488,439)	(12)	(462,336)	(8)
Total operating expenses	(554,885)	(35)	(746,797)	(30)	(1,297,657)	(32)	(1,491,646)	(25)
INCOME BEFORE INCOME TAX	1,052,996	67	1,726,806	70	2,839,192	70	4,368,097	76
INCOME TAX BENEFIT (EXPENSE) (Note 39)	222,249	14	53,717	2	155,527	4	(231,291)	(4)
NET PROFIT FOR THE PERIOD	1,275,245	81	1,780,523	72	2,994,719	74	4,136,806	72

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CHINA DEVELOPMENT INDUSTRIAL BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2015		2014 (Restated)		2015		2014 (Restated)	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME								
Exchange differences on translation of foreign financial statements	$ (313,183)	(20)	$ (435,751)	(17)	$ (560,638)	(14)	$ (49,937)	(1)
Unrealized gains (losses) on available-for-sale financial assets	(2,373,512)	(151)	(147,526)	(6)	(2,459,261)	(61)	316,078	5
Cash flow hedges	-	-	(1,425)	-	-	-	(19,568)	-
Share of the other comprehensive income of associates	(45,910)	(3)	(64,172)	(3)	(40,989)	(1)	85,605	1
Income tax relating to components of other comprehensive gain (Note 39)	-	-	72,349	3	-	-	259,479	5
Other comprehensive income, net of tax	(2,732,605)	(174)	(576,525)	(23)	(3,060,888)	(76)	591,657	10
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$ (1,457,360)	(93)	$ 1,203,998	49	$ (66,169)	(2)	$ 4,728,463	82
NET PROFIT ATTRIBUTABLE TO:								
Shareholders of parent company	$ 1,268,757	81	$ 1,795,006	73	$ 2,982,940	74	$ 4,139,000	71
Non-controlling interests	6,488	-	(14,483)	(1)	11,779	-	(2,194)	-
	$ 1,275,245	81	$ 1,780,523	72	$ 2,994,719	74	$ 4,136,806	71
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Shareholders of parent company	$ (1,463,106)	(93)	$ 1,221,406	49	$ (76,807)	(2)	$ 4,733,038	82
Non-controlling interests	5,746	-	(17,408)	-	10,638	-	(4,575)	-
	$ (1,457,360)	(93)	$ 1,203,998	49	$ (66,169)	(2)	$ 4,728,463	82
EARNINGS PER SHARE (Note 40)								
From continuing operations								
Basic	$0.38		$0.29		$0.66		$0.67	

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

CHINA DEVELOPMENT INDUSTRIAL BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars, Except Per Share Amount)

	Equity Attributable to Owners of Parent										
			Retained Earnings			Other Equity					
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Available-for-sale Financial Assets	Unrealized Gain (Loss) on Cash Flow Hedges	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2014	$ 61,603,994	$ 28,704,680	$ 18,119,218	$ 620,398	$ 6,063,922	$ (1,853,060)	$ 817,210	$ 19,568	$ 114,095,930	$ 341,630	$ 114,437,560
Effect of retrospective application and retrospective restatement	-	-	-	-	(18,069)	-	-	-	(18,069)	-	(18,069)
BALANCE AT JANUARY 1, 2014 AS RESTATED	61,603,994	28,704,680	18,119,218	620,398	6,045,853	(1,853,060)	817,210	19,568	114,077,861	341,630	114,419,491
Appropriation of the 2013 earnings											
Legal reserve	-	-	1,803,379	-	(1,803,379)	-	-	-	-	-	-
Reversal of special reserve	-	-	-	52,338	(52,338)	-	-	-	-	-	-
Cash dividends - NT$0.68 per share	-	-	-	-	(4,208,205)	-	-	-	(4,208,205)	-	(4,208,205)
	-	-	1,803,379	52,338	(6,063,922)	-	-	-	(4,208,205)	-	(4,208,205)
Net profit for the six months ended June 30, 2014 as restated	-	-	-	-	4,139,000	-	-	-	4,139,000	(2,194)	4,136,806
Other comprehensive income (loss) for the six months ended June 30, 2014, net of income tax as restated	-	-	-	-	-	(54,846)	668,452	(19,568)	594,038	(2,381)	591,657
Total comprehensive income (loss) for the six months ended June 30, 2014 as restated	-	-	-	-	4,139,000	(54,846)	668,452	(19,568)	4,733,038	(4,575)	4,728,463
Difference between consolidation and carrying amount adjusted arising from changes in percentage of ownership in subsidiaries	-	(9,023)	-	-	-	-	-	-	(9,023)	-	(9,023)
Non-controlling interests arising on acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	1,149,434	1,149,434
BALANCE AT JUNE 30, 2014 AS RESTATED	$ 61,603,994	$ 28,695,657	$ 19,922,597	$ 672,736	$ 4,120,931	$ (1,907,906)	$ 1,485,662	$ -	$ 114,593,671	$ 1,486,489	$ 116,080,160
BALANCE AT JANUARY 1, 2015	$ 56,603,994	$ 28,696,849	$ 19,922,597	$ 672,736	$ 8,342,373	$ (353,364)	$ (161,771)	$ -	$ 113,723,414	$ 265,813	$ 113,989,227
Effect of retrospective application and retrospective restatement	-	-	-	-	(102,256)	(3,797)	-	-	(106,053)	2,215,847	2,109,794
BALANCE AT JANUARY 1, 2015 AS RESTATED	56,603,994	28,696,849	19,922,597	672,736	8,240,117	(357,161)	(161,771)	-	113,617,361	2,481,660	116,099,021
Appropriation of the 2014 earnings											
Legal reserve	-	-	2,502,712	-	(2,502,712)	-	-	-	-	-	-
Cash dividends - NT$2.83 per share	-	-	-	-	(5,839,661)	-	-	-	(5,839,661)	-	(5,839,661)
	-	-	2,502,712	-	(8,342,373)	-	-	-	(5,839,661)	-	(5,839,661)
Change in capital surplus form investments in associates and joint ventures accounted for by using equity method	-	(53)	-	-	-	-	-	-	(53)	-	(53)
Cash dividends	-	(4,000,000)	-	-	-	-	-	-	(4,000,000)	-	(4,000,000)
Net profit for the six months ended June 30, 2015	-	-	-	-	2,982,940	-	-	-	2,982,940	11,779	2,994,719
Other comprehensive loss for the six months ended June 30, 2015, net income tax	-	-	-	-	-	(637,415)	(2,422,332)	-	(3,059,747)	(1,141)	(3,060,888)
Other comprehensive income (loss) for the six months ended June 30, 2015	-	-	-	-	2,982,940	(637,415)	(2,422,332)	-	(76,807)	10,638	(66,169)
Capital reduction	(36,000,000)	-	-	-	-	-	-	-	(36,000,000)	-	(36,000,000)
Share-based payment	-	2,600	-	-	-	-	-	-	2,600	-	2,600
Changes in non-controlling interest	-	-	-	-	-	-	-	-	-	(2,441,701)	(2,441,701)
BALANCE AT JUNE 30, 2015	$ 20,603,994	$ 24,699,396	$ 22,425,309	$ 672,736	$ 2,880,684	$ (994,576)	$ (2,584,103)	$ -	$ 67,703,440	$ 50,597	$ 67,754,037

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

CHINA DEVELOPMENT INDUSTRIAL BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2015	**2014 (Restated)**
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 2,839,192	$ 4,368,097
Adjustments to reconcile net profit (loss)		
Depreciation expenses	44,535	45,614
Amortization expenses	10,919	10,901
Allowance for bad debts and losses on guarantees, net	(88,102)	(69,365)
Interest expense	945,493	1,416,653
Interest income	(2,542,356)	(4,094,681)
Dividend income	(175,058)	(172,230)
Share of profit of associates accounted for using equity method	(183,889)	(139,444)
Gain on disposal of investment properties	(782)	(17,864)
Gain on disposal of investments	(1,949,577)	(4,175,856)
Loss on financial asset impairment	158,074	800,873
Loss on nonfinancial asset impairment	-	32,041
Others	105,543	37,201
Changes in operating assets and liabilities		
Due from the Central Bank and other banks	10,220,645	(3,367,775)
Financial assets at fair value through profit or loss	52,721,042	(2,198,407)
Securities purchased under resell agreements	-	(1,527,122)
Receivables	37,148,972	5,725,930
Discounts and loans	126,114,314	(18,263,602)
Other financial assets	1,564,359	6,482,067
Other assets	6,088,969	313,116
Call loans from banks	(10,331,413)	(1,795,918)
Financial liabilities at fair value through profit or loss	(24,372,155)	(1,044,786)
Securities sold under repurchase agreements	(63,299,830)	(8,190,964)
Payables	(4,085,156)	(700,022)
Deposits and remittances	(173,337,066)	54,859,945
Other financial liabilities	(60,545,256)	9,992,910
Other liabilities	(1,037,213)	6,087
Cash generated from operations	(103,985,796)	38,333,399
Interest received	4,054,258	4,211,773
Dividend received	244,568	105,212
Interest paid	(1,512,309)	(1,566,442)
Income tax paid	(195,887)	(466,379)
Net cash generated from (used in) operating activities	(101,395,166)	40,617,563
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of available-for-sale financial assets	(21,871,442)	(7,728,562)
Proceeds from the sale of available-for-sale financial assets	133,978,016	21,569,584
Acquisition of financial assets measured at cost	(1,311,858)	(1,541,170)
Proceeds from the sale of financial assets measured at cost	5,326,875	3,879,218

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CHINA DEVELOPMENT INDUSTRIAL BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2015	**2014 (Restated)**
Proceeds from capital return on financial assets measured at cost	$ 75,614	$ 146,759
Acquisition of associates	(920,193)	(1,932,190)
Proceeds from disposal of subsidiaries	1,589,115	-
Proceeds from capital return on equity-method investments	506,219	164,329
Acquisition of property and equipment	(68,350)	(21,305)
Proceeds from the disposal of property and equipment	247,717	67,335
Others	66,080	119,849
Net cash generated from investing activities	117,617,793	14,723,847
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term loans	(70,000)	487,739
Increase (decrease) in commercial paper payable	69,932	(76,897)
Decrease in bank debentures payable	(12,750,000)	(3,500,000)
Proceeds from long-term borrowings	-	499,968
Payments of long-term borrowings	-	(415,091)
Cash dividend paid	(5,839,661)	(4,208,205)
Acquisition of entity interest in subsidiaries	-	(111,150)
Reduction of capital	(36,000,000)	-
Others	(3,977,500)	(234)
Net cash used in financing activities	(58,567,229)	(7,323,870)
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENT	(116,227)	(82,716)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(42,460,829)	47,934,824
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	59,218,354	57,804,409
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 16,757,525	$ 105,739,233

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CHINA DEVELOPMENT INDUSTRIAL BANK AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

Reconciliation of the amounts in the consolidated statements of cash flows with the equivalent items reported in the consolidated balance sheets as of June 30, 2015 and 2014:

	For the Six Months Ended June 30	
	2015	2014
Cash and cash equivalents in consolidated balance sheets	$ 16,757,525	$ 31,264,347
Due from the Central Bank and call loans to banks qualifying as cash and cash equivalents under the definition of IAS 7	-	50,219,820
Securities purchased under agreements to resell qualifying as cash and cash equivalents under the definition of IAS 7	-	24,255,066
Cash and cash equivalents in consolidated statements of cash flows	$ 16,757,525	$ 105,739,233

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

CHINA DEVELOPMENT INDUSTRIAL BANK AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED JUNE 30, 2015 AND 2014
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

China Development Industrial Bank (the "Bank") was incorporated under the Company Act and relevant regulations and started operations on May 14, 1959. Effective January, 1999, the Bank was converted from a trust corporation into an industrial bank under government approval. On December 28, 2001, the Bank's stockholders exchanged their Bank holdings of shares in China Development Financial Holding Corporation (CDFH; the Bank's parent company) at a 1:1 ratio, which was approved by the Ministry of Finance (MOF). As required by the Financial Holding Company Act, CDFH's shares were listed on the Taiwan Stock Exchange after the exchange and the Bank became a wholly owned subsidiary of CDFH.

On March 2 and April 13, 2015, CDIB's board of the directors of CDIB approved the transfer to KGI Bank of (a) all assets and liabilities associated with the commercial banking business of CDIB and (b) CDIB's holdings of shares in CDIB's leasing subsidiaries and in the Taiwan Financial Asset Service Corporation in accordance with Article 185 of Company Act and Article 27 of Business Mergers and Acquisitions Act. On April 16, the transaction is approved by Financial Supervisory Commission in accordance with Rule No. 10400053521, and the chairman was authorized by the board of directors to approve the date of transfer of business on May 1, 2015.

Assets and liabilities transferred:

	Financial Market Business	Corporate Finance Business	Other Business	Amount
Assets				
Financial assets	$ 233,378,734	$ 161,800,416	$ 50,000	$ 395,229,150
Other assets	-	-	30,994	30,994
	233,378,734	161,800,416	80,994	395,260,144
Liabilities				
Financial assets	141,757,437	215,298,264	-	357,055,701
Other assets	-	-	204,443	204,443
	141,757,437	215,298,264	204,443	357,260,144
Net amount	$ 91,621,297	$ (53,497,848)	$ (123,449)	$ 38,000,000

Before the transfer of business, industrial banking operations of which CDIB engages in included certain deposit-taking, lending, investment, bank debenture issuing, securities underwriting, domestic exchange, guarantee provision, letter of credit issuing, receivable acquisition, government bond purchasing, trust operations, offshore banking, derivative financial instruments and other activities under the authority approval. After the transfer of business, CDIB engages in industrial banking operations which included securities investment, investment, financial related business, venture capital and other activities approved by the authorities.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were reported to the board of directors and authorized for issue on August 24, 2015.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. The amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the 2013 version of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) endorsed by the FSC not yet effective.

Rule No. 10310006010 and Rule No. 1030010325 issued by the FSC, stipulated that the Bank and subsidiaries should apply the 2013 version of IFRS, IAS, IFRIC and SIC (collectively, the "IFRSs") issued by the IASB and endorsed by the FSC and the related amendments to the Regulations Governing the Preparation of Financial Reports by Public Banks starting January 1, 2015.

Except for the following, the initial application of the above New IFRSs has not had any material impact on the Bank and subsidiaries' accounting policies:

1) IFRS 10 "Consolidated Financial Statements"

IFRS 10 replaces IAS 27 "Consolidated and Separate Financial Statements" and SIC 12 "Consolidation - Special Purpose Entities". The Bank and subsidiaries considers whether it has control over other entities for consolidation. The Bank and subsidiaries has control over an investee if and only if it has i) power over the investee; ii) exposure, or rights, to variable returns from its involvement with the investee and iii) the ability to use its power over the investee to affect the amount of its returns. Additional guidance has been included in IFRS 10 to explain when an investor has control over an investee.

Under IFRS 10, the Bank and subsidiaries will recognize control over CDIB Capital Asia Partners L.P. since the acquisition date. Prior to the application of IFRS 10, the Bank and subsidiaries ownership interest in CDIB Capital Asia Partners L.P. is treated as an investment in associate and thus accounted for this investment using the equity method.

The anticipated impact of the initial application of IFRS 10 is detailed as follows:

	Carrying Amount	Adjustments Arising from Initial Application	Adjusted Carrying Amount
<u>Impact on assets, liabilities and equity</u>			
<u>December 31, 2014</u>			
Cash and cash equivalents	$ 11,515,623	$ 97,789	$ 11,613,412
Receivables, net	51,037,609	(69,634)	50,967,975
Investments accounted for using the equity method, net	7,704,106	(2,074,091)	5,630,015
Financial assets measured at cost	25,973,353	4,184,306	30,157,659
Payable	3,779,537	12,579	3,792,116
Retained earnings	28,937,706	(86,259)	28,851,447
Exchange differences translating foreign operations	(353,364)	(3,797)	(357,161)
Non-controlling interests	265,813	2,215,847	2,481,660

(Continued)

	Carrying Amount	Adjustments Arising from Initial Application	Adjusted Carrying Amount
June 30, 2014			
Receivables, net	$ 52,207,875	$ (43,430)	$ 52,164,445
Investments accounted for using the equity method, net	7,089,271	(1,211,275)	5,877,996
Financial assets measured at cost	28,094,857	2,301,123	30,395,980
Payable	3,255,361	(43,430)	3,211,931
Other liabilities	1,280,688	(77,717)	1,202,971
Retained earnings	24,814,270	(80,973)	24,733,297
Exchange differences on translation of foreign financial statements	(1,908,831)	925	(1,907,906)
Non-controlling interests	238,876	1,247,613	1,486,489
Impact on total comprehensive income for the three months ended June 30, 2014			
Noninterest profits and gains, net			
Share of the profit of associates	76,749	21,353	98,102
Gain on financial assets measured at cost, net	40,428	(80,973)	(40,545)
Operating expense	(703,968)	(43,347)	(747,315)
Other profits and gains, net	2,469,763	-	2,469,763
Total effect on net profit for the three months ended June 30, 2014	1,882,972	(102,967)	1,780,005
Items that will be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign financial statements	(436,676)	925	(435,751)
Other comprehensive income, net	(140,774)	-	(140,774)
Total effect on other comprehensive income for the three months ended June 30, 2014, net of income tax	$ 1,305,522	$ (102,042)	$ 1,203,480
Impact on net profit attributable to:			
Owners of the Company	$ 1,875,461	$ (80,973)	$ 1,794,488
Non-controlling interests	7,511	(21,994)	(14,483)
	$ 1,882,972	$ (102,967)	$ 1,780,005
Impact on total comprehensive income attributable to:			
Owners of the Company	$ 1,300,936	$ (80,048)	$ 1,220,888
Non-controlling interests	4,586	(21,994)	(17,408)
	$ 1,305,522	$ (102,042)	$ 1,230,480
Impact on earnings per share			
Earnings per share	$ 0.30	$ (0.01)	$ 0.29

(Continued)

	Carrying Amount	Adjustments Arising from Initial Application	Adjusted Carrying Amount
Impact on total comprehensive income for the six months ended June 30, 2014			
Noninterest profits and gains			
Share of the profit of associates	$ 116,589	$ 21,353	$ 137,942
Gain on financial assets measured at cost, net	278,944	(80,973)	197,971
Operating expenses	(1,449,335)	(43,347)	(1,492,682)
Other profits and gains, net	5,292,539	-	5,292,539
Total effect on net profit for the six months ended June 30, 2014	4,238,737	(102,967)	4,135,770
Items that will be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign financial statements	(50,862)	925	(49,937)
Other comprehensive income, net	641,594	-	641,594
Total effect on other comprehensive income for the six months ended June 30, 2014, net of income tax	$ 4,829,469	$ (102,042)	$ 4,727,427
Impact on net profit attributable to:			
Owners of the Company	$ 4,218,937	$ (80,973)	$ 4,137,964
Non-controlling interests	19,800	(21,994)	(2,194)
	$ 4,238,737	$ (102,967)	$ 4,135,770
Impact on total comprehensive income			
Owners of the Company	$ 4,812,050	$ (80,048)	$ 4,732,002
Non-controlling interests	17,419	(21,994)	(4,575)
	$ 4,829,467	$ (102,042)	$ 4,727,427
Impact on earnings per share			
Earnings per share	$ 0.68	$ (0.01)	$ 0.67
Impact on cash flows for the six months ended June 30, 2014			
Net cash inflow (outflow) from operating activities	$ 40,738,627	$ (121,064)	$ 40,617,563
Net cash outflow from investing activities	14,594,254	129,593	14,723,847
Net cash inflow (outflow) from financing activities	(7,323,870)	-	(7,323,870)
Effects of exchange rate changes on the balance of cash held in foreign currencies	(74,187)	(8,529)	(82,716)
Net increase in cash and cash equivalents	$ 47,934,824	$ -	$ 47,934,824

(Concluded)

2) IFRS 12 “Disclosure of Interests in Other Entities”

IFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in IFRS 12 are more extensive than in the current standards.

3) Revision to IAS 28 “Investments in Associates and Joint Ventures”

Revised IAS 28 requires when a portion of an investment in an associate meets the criteria to be classified as held for sale, that portion is classified as held for sale. Any retained portion that has not been classified as held for sale is accounted for using the equity method. Under current IAS 28, when a portion of an investment in associates meets the criteria to be classified as held for sale, the entire investment is classified as held for sale and ceases to apply the equity method.

4) IFRS 13 “Fair Value Measurement”

IFRS 13 establishes a single source of guidance for fair value measurements. It defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The disclosure requirements in IFRS 13 are more extensive than those required in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only will be extended by IFRS 13 to cover all assets and liabilities within its scope.

The fair value measurements under IFRS 13 will be applied prospectively from January 1, 2015. Please refer to Note 45 to the consolidated financial statements.

5) Amendment to IAS 1 “Presentation of Items of Other Comprehensive Income”

The amendment to IAS 1 requires items of other comprehensive income to be grouped into those items that (1) will not be reclassified subsequently to profit or loss; and (2) may be reclassified subsequently to profit or loss. Income taxes on related items of other comprehensive income are grouped on the same basis. Under current IAS 1, there were no such requirements.

The Bank and subsidiaries will apply the above amendments in presenting the consolidated statement of comprehensive income, starting from the year 2015. Items not expected to be reclassified to profit or loss are the actuarial gain (loss) arising from defined benefit plans and share of the actuarial gains (loss) arising from defined benefit plans of (associates/joint ventures) accounted for using the equity method. Items expected to be reclassified to profit or loss are the exchange differences on translating foreign operations, unrealized gains (loss) on available-for-sale financial assets, cash flow hedges, and share of the other comprehensive income (except the share of the actuarial gains (loss) arising from defined benefit plans) of (associates/joint ventures) accounted for using the equity method.

6) Revision to IAS 19 “Employee Benefits”

Revised IAS 19 requires the recognition of changes in defined benefit obligations and in the fair value of plan assets when they occur, and hence eliminate the “corridor approach” permitted under current IAS 19 and accelerate the recognition of past service costs. The revision requires all actuarial gains and losses to be recognized immediately through other comprehensive income in order for the net pension asset or liability to reflect the full value of the plan deficit or surplus. Furthermore, the interest cost and expected return on plan assets used in current IAS 19 are replaced with a “net interest” amount, which is calculated by applying the discount rate to the net defined benefit liability or asset.

Furthermore, the interest cost and expected return on plan assets used in current IAS 19 are replaced with a "net interest" amount, which is calculated by applying the discount rate to the net defined benefit liability or asset. In addition, the revised IAS 19 introduces certain changes in the presentation of the defined benefit cost, and also includes more extensive disclosures.

On initial application of the revised IAS 19 in 2015, the changes in cumulative employee benefit costs as of December 31, 2013 resulting from the retrospective application are adjusted to net defined benefit liabilities and retained earnings. In addition, in preparing the consolidated financial statements for the six months ended June 30, 2015, the Bank and subsidiaries would elect not to present 2014 comparative information about the sensitivity of the defined benefit obligation.

The impact for the current period is detailed as follows:

	June 30, 2015
Impact on assets, liabilities and equities	
Decrease in provisions	$ 1,036
Increase in retained earnings	$ 1,036

	For the Three Months Ended June 30, 2015	**For the Six Months Ended June 30, 2015**
Impact on total comprehensive income for the three months ended June 30, 2015		
Decrease in employee benefit	$ 518	$ 1,036

The impact for the period is detailed as follows:

Impact on assets, liabilities and equity	**Carrying Amount**	**Adjustments Arising from Initial Application**	**Adjusted Carrying Amount**
December 31, 2014			
Provisions	$ 430,799	$ 15,997	$ 446,796
Retained earnings	28,937,706	(15,997)	28,921,709
June 30, 2014			
Provisions	383,379	17,033	400,412
Retained earnings	24,814,270	(17,033)	24,797,237
Impact on total comprehensive income for the three months ended June 30, 2014			
Employee benefits	460,995	(518)	460,477
Impact on total comprehensive income for the six months ended June 30, 2014			
Employee benefits	973,831	(1,036)	972,795

7) Annual Improvements to IFRSs: 2009-2011 Cycle

The amendments to IAS 1 clarify that an entity is required to present a balance sheet as at the beginning of the preceding period when a) it applies an accounting policy retrospectively, or makes a retrospective restatement or reclassifies items in its financial statements, and b) the retrospective application, restatement or reclassification has a material effect on the information in the balance sheet at the beginning of the preceding period. The amendments also clarify that related notes are not required to accompany the balance sheet at the beginning of the preceding period.

8) Recognition and measurement of financial liabilities designated as at fair value through profit or loss

In accordance with the amendments to the Regulations Governing the Preparation of Financial Reports by Public Banks for financial liabilities designated as at fair value through profit or loss, the amount of change in the fair value attributable to changes in the credit risk of that liability is presented in other comprehensive income and the remaining amount of change in the fair value of that liability is presented in profit or loss. Changes in fair value attributable to a financial liabilities' credit risk are not subsequently reclassified to profit or loss. If the above accounting treatment would create or enlarge an accounting mismatch, all gains or losses on that liability are presented in profit or loss.

b. New IFRSs in issue but not yet endorsed by FSC

The Bank and subsidiaries has not applied the following New IFRSs issued by the IASB but not yet endorsed by the FSC. As of the date the consolidated financial statements were authorized for issue, the FSC has not announced their effective dates.

New IFRSs	**Effective Date Announced by IASB (Note 1)**
Annual Improvements to IFRSs 2010-2012 Cycle	July 1, 2014 (Note 2)
Annual Improvements to IFRSs 2011-2013 Cycle	July 1, 2014
Annual Improvements to IFRSs 2012-2014 Cycle	January 1, 2016 (Note 3)
IFRS 9 "Financial Instruments"	January 1, 2018
Amendments to IFRS 9 and IFRS 7 "Mandatory Effective Date of IFRS 9 and Transition Disclosures"	January 1, 2018
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"	January 1, 2016 (Note 4)
Amendments to IFRS 10, IFRS 12 and IAS 28 "Investment Entities: Applying the Consolidation Exception"	January 1, 2016
Amendment to IFRS 11 "Accounting for Acquisitions of Interests in Joint Operations"	January 1, 2016
IFRS 14 "Regulatory Deferral Accounts"	January 1, 2016
IFRS 15 "Revenue from Contracts with Customers"	January 1, 2017
Amendment to IAS 1 "Disclosure Initiative"	January 1, 2016
Amendments to IAS 16 and IAS 38 "Clarification of Acceptable Methods of Depreciation and Amortization"	January 1, 2016
Amendments to IAS 16 and IAS 41 "Agriculture: Bearer Plants"	January 1, 2016
Amendment to IAS 19 "Defined Benefit Plans: Employee Contributions"	July 1, 2014
Amendment to IAS 36 "Impairment of Assets: Recoverable Amount Disclosures for Non-financial Assets"	January 1, 2014
Amendment to IAS 39 "Novation of Derivatives and Continuation of Hedge Accounting"	January 1, 2014
IFRIC 21 "Levies"	January 1, 2014

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual periods beginning on or after their respective effective dates.

Note 2: The amendment to IFRS 2 applies to share-based payment transactions with grant date on or after July 1, 2014; the amendment to IFRS 3 applies to business combinations with acquisition date on or after July 1, 2014; the amendment to IFRS 13 is effective immediately; the remaining amendments are effective for annual periods beginning on or after July 1, 2014.

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

Note 4: The amendment to IFRS 5 is applied prospectively to changes in a method of disposal that occur in annual periods beginning on or after January 1, 2016.

The initial application of the above New IFRSs has not had any material impact on the Bank and subsidiaries' accounting policies, except for the following:

1) IFRS 9 "Financial Instruments"

<u>Recognition and measurement of financial assets</u>

With regards to financial assets, all recognized financial assets that are within the scope of IAS 39 "Financial Instruments: Recognition and Measurement" are subsequently measured at amortized cost or fair value. Under IFRS 9, the requirement for the classification of financial assets is stated below.

For the Bank and subsidiaries' debt instruments that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, their classification and measurement are as follows:

a) For debt instruments, if they are held within a business model whose objective is to collect the contractual cash flows, the financial assets are measured at amortized cost and are assessed for impairment continuously with impairment loss recognized in profit or loss, if any. Interest revenue is recognized in profit or loss by using the effective interest method;

b) For debt instruments, if they are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, the financial assets are measured at fair value through other comprehensive income (FVTOCI) and are assessed for impairment. Interest revenue is recognized in profit or loss by using the effective interest method, and other gain or loss shall be recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses. When the debt instruments are derecognized or reclassified the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

Except for above, all other financial assets are measured at fair value through profit or loss. However, the Bank and subsidiaries may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognized in profit or loss. Neither subsequent impairment assessment is required nor gain or loss accumulated in other comprehensive income be reclassified to profit or loss.

The impairment of financial assets

IFRS 9 requires that impairment loss on financial assets is recognized by using the "Expected Credit Losses Model". The credit loss allowance is required for financial assets measured at amortized cost, financial assets mandatorily measured at FVTOCI, lease receivables, contract assets arising from IFRS 15 "Revenue from Contracts with Customers", certain written loan commitments and financial guarantee contracts. A loss allowance for the 12-month expected credit losses is required for a financial asset if its credit risk has not increased significantly since initial recognition. A loss allowance for full lifetime expected credit losses is required for a financial asset if its credit risk has increased significantly since initial recognition. However, a loss allowance for full lifetime expected credit losses is required for trade receivables that do not constitute a financing transaction.

For purchased or originated credit-impaired financial assets, the Bank and subsidiaries takes into account the expected credit losses on initial recognition in calculating the credit-adjusted effective interest rate. Subsequently, any changes in expected losses are recognized as a loss allowance with a corresponding gain or loss recognized in profit or loss.

2) Amendment to IAS 36 "Recoverable Amount Disclosures for Non-financial Assets"

In issuing IFRS 13 "Fair Value Measurement", the IASB made consequential amendment to the disclosure requirements in IAS 36 "Impairment of Assets", introducing a requirement to disclose in every reporting period the recoverable amount of an asset or each cash-generating unit. The amendment clarifies that such disclosure of recoverable amounts is required only when an impairment loss has been recognized or reversed during the period. Furthermore, the Bank and subsidiaries is required to disclose the discount rate used in measurements of the recoverable amount based on fair value less costs of disposal measured using a present value technique.

3) IFRIC 21 "Levies"

IFRIC 21 provides guidance on when to recognize a liability for a levy imposed by a government. It addresses the accounting for a liability whose timing and amount is certain and the accounting for a provision whose timing or amount is not certain. The Bank and subsidiaries accrues related liability when the transaction or activity that triggers the payment of the levy occurs. Therefore, if the obligating event occurs over a period of time (such as generation of revenue over a period of time), the liability is recognized progressively. If an obligation to pay a levy is triggered upon reaching a minimum threshold (such as a minimum amount of revenue or sales generated), the liability is recognized when that minimum threshold is reached.

4) Annual Improvements to IFRSs: 2010-2012 Cycle

The amended IFRS 8 requires an entity to disclose the judgments made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have "similar economic characteristics". The amendment also clarifies that a reconciliation of the total of the reportable segments' assets to the entity's assets should only be provided if the segments' assets are regularly provided to the chief operating decision-maker.

IFRS 13 was amended to clarify that the issuance of IFRS 13 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting, if the effect of not discounting is immaterial.

5) Annual Improvements to IFRSs: 2011-2013 Cycle

The scope in IFRS 13 of the portfolio exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis was amended to clarify that it includes all contracts that are within the scope of, and accounted for in accordance with, IAS 39 or IFRS 9, even if those contracts do not meet the definitions of financial assets or financial liabilities within IAS 32.

IAS 40 was amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive and application of both standards may be required to determine whether the investment property acquired is acquisition of an asset or a business combination.

6) IFRS 15 "Revenue from Contracts with Customers"

IFRS 15 establishes principles for recognizing revenue that apply to all contracts with customers, and will supersedes IAS 18 "Revenue", IAS 11 "Construction Contracts" and a number of revenue-related interpretations from January 1, 2017.

When applying IFRS 15, an entity shall recognize revenue by applying the following steps:

- Identify the contract with the customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contracts; and
- Recognize revenue when the entity satisfies a performance obligation.

When IFRS 15 is effective, an entity may elect to apply this Standard either retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initially applying this Standard recognized at the date of initial application.

7) Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"

The amendments stipulated that, when the Bank and subsidiaries sells or contributes assets that constitute a business (as defined in IFRS 3) to an associate, the gain or loss resulting from the transaction is recognized in full. Also, when the Bank and subsidiaries loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

Conversely, when the Bank and subsidiaries sells or contributes assets that do not constitute a business to an associate, the gain or loss resulting from the transaction is recognized only to the extent of the unrelated investors' interest in the associate, i.e. the Bank and subsidiaries' share of the gain or loss is eliminated. Also, when the Bank and subsidiaries loses control of a subsidiary that does not contain a business but retains significant influence or joint control in an associate or a joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the unrelated investors' interest in the associate, i.e. the Bank and subsidiaries' share of the gain or loss is eliminated.

8) Annual Improvements to IFRSs: 2012-2014 Cycle

The amendments to IFRS 7 provide additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset.

9) Amendment to IAS 1 “Disclosure Initiative”

The amendment clarifies that the consolidated financial statements should be prepared for the purpose of disclosing material information. To improve the understandability of its consolidated financial statements, the Group should disaggregate the disclosure of material items into their different natures or functions, and disaggregate material information from immaterial information.

The amendment further clarifies that the Group should consider the understandability and comparability of its consolidated financial statements to determine a systematic order in presenting its footnotes.

Except for the above a. and b. impact, as of the date the consolidated financial statements were authorized for issue, the Bank and subsidiaries is continuingly assessing the possible impact that the application of other standards and interpretations will have on the Bank and subsidiaries’ financial position and financial performance, and will disclose the relevant impact when the assessment is complete.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The same accounting policies of these consolidated financial statements have been followed as were applied in the preparation of the Corporation and subsidiaries consolidated financial statements for the year ended December 31, 2014, except for those described below.

Statement of Compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Public Banks, IAS 34 “Interim Financial Reporting” as endorsed by the FSC. Disclosure information included in the consolidated financial statements is less than those required in a complete set of annual financial statements.

Basis of Preparation

As of June 30, 2015, December 31, 2014 and June 30, 2014, the consolidated entities included in the consolidated financial statements included 28, 33 and 31 companies, respectively (please refer to the attached Table 5 for details).

Retirement Benefit Costs

Defined benefit costs (including service cost, net interest and remeasurement) under the defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost (including current service cost and prior service cost) and net interest on the net defined benefit liability (asset) are recognized as employee benefits expense in the period they occur. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets excluding interest, is recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liability (asset) represents the actual deficit (surplus) in the Company’s defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

Taxation

Income tax expense is the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The same critical accounting judgments and key sources of estimation uncertainty of consolidated financial statements have been followed in these consolidated financial statements as were applied in the preparation of the consolidated financial statements for the year ended December 31, 2014.

6. CASH AND CASH EQUIVALENTS

	June 30, 2015	December 31, 2014	June 30, 2014
Cash in banks	$ 8,742,649	$ 4,029,696	$ 6,903,408
Due from other banks	5,224,036	4,794,575	22,363,855
Commercial paper	2,670,381	2,464,235	1,321,952
Other	120,459	324,906	675,132
	$ 16,757,525	$ 11,613,412	$ 31,264,347

Cash and cash equivalents as of December 31, 2014 as shown in the consolidated statement of cash flows can be reconciled to the related items in the balance sheets as follows; please refer to the consolidated statement of cash flows for the reconciliation information as of June 30, 2015 and 2014:

	December 31, 2014
Cash and cash equivalents in consolidated balance sheets	$ 11,613,412
Due from the Central Bank and call loans to banks qualifying as cash and cash equivalents under the definition of IAS 7	24,190,600
Securities purchased under agreement to resell qualifying as cash and cash equivalents under the definition of IAS 7	23,414,342
Cash and cash equivalents in consolidated statements of cash flow	$ 59,218,354

7. DUE FROM THE CENTRAL BANK AND CALL LOANS TO BANKS

	June 30, 2015	December 31, 2014	June 30, 2014
Due from the Central Bank	$ -	$ 23,936,808	$ 50,159,991
Call loans to banks	-	10,474,437	5,962,201
	$ -	$ 34,411,245	$ 56,122,192

Statutory deposit reserves placed in the Central Bank of the ROC are determined at prescribed rates based on the monthly average balances of customers' New Taiwan dollar deposits. As of June 30, 2015, December 31, 2014 and June 30, 2014, these reserves included $0 thousand, $4,559,260 thousand and $5,099,630 thousand, respectively, which were subject to withdrawal restrictions.

In addition, under a directive issued by the Central Bank of the ROC, separate foreign-currency deposit reserves are determined at prescribed rates based on balances of foreign-currency deposits. These reserves may be withdrawn anytime and are noninterest earning. The balances of foreign-currency deposit reserves were $0 thousand, $114,185 thousand and $47,920 thousand as of June 30, 2015, December 31, 2014 and June 30, 2014, respectively.

For the negotiable certificates of deposit pledged as collateral for day-term overdraft, please refer to Note 42.

8. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2015	December 31, 2014	June 30, 2014
Financial assets held for trading			
Derivative instrument			
Currency swap contracts	$ -	$ 13,707,739	$ 2,676,557
Interest rate swap contracts	-	4,517,404	3,784,755
Premiums paid on option contracts	-	2,666,253	1,347,470
Others	-	1,182,538	468,562
Nonderivative financial assets			
Listed and OTC stocks	112,106	433,949	576,530
Bank debentures	-	21,008,563	11,139,413
Corporate bonds	-	5,306,309	4,424,431
Convertible (exchangeable) corporate bonds	-	2,733,520	2,266,561
Others	-	1,265,957	1,247,611
	112,106	52,822,232	27,931,890
Financial assets designated as FVTPL			
Convertible (exchangeable) corporate bonds	222,770	233,686	194,393
Financial assets at FVTPL	$ 334,876	$ 53,055,918	$ 28,126,283
Financial liabilities held for trading			
Derivative instrument			
Currency swap contracts	$ -	$ 14,393,308	$ 1,841,132
Interest rate swap contracts	-	4,578,719	3,662,553
Premiums received on option contracts	-	2,987,359	1,985,428
Others	-	1,320,473	331,423
Nonderivative financial liabilities			
Borrowed securities payable	-	-	7,680
	-	23,279,859	7,828,216
Financial liabilities designated as FVTPL			
Bank debentures payable	-	1,071,148	1,077,685
Financial liabilities at FVTPL	$ -	$ 24,351,007	$ 8,905,901

As of June 30, 2015, December 31, 2014 and June 30, 2014, bank debentures issued by the Bank and designated as at FVTPL were as follows:

Bank Debenture Number	June 30, 2015	December 31, 2014	June 30, 2014	Issuance Period	Method of Paying Principal and Interests	Interest Rate
No. 940301	$ -	$ 1,050,000	$ 1,050,000	May 18, 2006 - May 18, 2016	Principal due on maturity; interest payable annually	2.15%
Valuation adjustments	-	21,148	27,685			
	$ -	$ 1,071,148	$ 1,077,685			

The contract (nominal) amounts of the Bank's outstanding derivative financial instruments as of June 30, 2015, December 31, 2014 and June 30, 2014 are summarized as follows:

	Contract Amount		
	June 30, 2015	**December 31, 2014**	**June 30, 2014**
Currency swap contracts	$ -	$ 897,151,912	$ 702,473,743
Interest rate swap contracts	-	536,720,132	537,765,469
Option contracts	-	223,947,426	226,125,776
Forward exchange contracts	-	40,037,779	29,967,187
Cross-currency swap contracts	-	28,485,909	42,994,238
Futures contracts	-	8,925,445	204,515
Non-deliverable forward contracts	-	3,331,462	2,782,189
Asset swap contracts	-	2,292,748	1,890,236
Others	-	213,193	332,933

As of June 30, 2015, December 31, 2014 and June 30, 2014, financial assets held for trading with aggregate carrying values of $0 thousand, $23,843,582 thousand and $14,765,534 thousand, respectively, had been sold under repurchase agreements (recognized as securities sold under repurchase agreements).

On July 15, 2010, the Bank initiated action against Morgan Stanley & Co. International PLC ("Morgan Stanley") et al. to recover losses the Bank suffered as a result of its investment in a Morgan Stanley's credit default swap (CDS) product that had been tied to a synthetic collateralized debt obligation on residential mortgage-backed securities; the representations made to the Bank by Morgan Stanley during the solicitation process were materially false and misleading and therefore caused significant financial losses to the Bank. As of December 31, 2010, the underlying asset pools on the CDS had been liquidated, and the Bank had recognized all gains and losses from the transaction. The balance of US$11,977,825 ($372,151 thousand based on the exchange rate of June 30, 2015) was reclassified to "other financial liabilities." In addition, Morgan Stanley overlooked the Bank's efforts and terminated interest rate swap (IRS) contracts (nominal principal amount: KRW24,000,000 thousand) and CDS contracts (nominal principal amount: JPY586,510 thousand), the Bank reserves the right of legal proceedings.

9. RECEIVABLES

	June 30, 2015	**December 31, 2014**	**June 30, 2014**
Receivable from securities sold	$ 3,574,003	$ 250,223	$ 1,092,838
Acquired loans	2,595,430	2,648,465	2,682,891
Accrued incomes	604,278	375,501	312,078
Accounts receivable - forfeiting	-	38,793,891	40,021,327

(Continued)

	June 30, 2015	December 31, 2014	June 30, 2014
Lease receivables (Note 10)	$ -	$ 6,718,267	$ 6,262,142
Others	937,864	4,055,075	3,705,695
	7,711,575	52,841,422	54,076,971
Less: Allowance for bad debts	(1,289,495)	(1,873,447)	(1,912,526)
	$ 6,422,080	$ 50,967,975	$ 52,164,445

(Concluded)

The Bank and subsidiaries' changes in allowance for bad debts of receivables were as follows:

	For the Six Months Ended June 30	
	2015	2014
Balance, January 1	$ 1,873,447	$ 2,016,768
Reversal of allowance	(12,359)	(100,457)
Transferred to KGI Bank	(557,768)	-
Effect of exchange rate changes	(13,825)	(3,785)
Balance, June 30	$ 1,289,495	$ 1,912,526

For the impairment loss analysis of receivables, please refer to Note 46.

For the receivables pledged as collateral for subsidiaries' loans, please refer to Note 42.

10. LEASE RECEIVABLES

	June 30, 2015	December 31, 2014	June 30, 2014
Gross investment in the lease	$ -	$ 7,309,548	$ 6,865,720
Less: Unearned finance income	-	(591,281)	(603,578)
	-	6,718,267	6,262,142
Less: Allowance for impairment loss	-	(126,402)	(157,017)
Present value of minimum lease payments receivable	$ -	$ 6,591,865	$ 6,105,125

The interest rates inherent in the leases were fixed at the contract dates for the entire lease terms. These interest rates were approximately 3.02%-17.47% and 3.21%-19.27% per annum as of December 31, 2014 and June 30, 2014, respectively.

Finance lease receivables were secured with the plant and machinery leased. The Bank's subsidiaries were not permitted to sell or repledge the collaterals in the absence of default by the lessee.

11. DISCOUNTS AND LOANS

	June 30, 2015	December 31, 2014	June 30, 2014
Short-term unsecured loans	$ -	$ 11,916,104	$ 9,297,199
Short-term secured loans	-	3,720,460	4,800,883
Medium-term unsecured loans	-	55,854,311	54,569,241
Medium-term secured loans	-	43,844,167	41,859,752
Long-term unsecured loans	-	5,779,876	6,279,341
Long-term secured loans	-	4,852,333	5,764,534
Export negotiations	-	1,895,072	4,465,656
Loans reclassified to nonperforming loans	-	324,015	-
	-	128,186,338	127,036,606
Less: Allowance for bad debts	-	(2,083,946)	(1,888,700)
Less: Discounts on loans	-	(62,789)	(104,589)
	$ -	$ 126,039,603	$ 125,043,317

For the six months ended June 30, 2015 and 2014, the Bank carried out legal procedures required before writing off certain credits.

The Bank's changes in allowance for bad debts of discounts and loans were as follows:

	General Reserve	
	For the Six Months Ended June 30	
	2015	2014
Balance, January 1	$ 2,083,946	$ 1,779,774
Allowance (reversal)	(74,711)	109,480
Write off of accounts receivable	(324,015)	-
Transferred to KGI Bank	(1,681,450)	-
Effects of exchange rate changes	(3,770)	(554)
Balance, June 30	$ -	$ 1,888,700

For the impairment loss analysis of discounts and loans, please refer to Note 46.

12. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	June 30, 2015	December 31, 2014	June 30, 2014
Listed, OTC and earning market stocks	$ 10,526,731	$ 19,616,936	$ 21,621,702
Government bonds	157,889	71,771,676	39,949,761
Bank debentures	-	17,410,134	20,782,121
Corporate bonds	-	14,197,679	16,179,244
Others	552,473	653,003	2,270,200
	$ 11,237,093	$ 123,649,428	$ 100,803,028

As of June 30, 2015, December 31, 2014 and June 30, 2014, government bonds held by the Bank and provided as a deposit for business operations had aggregate values of $57,151 thousand, $105,388 thousand and $109,299 thousand, respectively, and unit face value of $57,000 thousand, $107,000 thousand and $107,000 thousand, respectively. As of June 30, 2015, December 31, 2014 and June 30, 2014, government bonds held by the Bank and provided as a deposit for indemnity reserves had aggregate values of $50,110 thousand, $49,223 thousand and $51,201 thousand, respectively, and unit face value of $50,000 thousand.

For the available-for-sale financial assets pledged as collaterals for bank loans, please refer to Note 42.

As of June 30, 2015, December 31, 2014 and June 30, 2014, available-for-sale financial assets, with aggregate carrying values of $0 thousand, $36,341,191 thousand and $46,271,833 thousand, respectively, had been sold under repurchase agreements (recognized as securities sold under repurchase agreements).

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	June 30, 2015		December 31, 2014		June 30, 2014	
	Carrying Amount	%	Carrying Amount	%	Carrying Amount	%
Unlisted companies						
CDIB & Partner Investment Holding Corporation	$ 4,074,478	29	$ 4,112,713	29	$ 3,976,089	29
CDIB Capital Asia Partners L.P.	1,176,490	-	-	-	-	-
OPEC Huachuang Private Equity Management (Fujian) Enterprise (Limited Partnership)	683,563	-	702,508	-	680,509	-
CPEC Huachuang Private Management (Kushan) Enterprise (Limited Partnership)	602,430	-	-	-	-	-
CDIB CME Fund Ltd.	580,752	40	304,752	40	291,084	40
Others	498,830		510,042		930,314	
	$ 7,616,543		$ 5,630,015		$ 5,877,996	

Investments accounted for using equity method and the Bank and subsidiaries' share of earnings and other comprehensive income of CDIB & Partner Investment Holding Corporation is calculated based on audited financial statements; those of other affiliates are calculated based on unreviewed financial statements. Management believed that had the financial statements of these investees been unreviewed, there would have been no significant effect on the consolidated financial statements.

The Bank and subsidiaries had not pledged any investments accounted for using the equity method as collaterals.

14. RESTRICTED ASSETS

	June 30, 2015	December 31, 2014	June 30, 2014
Stocks	$ 149,392	$ 149,392	$ 149,392
Accounts receivable	97,539	101,800	113,277
Revenue receivable	30,288	28,127	22,326
Due from other banks	14,516	15,905	16,267
Refundable deposits	-	53,759	78,220
	$ 291,735	$ 348,983	$ 379,482

After the filing of a certain complaint against Morgan Stanley (Note 43), the Bank could not access the following funds in connection with transactions made with Morgan Stanley because of its unauthorized disposition: Accounts receivable, deposits, cash security on CDS contracts, available-for-sale stock investments and the related accrued revenue. Because of the inaccessibility of these funds, these financial assets reclassified as "restricted assets."

15. FINANCIAL ASSETS MEASURED AT COST

	June 30, 2015	December 31, 2014	June 30, 2014
Unlisted stocks - common stock	$ 7,888,685	$ 11,483,221	$ 10,845,818
Unlisted overseas partnership fund	7,451,200	12,327,771	12,263,656
Others	5,822,538	6,346,667	7,286,506
	$ 21,162,423	$ 30,157,659	$ 30,395,980
Classified according to financial asset measurement categories			
Available-for-sale financial assets	$ 20,727,389	$ 25,532,224	$ 27,632,355
Financial assets at FVTPL	435,034	4,625,435	2,763,625
	$ 21,162,423	$ 30,157,659	$ 30,395,980

For the three months ended June 30, 2015 and 2014, six months ended June 30, 2015 and 2014, the Bank and subsidiaries disposed of certain financial assets measured at cost with carrying amounts of $4,752,213 thousand, $2,750,122 thousand, $5,184,688 thousand and $3,764,964 thousand, respectively, and recognized disposal loss of $431,438 thousand and $14,383 thousand, gains of $142,187 thousand and $114,254 thousand, respectively.

16. OTHER FINANCIAL ASSETS

	June 30, 2015	December 31, 2014	June 30, 2014
Debt instruments with no active market	$ 2,543,559	$ 2,655,996	$ 2,940,610
Time deposits with original maturities over three months	-	924,875	-
Pledged time deposits	-	409,486	1,450
Others	-	189,424	-
	$ 2,543,559	$ 4,179,781	$ 2,942,060

17. PROPERTY AND EQUIPMENT

	June 30, 2015	December 31, 2014	June 30, 2014
Land	$ 789,273	$ 1,208,416	$ 1,208,416
Buildings and facilities	412,585	591,977	608,950
Computer equipment	20,015	45,779	37,682
Transportation equipment	-	62	70

(Continued)

	June 30, 2015	December 31, 2014	June 30, 2014
Other equipment	$ 11,272	$ 18,316	$ 19,430
Leasehold improvements	10,067	27,558	31,562
Leased assets	-	58,874	44,401
	1,243,212	1,950,982	1,950,511
Prepayments for acquisition of properties	8,468	19,673	30,075
	$ 1,251,680	$ 1,970,655	$ 1,980,586

(Concluded)

The Bank and subsidiaries' changes in property and equipment were as follows:

	Land	Buildings and Facilities	Computer Equipment	Transportation Equipment	Other Equipment	Leasehold Improvements	Leased Assets	Prepayments for Acquisition of Properties	Total
Cost									
Balance at January 1, 2014	$ 1,208,416	$ 1,189,616	$ 104,529	$ 3,839	$ 90,764	$ 40,401	$ 95,740	$ 30,341	$ 2,763,646
Additions	-	-	1,871	76	551	13,182	1,757	3,868	21,305
Disposals	-	(4,408)	(5,389)	(3,904)	(1,723)	(469)	(67)	-	(15,960)
Reclassification	-	4,612	-	(1)	-	-	-	(4,134)	477
Effect of exchange rate changes	-	-	(319)	67	11	(587)	-	-	(828)
Balance at June 30, 2014	1,208,416	1,189,820	100,692	77	89,603	52,527	97,430	30,075	2,768,640
Accumulated depreciation									
Balance at January 1, 2014	-	(564,413)	(60,661)	(3,838)	(68,116)	(17,024)	(44,556)	-	(758,608)
Depreciation	-	(18,573)	(7,819)	(7)	(3,603)	(4,320)	(8,505)	-	(42,827)
Disposals	-	4,408	5,380	3,904	1,562	156	32	-	15,442
Reclassification	-	(2,292)	-	-	-	-	-	-	(2,292)
Effect of exchange rate changes	-	-	90	(66)	(16)	223	-	-	231
Balance at June 30, 2014	-	(580,870)	(63,010)	(7)	(70,173)	(20,965)	(53,029)	-	(788,054)
Balance at June 30, 2014, net	$ 1,208,416	$ 608,950	$ 37,682	$ 70	$ 19,430	$ 31,562	$ 44,401	$ 30,075	$ 1,980,586
Cost									
Balance at January 1, 2015	$ 1,208,416	$ 1,190,335	$ 94,869	$ 76	$ 88,799	$ 55,303	$ 120,908	$ 19,673	$ 2,778,379
Additions	-	11,001	7,330	-	1,799	1,141	30,397	16,682	68,350
Disposals	(2,927)	(38,806)	(59,134)	(76)	(33,305)	(21,968)	(151,305)	(12,837)	(320,358)
Reclassification	(416,216)	(317,728)	-	-	-	(206)	-	(15,050)	(749,200)
Effect of exchange rate changes	-	-	(328)	-	(356)	(1,082)	-	-	(1,766)
Balance at June 30, 2015	789,273	844,802	42,737	-	56,937	33,188	-	8,468	1,775,405
Accumulated depreciation									
Balance at January 1, 2015	-	(598,358)	(49,090)	(14)	(70,483)	(27,745)	(62,034)	-	(807,724)
Depreciation	-	(18,509)	(6,096)	(5)	(2,950)	(5,872)	(8,906)	-	(42,338)
Disposals	-	26,939	32,383	19	27,567	9,892	70,940	-	167,740
Reclassification	-	157,711	-	-	-	206	-	-	157,917
Effect of exchange rate changes	-	-	81	-	201	398	-	-	680
Balance at June 30, 2015	-	(432,217)	(22,722)	-	(45,665)	(23,121)	-	-	(523,725)
Balance at June 30, 2015, net	$ 789,273	$ 412,585	$ 20,015	$ -	$ 11,272	$ 10,067	$ -	$ 8,468	$ 1,251,680

The above items of property and equipment were depreciated on a straight-line basis at the following rates per annum:

Buildings and facilities	
Main building and parking spaces	50 years
Lifting equipment	15 years
Air-conditioning and electrical equipment	5-10 years
Fire and monitoring equipment	5 years
Computer equipment	3-8 years
Other equipment	
Office furniture and equipment	5-8 years
Others	10 years
Leasehold improvements	1-3 years

The Bank had not pledged any property and equipment as collateral.

18. INVESTMENT PROPERTY

	June 30, 2015	December 31, 2014	June 30, 2014
Land	$ 1,509,599	$ 1,172,005	$ 1,286,934
Buildings and facilities	262,459	123,702	166,225
	$ 1,772,058	$ 1,295,707	$ 1,453,159

The changes in the Bank and subsidiaries' investment properties were as follows:

	For the Six Months Ended June 30	
	2015	2014
Cost		
Beginning balance	$ 1,786,942	$ 2,009,002
Disposal	(260,383)	(56,312)
Reclassification	807,527	(4,613)
Ending balance	2,334,086	1,948,077
Accumulated depreciation		
Beginning balance	(59,874)	(65,025)
Depreciation	(1,624)	(2,787)
Disposal	24,807	3,000
Reclassification	(157,711)	2,292
Ending balance	(194,402)	(62,520)
Accumulated impairment		
Beginning balance	(431,361)	(432,239)
Reversal of impairment (loss on impairment)	63,735	(159)
Ending balance	(367,626)	(432,398)
Carrying amount, net	$ 1,772,058	$ 1,453,159

The above items of investment properties were depreciated on a straight-line basis at the following rates per annum:

Buildings and facilities	
Main building and parking spaces	50 years
Lifting equipment	15 years
Air-conditioning and electrical equipment	5-10 years
Fire and monitoring equipment	5 years

The fair values of the Bank and subsidiaries' investment properties as of June 30, 2015, December 31, 2014 and June 30, 2014 were $4,099,397 thousand, $2,161,108 thousand and $2,287,785 thousand, respectively. The fair value valuation had not been performed by independent qualified professional values; however, management of the Bank and subsidiaries used the valuation model that market participants would use in determining the fair value. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

All of the Bank and subsidiaries' investment properties were held under freehold interests. The carrying amounts of the investment properties that had been pledged by the Bank and subsidiaries to secure borrowings are shown in Note 42.

19. OTHER ASSETS

	June 30, 2015	December 31, 2014	June 30, 2014
Collaterals assumed	$ 129,559	$ 153,631	$ 183,499
Guarantee deposits paid	69,248	6,037,115	550,260
Computer software	66,467	98,652	87,477
Prepaid expense	27,337	221,033	234,980
Others	46,603	35,370	22,536
	$ 339,214	$ 6,545,801	$ 1,078,752

As of June 30, 2015, December 31, 2014 and June 30, 2014, the above collaterals were net of accumulated impairment losses of $11,237 thousand, $16,280 thousand and $19,365 thousand, respectively.

20. DEPOSITS FROM THE CENTRAL BANKS AND BANKS

	June 30, 2015	December 31, 2014	June 30, 2014
Call loans from banks	$ -	$ 9,547,440	$ 4,128,270
Deposits from Chunghwa Post Co., Ltd.	-	783,973	787,432
	$ -	$ 10,331,413	$ 4,915,702

21. PAYABLES

	June 30, 2015	December 31, 2014	June 30, 2014
Accrued expenses	$ 579,162	$ 1,207,624	$ 794,448
Interest payable	12,959	596,510	448,327
Collection payable	73,489	62,415	32,425
Accounts payable factoring	-	721,471	1,219,128
Interest payable on interest rate swap contracts	-	372,257	334,011
Transaction cost of call options payables	-	558,160	14,255
Others	137,360	273,679	369,337
	$ 802,970	$ 3,792,116	$ 3,211,931

22. DEPOSITS AND REMITTANCES

	June 30, 2015	December 31, 2014	June 30, 2014
Foreign-currency time deposits	$ -	$ 79,933,689	$ 56,846,534
Time deposits	-	85,970,535	111,222,600
Demand deposits	-	4,286,115	10,490,539
Foreign-currency demand deposits	-	3,058,531	3,724,834
Checking deposits	-	88,196	72,503
Remittance	-	-	307,332
	$ -	$ 173,337,066	$ 182,664,342

23. BANK DEBENTURES PAYABLE

Name	June 30, 2015	December 31, 2014	June 30, 2014	Issue Year	Repayment Year	Interest Rate
No. 960101	$ -	$ 2,750,000	$ 2,750,000	2008.01.09-2017.12.13	Principal due on maturity.	0%
No. 960301	-	9,000,000	9,000,000	2008.01.30-2015.01.30	Principal due on maturity; interest payable quarterly.	3.00%
No. 960401	-	1,000,000	1,000,000	2008.01.31-2015.04.30	Principal due on maturity; interest payable annually, the last payment for three months.	3.10%
Issued amount	-	12,750,000	12,750,000			
Unamortized discount	-	(209,696)	(245,925)			
Net amount	$ -	$ 12,540,304	$ 12,504,075			

24. COMMERCIAL PAPER PAYABLE

	June 30, 2015	December 31, 2014	June 30, 2014
Commercial paper payable	$ 830,000	$ 1,667,000	$ 1,624,500
Less: Unamortized discount	(403)	(798)	(1,289)
	$ 829,597	$ 1,666,202	$ 1,623,211
Rate	1.11%-1.12%	1.11%-1.64%	1.09%-1.69%
Last maturity date	July 2015	February 2015	July 2014 to September 2014

25. OTHER BORROWINGS

	June 30, 2015	December 31, 2014	June 30, 2014
Short-term credit borrowings	$ -	$ 2,365,236	$ 2,744,447
Note issuance facility	-	1,599,331	999,367
Short-term secured borrowings	-	480,000	640,000
Long-term credit borrowings	-	338,808	262,657
Long-term secured borrowings	-	338,280	803,998
	$ -	$ 5,121,655	$ 5,450,469

(Continued)

	June 30, 2015	December 31, 2014	June 30, 2014
Rate	-	1.10%-6.77%	1.22%-6.40%
Last maturity date	-	August 2018	August 2018

(Concluded)

26. PROVISIONS

	June 30, 2015	December 31, 2014	June 30, 2014
Provisions for employee benefits	$ 119,221	$ 344,647	$ 294,844
Provisions for guarantee liabilities	-	99,649	103,161
Others	2,199	2,500	2,407
	$ 121,420	$ 446,796	$ 400,412

27. RETIREMENT BENEFIT PLANS

The Bank and subsidiaries' retirement benefit plans include defined contribution and defined benefit plans. For defined benefit plans, employee benefit expenses were calculated using the actuarially determined pension cost discount rate as of December 31, 2014 and 2013, and recognized in their respective periods.

The Bank and subsidiaries recognized its contributions under defined benefit plans as pension expenses (recognized as employee benefits) amounting to $2,395 thousand, $5,078 thousand, $6,088 thousand and $8,782 thousand, respectively and recognized pension expenses (recognized as employee benefits) under defined contribution plans amounting to $10,057 thousand, $10,759 thousand, $16,656 thousand and $18,395 thousand, respectively for the three and six months ended June 30, 2015 and 2014.

28. OTHER LIABILITIES

	June 30, 2015	December 31, 2014	June 30, 2014
Advance receipts	$ 107,480	$ 751,198	$ 706,036
Guarantee deposits received	51,659	174,071	189,810
Temporary receipts and suspense account	12,089	304,244	256,797
Others	36,457	24,885	50,328
	$ 207,685	$ 1,254,398	$ 1,202,971

29. EQUITY

a. Capital

Common stock

	June 30, 2015	December 31, 2014	June 30, 2014
Numbers of shares authorized (in thousands)	9,266,851	9,266,851	9,266,851
Shares authorized	$ 92,668,510	$ 92,668,510	$ 92,668,510
Number of shares issued and fully paid (in thousands)	2,060,400	5,660,400	6,160,400
Shares issued	$ 20,603,994	$ 56,603,994	$ 61,603,994

On April 14, 2014, the Bank's board of the directors was entitled to execute stockholders' meeting functions and thus approved the reduction of the Bank's capital by $5,000,000 thousand, representing 500,000 thousand issued shares with NT$10 par value. The Bank's board of the directors also authorized the chairman to set the effective date of capital reduction. The Bank set the effective date of capital reduction on September 1, 2014.

On April 13, 2015, the Bank's board of the directors was entitled to execute stockholders' meeting functions and thus approved the reduction of the Bank's capital by $36,000,000 thousand, representing 3,600,000 thousand issued shares with NT$10 par value. The Bank's board of the directors also authorized the chairman to set the effective date of capital reduction. The Bank set the effective date of capital reduction on May 4, 2015.

b. Capital surplus

	June 30, 2015	December 31, 2014	June 30, 2014
Arising from issuance of common shares	$ 24,593,956	$ 28,593,956	$ 28,593,956
Excess of the consideration received over the carrying amount of the subsidiaries' net assets during disposal or acquisition	98,845	98,845	98,845
Arising from share of changes in capital surplus of associates	2,783	2,836	2,836
Share-based payments awards	3,792	1,192	-
Arising from donations	20	20	20
	$ 24,699,396	$ 28,696,849	$ 28,695,657

The premium from shares issued in excess of par (share premium from issuance of common shares, treasury share transactions, and excess of the consideration received over the carrying amount of the subsidiaries' net assets during disposal or acquisition) and donations may be used to offset a deficit; in addition, when the Bank has no deficit, such capital surplus may be distributed as cash dividends or transferred to capital limited to a certain percentage of the Bank's capital surplus and once a year.

On May 11, 2015, the Bank's board of the directors was entitled to execute stockholders' meeting functions. Also, according to the Article 241 of Company Act, the board of the directors approved the distribution of cash dividend of $4,000,000 thousand to shareholders from capital surplus arising from issuance of common shares.

c. Special reserve

According to Rule No. 10010000440 issued by the Financial Supervisory Commission (FSC), the Bank reclassified to special reserve the trading loss reserve of $200,000 thousand set up before June 30, 2010. This special reserve should be used only (a) for offsetting a deficit or (b) for transfer to paid-in capital when the legal reserve has reached 50% of the Bank's paid-in capital.

Under Rule No. 1010012865 issued by the FSC on April 6, 2012 and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs", when transitioning to IFRSs, a company should appropriate to a special reserve of an amount that was the same as these of unrealized revaluation increment and cumulative translation differences (gains) transferred to retained earnings as a result of the Bank's use of exemptions under IFRS 1. However, if the increase in retained earnings that resulted from all IFRSs adjustments is not enough for this appropriation, only the increase in retained earnings that resulted from all IFRSs adjustments will be appropriated to special reserve. The special reserve appropriated as above may be reversed to retained earnings in proportion to the usage, disposal or reclassification of the related assets and thereafter distributed.

The increase in retained earnings that resulted from all IFRSs adjustments was not enough for this appropriation; therefore, the Bank appropriated for special reserve an amount of $395,150 thousand, the increase in retained earnings that resulted from all IFRSs adjustments on transitions to IFRSs.

d. Appropriation of earnings

The provisions of the Bank's Articles of Incorporation are summarized as follows:

Earnings are used to cover prior years' accumulated losses and related taxes, if any. From the remaining earnings are appropriated legal reserve, a special reserve as defined by laws, and at least 1% as employees' bonus, in that order. The appropriation of earnings, including unappropriated earnings at the beginning of the period, are proposed to the stockholder's resolution.

To expand the Bank's operations and increase its profitability as well as comply with the Banking Act and relevant regulations, the Bank applies the residual dividend policy. The Bank decides the time and amount of dividend allocation on the basis of regulations and the Bank's Articles of Incorporation. In principle, the Bank would pay dividends in the form of cash. The cash dividends should not be more than 15% of total capital when legal reserve is less than total capital.

When the Bank's legal reserve has equaled its total capital or when the Bank has complied with the requirements on financial soundness indicators issued by the FSC and has provided a legal reserve based on the Company Act, the Bank is no longer subject to the appropriation requirement for legal reserve and to the 15% limit on cash dividend distribution.

Legal reserve should be appropriated until the reserve equals the Bank's capital. This reserve may be used to offset a deficit. If the Bank has no deficit and the legal reserve has exceeded 25% of the Bank's paid-in capital, the excess may be transferred to capital or distributed in cash.

The appropriation of earnings should be resolved by the stockholder in the following year and given effect to in the financial statements of that year.

Under the Financial Holding Company Act, because the Bank has only one stockholder, CDFH, the board of directors is entitled to execute stockholder's meeting functions; in this situation, the Company Act is not applicable.

On May 25, 2015 and May 26, 2014, the board of the directors, was entitled to execute stockholder's meeting functions and thus approved the appropriation of the 2014 and 2013 earnings and bonus to employees as follows:

	2014	2013
Legal reserve	$ 2,502,712	$ 1,803,379
Special reserve	-	52,338
Cash dividends (NT$2.83 and NT$0.68 per share)	5,839,661	4,208,205

According to amendment of Company Act in May 2015, distribution of dividend and bonus are only applicable to shareholders but employees, therefore the Bank will revise the Bank's Articles of Incorporation in correspond with the amendment of Company Act in the shareholders meeting held in 2015.

For the six months ended June 30, 2015 and 2014, the bonuses to employees were estimated at $59,000 thousand and $32,715 thousand, respectively, and they were estimated and accrued on the basis of past experience. Material differences between these estimates and the amounts proposed by the Board of Directors in the following year are adjusted for in the year of the proposal. If the actual amounts subsequently resolved by the shareholders meeting differ from the proposed amounts, the differences are recorded in the year of shareholders meeting's resolution as a change in accounting estimate.

	2014	2013
	Cash Bonus	**Cash Bonus**
Employees' bonus	$ 59,000	$ 43,000

	2014	2013
	Employees' Bonus	**Employees' Bonus**
Amounts approved by the board of the directors	$ 59,000	$ 43,000
The accrued amount recognized in the annual financial statements	59,000	43,000
	$ -	$ -

Related information can be accessed through the Market Observation Post System on the Web site of the Taiwan Stock Exchange (http://emops.tse.com.tw).

30. NET INTEREST

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	**2014**	**2015**	**2014**
Interest revenues				
Discounts and loans	$ 213,203	$ 682,054	$ 882,705	$ 1,309,554
Securities	143,875	357,525	583,729	711,895
Accounts receivable - forfeiting	78,255	307,928	339,157	671,208
Due from and call loans to banks	35,953	399,073	144,477	780,502
Others	101,246	166,149	280,169	318,012
	572,532	1,912,729	2,230,237	3,791,171

(Continued)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Interest expenses				
Deposits	$ 160,163	$ 433,554	$ 634,010	$ 780,271
Securities sold under repurchase agreements	23,435	77,838	96,359	164,515
Structured notes	13,724	73,845	61,133	148,477
Bank debentures	8,370	94,219	55,187	201,384
Others	21,770	51,985	70,941	102,474
	227,462	731,441	917,630	1,397,121
	$ 345,070	$ 1,181,288	$ 1,312,607	$ 2,394,050

(Concluded)

31. SERVICE FEE INCOME (EXPENSE), NET

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Service fee revenues				
Syndication loans	$ -	$ 12,714	$ 34,010	$ 17,329
Guarantee	2,416	8,125	9,466	16,376
Participations	371	1,110	5,051	2,264
Others	5,352	39,521	38,448	70,089
	8,139	61,470	86,975	106,058
Service fee expenses				
Financial transaction	39,686	2,069	40,888	2,573
Foreign-currency business	2,960	3,314	7,000	6,092
Others	18,746	4,813	22,306	10,216
	61,392	10,196	70,194	18,881
	$ (53,253)	$ 51,274	$ 16,781	$ 87,177

32. GAINS (LOSSES) ON FINANCIAL ASSETS OR LIABILITIES MEASURED AT FVTPL

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Realized gain (loss)				
Derivative instruments	$ (611,084)	$ (1,301,372)	$ (900,285)	$ (958,215)
Debentures	355,495	309,212	595,901	463,094
Stocks	7,888	9,856	13,960	13,026
Others	(66)	-	(82)	-
	(247,767)	(982,304)	(290,506)	(482,095)

(Continued)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Valuation gain (loss)				
Debentures	$ 339,722	$ 2,138,593	$ -	$ 1,319,619
Derivative instruments	(292,701)	(12,638)	(10,916)	102,161
Stocks	(498)	(2,957)	(5,162)	(25,147)
Others	66	-	-	-
	46,589	2,122,998	(16,078)	1,396,633
	$ (201,178)	$ 1,140,694	$ (306,584)	$ 914,538

(Concluded)

For the three months ended June 30, 2015 and 2014, six months ended June 30, 2015 and 2014, the Bank and subsidiaries' financial assets and liabilities at FVTPL included realized loss of $310,281 thousand, $1,123,029 thousand, $580,775 thousand, and $774,542 thousand, respectively, interest revenues of $76,415 thousand, $146,222 thousand, $312,606 thousand and $303,510 thousand, respectively, dividend incomes of $0 thousand, $132 thousand, $0 thousand and $132 thousand, and interest expenses of $13,901 thousand, $5,629 thousand, $22,337 thousand and $11,195 thousand, respectively.

33. REALIZED GAIN ON AVAILABLE-FOR-SALE FINANCIAL ASSETS

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Gain on stock disposal	$ 646,371	$ 1,966,161	$ 1,147,926	$ 3,956,141
Gain on bond disposal	549,156	96,574	636,166	105,461
Dividend income	68,165	79,239	80,739	89,218
Others	2,109	2,641	3,067	4,170
	$ 1,265,801	$ 2,144,615	$ 1,867,898	$ 4,154,990

34. IMPAIRMENT LOSS ON ASSETS, NET

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Impairment loss on financial assets measured at cost	$ 58,815	$ 152,049	$ 76,494	$ 181,116
Impairment loss on debt instrument with no active market	71,863	-	71,863	-
Impairment loss on available-for-sale financial assets	476	619,757	476	619,757
Others	3,573	19,816	9,241	32,041
	$ 134,727	$ 791,622	$ 158,074	$ 832,914

35. GAINS (LOSSES) ON FINANCIAL ASSETS MEASURED AT COST

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Gain (loss) on disposal of securities	$ (431,438)	$ (14,383)	$ 142,187	$ 114,254
Fund capital gain (loss) distributions	25,052	(54,768)	48,423	26,189
Dividend income	14,705	28,082	45,896	56,691
Others	328	524	582	837
	$ (391,353)	$ (40,545)	$ 237,088	$ 197,971

36. OTHER NON-INTEREST INCOME, NET

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Gain on sale of acquired loans	$ 44,310	$ 49,486	$ 94,674	$ 4,317
Rental income	25,275	16,483	44,677	32,556
Others	5,696	61,327	20,766	105,372
	$ 75,281	$ 127,296	$ 160,117	$ 142,245

37. EMPLOYEE BENEFITS AND DEPRECIATION AND AMORTIZATION EXPENSES

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Employee benefit expense				
Salaries and wages	$ 244,058	$ 388,045	$ 636,454	$ 826,531
Employee insurance	24,623	18,637	47,001	45,095
Pension	12,452	15,837	22,744	27,177
Others	21,312	37,958	47,565	73,992
	$ 302,445	$ 460,477	$ 753,764	$ 972,795
Depreciation and amortization expenses	$ 24,585	$ 28,480	$ 55,454	$ 56,515

38. OTHER GENERAL ADMINISTRATIVE EXPENSES

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Taxation	$ 61,936	$ 45,505	$ 118,775	$ 87,382
Professional services	48,144	26,302	77,986	58,926
Computer information	21,592	17,551	36,148	26,854

(Continued)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Postage	$ 16,261	$ 29,365	$ 62,216	$ 47,575
Rental	16,091	16,148	33,441	33,649
Commission	12,709	15,135	25,783	27,330
Donation	591	940	30,591	21,510
Others	50,531	106,894	103,499	159,110
	$ 227,855	$ 257,840	$ 488,439	$ 462,336

(Concluded)

39. INCOME TAX

a. Income tax benefit (expense)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Current income tax				
Current period	$ 123,683	$ 42,582	$ (13,442)	$ (240,839)
Prior periods	67,996	11,745	139,186	11,745
	191,679	54,327	125,744	(229,094)
Deferred income tax	30,570	(610)	29,783	(2,197)
Income tax benefit (expense)	$ 222,249	$ 53,717	$ 155,527	$ (231,291)

b. Income tax recognized in other comprehensive income

Income tax benefit was composed of by the following item:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Deferred tax				
Unrealized gains on available-for-sale financial assets	$ -	$ 72,349	$ -	$ 259,479

c. The estimated receivables/payables resulting from the use of the linked-tax system on the Bank's consolidated tax returns were as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Tax charged to the parent company	$ 713,685	$ 530,220	$ 1,542,051
Tax paid to the parent company	$ 181,439	$ 237,069	$ 206,295

d. Integrated income tax

	June 30, 2015	December 31, 2014	June 30, 2014
Imputation credits accounts - the Bank	$ 245	$ 67,291	$ 114

The Bank's creditable tax ratios for the distribution of earnings of 2014 and 2013 were 6.34% (estimated) and 9.10%.

Under the Income Tax Law, for distribution of earnings generated after January 1, 1998, the imputation credits allocated to ROC resident shareholders of the Bank was calculated based on the creditable ratio as of the date of dividend distribution.

The Bank had no unappropriated earnings generated before January 1, 1998.

e. Income tax assessments

The Bank used the linked-tax system in filing of the income tax and unappropriated earnings returns of its parent company and eligible subsidiaries.

The Bank's income tax returns through 2009 had been examined by the tax authorities. However, the Bank disagreed with the tax authorities' assessments of its 2007 tax returns and thus filed tax appeals.

Income tax returns of China Venture Management Inc., China Development Asset Management Corp., CHG3, CHG4, Development Industrial Bank Asset Management Corp. and CDIB Capital Management Corp. (formerly named CDIB Equity Inc.) through 2013 had been examined by the tax authorities. Income tax returns of China Venture Management Inc., R.O.C. Strategic Company Ltd., CDIB Strategic Venture Fund, Ltd., through 2012 had been examined by the tax authorities. However, CDIB venture Capital Corporation disagreed with the tax authorities' assessments of its 2010 tax return and thus filed tax appeals.

40. EARNINGS PER SHARE

	Amounts (Numerator)	Weighted Average Outstanding Common Shares Denominator (Shares in Thousands)	EPS (In Dollars)
For the three months ended June 30, 2015			
Net profit attributable to stockholders of parent company	$ 1,268,757	3,365,894	$ 0.38
For the three months ended June 30, 2014			
Net profit attributable to stockholders of parent company	$ 1,795,006	6,160,400	$ 0.29

(Continued)

	Amounts (Numerator)	Weighted Average Outstanding Common Shares Denominator (Shares in Thousands)	EPS (In Dollars)
For the six months ended June 30, 2015			
Net profit attributable to stockholders of parent company	$ 2,982,940	4,506,808	$ 0.66
For the six months ended June 30, 2014			
Net profit attributable to stockholders of parent company	$ 4,139,000	6,160,400	$ 0.67

(Concluded)

41. RELATED-PARTY TRANSACTIONS

The significant transactions and relationship with related parties (in addition to those disclosed in other notes) are summarized below:

Related Party	Relationship with the Bank and Subsidiaries
China Development Financial Holding Corporation	Parent company
KGI Securities Co., Ltd.	Subsidiary of the parent company
KGI Commercial Bank Co., Ltd.	Subsidiary of the parent company (Note 1)
Others	Other related parties (Note 2)

Note 1: Since CDFH acquired 100% equity in KGI Commercial Bank Co., Ltd. through a share swap, it become the related party.

Note 2: CDC Finance & Leasing Corporation is no longer the subsidiary of the Bank after the transfer date of May 1, 2015.

a. Cash in bank (recognized as cash and cash equivalents)

	Amount	%
June 30, 2015		
Subsidiary of the parent company	$ 5,789,950	35
December 31, 2014		
Subsidiary of the parent company	14,594	-
Other related parties	442	-
June 30, 2014		
Subsidiary of the parent company	9,890	-
Other related parties	5,370	-

For the three months ended June 30, 2015 and 2014, six months ended June 30, 2015 and 2014, the interest revenues from cash in bank were $7,675 thousand, $0 thousand, $7,701 thousand and $0 thousand, respectively.

b. Due from banks (recognized as cash and cash equivalents)

	Amount	%
June 30, 2015		
Subsidiary of the parent company	$ 5,114,211	31
Other related parties	6,292	-
December 31, 2014		
Subsidiary of the parent company	113,343	1
Other related parties	14,886	-
June 30, 2014		
Subsidiary of the parent company	5,279	-
Other related parties	10,676	-

For the three months ended June 30, 2015 and 2014, six months ended June 30, 2015 and 2014, the interest revenues from due from banks were $1,106 thousand, $0 thousand, $1,106 thousand and $0 thousand.

c. Futures contracts (recognized as cash and cash equivalents)

	Amount	%
December 31, 2014	$ 35,725	-
June 30, 2014	27,953	-

d. Purchase and sale of bonds

	Purchase of Bonds	Sale of Bonds
For the six months ended June 30, 2015		
Subsidiary of the parent company	$ 1,583,244	$ 2,211,662
For the six months ended June 30, 2014		
Subsidiary of the parent company	234,332	2,442,061

e. Purchase and sale of securities

	Purchase of Securities	Sale of Securities
For the six months ended June 30, 2014		
Other related parties	$ 111,150	$ -

f. Accrued income (recognized as receivable, net)

	Amount	%
June 30, 2015	$ 440,387	7
June 30, 2014	200,340	-

g. Receivables on securities sold (recognized as receivables, net)

	Amount	%
June 30, 2015	$ 21,273	-
December 31, 2014	34,799	-
June 30, 2014	77,055	-

h. Other receivables (recognized as receivable, net)

	Amount	%
June 30, 2015	$ 520,241	8

i. Receivables from parent (recognized as current tax assets)

	June 30, 2015		December 31, 2014		June 30, 2014	
	Amount	%	Amount	%	Amount	%
Parent company	$ 713,685	99	$ 530,220	99	$ 1,542,051	100

The receivables resulted from CDFH and its eligible subsidiaries' adopting the linked-tax system in the filing of tax returns since 2003.

j. Discounts and loans

	Amount	%
December 31, 2014	$ -	-

For the three months ended June 30, 2015 and 2014, six months ended June 30, 2015 and 2014, the interest revenues from discounts and loans were $122 thousand, $859 thousand, $398 thousand and $1,884 thousand, respectively.

Balance as of June 30, 2015

(In Thousands of New Taiwan Dollars)

Category	Account Volume or Name of Related Party	Highest Balance	Ending Balance	Normal	Overdue	Type of Collateral	Was the Transaction Conducted at Arm's Length
Others	Other related parties	$ 100,000	$ -	$ -	$ -	-	Yes

Balance as of December 31, 2014

(In Thousands of New Taiwan Dollars)

Category	Account Volume or Name of Related Party	Highest Balance	Ending Balance	Normal	Overdue	Type of Collateral	Was the Transaction Conducted at Arm's Length
Employees' consumer loans	-	$ 53	$ -	$ -	$ -	-	Yes
Others	Other related parties	700,000	-	-	-	-	Yes

Balance as of June 30, 2014

(In Thousands of New Taiwan Dollars)

Category	Account Volume or Name of Related Party	Highest Balance	Ending Balance	Normal	Overdue	Type of Collateral	Was the Transaction Conducted at Arm's Length
Employees' consumer loans	-	$ 53	$ -	$ -	$ -	-	Yes
Others	Other related parties	700,000	-	-	-	-	Yes

k. Stock holdings (recognized as available-for-sale financial assets)

	Amount	%
June 30, 2015	$ 241,560	-
December 31, 2014	208,526	-

l. Call loans from banks (recognized as call loans from banks)

	June 30, 2014	
	Amount	%
Other related parties	$ 2,692,350	55

For the three months ended June 30, 2015 and 2014, six months ended June 30, 2015 and 2014, the interest expense for call loans from banks were $602 thousand, $79 thousand, $1,269 thousand and $3,142 thousand, respectively.

m. Payables for securities purchased (recognized as payables)

	Amount	%
December 31, 2014	$ 18,629	-

n. Payables to parent (recognized as current tax liabilities)

	June 30, 2015		December 31, 2014		June 30, 2014	
	Amount	%	Amount	%	Amount	%
Parent company	$ 181,439	56	$ 237,069	52	$ 206,295	40

The payables resulted from CDFH and its eligible subsidiaries adopting the linked-tax system in the tiling of tax returns since 2003.

o. Deposits and remittances

	Amount	%	Interest Rate (%)
December 31, 2014	$ 5,197,194	3	0-6.50
June 30, 2014	20,716,478	11	0-6.50

For the three months ended June 30, 2015 and 2014, six months ended June 30, 2015 and 2014, the interest expenses for deposits and remittance were $1,005 thousand, $10,201 thousand, $7,823 thousand and $18,887 thousand, respectively.

p. Short-term borrowings (recognized as other loans)

	Amount	%
December 31, 2014	$ 134,297	3
June 30, 2014	25,000	-

For the three months ended June 30, 2015 and 2014, six months ended June 30, 2015 and 2014, the interest expenses for short-term loans were $235 thousand, $303 thousand, $1,029 thousand and $568 thousand, respectively.

q. Guarantee deposits received (recognized as other liabilities)

	Amount	%
June 30, 2015	$ 24,775	12
June 30, 2014	45,535	4

r. Consulting service revenues (recognized as noninterest profits and gains)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	Amount	%	Amount	%
2015	$ 232,442	100	$ 306,222	100
2014	3,572	10	7,143	19

s. Rental revenue (recognized as noninterest profits and gains)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	Amount	%	Amount	%
2015	$ 16,082	5	$ 21,391	5
2014	4,435	3	8,870	5

t. Donation (recognized as other operating and administrative expenses)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	Amount	%	Amount	%
2015	$ -	-	$ 30,000	6
2014	-	-	20,000	4

u. Outstanding derivative financial instruments

December 31, 2014

(In Thousands of New Taiwan Dollars)

Related Party	Contract Type	Contract Period	Contract Amount	Valuation Gain (Loss)	Balance Sheet Account	Balance Sheet Balance
Other related parties	Currency swap contracts	February 7, 2014 - July 21, 2015	$ 12,208,213	$ (400,616)	Financial assets held for trading	$ 27,325
					Financial liabilities held for trading	454,734
Subsidiaries of the parent company	Interest rate swap contracts	April 1, 2010 - September 23, 2015	800,000	(5,403)	Financial assets held for trading	2,140
	Asset swap option contracts	April 17, 2014 - July 14, 2017	103,900	(6,844)	Financial liabilities held for trading	6,844
	Asset swap-interest rate swap contracts	April 17, 2014 - July 30, 2017	103,900	2,071	Financial assets held for trading	2,071
	Equity option contracts	January 13, 2014- October 27, 2015	7,832,000	853,057	Financial assets held for trading	1,019,026
	Currency option contracts	November 4, 2014- June 15, 2015	532,457	3,870	Financial assets held for trading	3,870

June 30, 2014

(In Thousands of New Taiwan Dollars)

Related Party	Contract Type	Contract Period	Contract Amount	Valuation Gain (Loss)	Balance Sheet Account	Balance Sheet Balance
Other related parties	Interest rate swap contracts	August 3, 2010 - March 10, 2016	$ 1,150,000	$ (4,071)	Financial assets held for trading	$ 10,679
	Currency swap contracts	October 29, 2013 - March 19, 2015	21,373,025	151,820	Financial assets held for trading	140,685
					Financial liabilities held for trading	15,659
Subsidiaries of the parent company	Interest rate swap contracts	April 1, 2010 - September 23, 2015	800,000	(2,614)	Financial assets held for trading	4,929
	Index option contracts	December 9, 2013 - May 27, 2015	5,576,000	557,821	Financial assets held for trading	723,789
	Asset swap option contracts	April 8, 2014 - May 20, 2016	83,000	(5,170)	Financial liabilities held for trading	5,170
					Financial assets held for trading	3,566
	Asset swap-interest rate swap contracts	April 8, 2014 - June 3, 2016	83,000	3,550	Financial liabilities held for trading	16

v. Compensation of key management personnel

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	**2014**	**2015**	**2014**
Salary and short-term benefits	$ 22,879	$ 34,193	$ 57,935	$ 73,538
Post-employment benefits	217	565	572	1,052
Share-based payment	248	-	582	-
	$ 23,344	$ 34,758	$ 59,089	$ 74,590

The terms of transactions with related parties were similar to those for third parties, except for certain preferential interest rates for employees' savings and loans.

Based on the Banking Act 32 and 33, except for consumer loans and government loans, credits extended by the Bank to any related party were fully secured, and the other terms of these credits were similar to those for third parties.

42. PLEDGED ASSETS

The following assets had been (a) pledged to various financial institutions as guarantees and collaterals for long-term loans, short-term loans, commercial paper payables, overdraft; and (b) required by the Central Bank for posting a bid bond and as a guarantee deposit for the bills business.

	June 30, 2015	December 31, 2014	June 30, 2014
Investment property, net	$ 207,325	$ 244,226	$ 245,512
Available-for-sale financial assets - bonds and stocks	149,392	160,800	172,244
Lease receivables	-	3,098,130	3,305,419
Restricted assets - impound account	-	53,759	78,220
Other financial assets - pledged time deposits	-	409,486	1,450

To comply with the Central Bank's clearing system requirements for real-time gross settlement (RTGS), the Bank pledged negotiable certificates of deposit aggregating $0 thousand, $11,300,000 thousand and $11,000,000 thousand as of June 30, 2015, December 31, 2014 and June 30, 2014, respectively, as collaterals for day-term overdraft. The pledged amounts may be adjusted anytime.

43. COMMITMENTS AND CONTINGENCIES

As of June 30, 2015, commitments and contingencies of the Bank and subsidiaries, in addition to those disclosed in Notes 45 and 46, were summarized as follows:

a. In April 2007, the Bank and Morgan Stanley entered into a CDS contract that was tied to a synthetic collateralized debt obligation on residential mortgage-backed securities. The representations made to the Bank by Morgan Stanley during the solicitation process were materially false and misleading and therefore caused significant losses to the Bank. On July 15, 2010, the Bank initiated litigation against Morgan Stanley, et al., in the Supreme Court of the State of New York, County of New York. The litigation had not yet been concluded as of June 30, 2015.

b. Securities and Futures Investors Protection Center sued China Development Industrial Bank Capital Management Corp. (CDIB Capital Management Corp., formerly named CDIB Equity Inc.) and claimed that due to the fact that CDIB Capital Management Corp. is the corporate director of Powercom Ltd., CDIB Capital Management Corp. Inc. have but not performed sufficient audits on the contents disclosed in the financial statements which failed to comply the obligation of being a good administrator. Therefore, the plaintiff demanded compensation of $592,648 thousand and related interests from CDIB Capital Management Corp. Inc. and Powercom Ltd. CDIB Capital Management Corp. and Powercom Ltd. could not estimate the related possible loss because the case was currently pending with the Taipei District Court and the final outcome of the court is uncertain.

c. In February 2008, during a financial crisis involving Far Eastern Air Transport Limited (FEAT), nine people, including Hu, Tsui and Chen, were sued by a state prosecutor after they were investigated. Hu, the Bank's former designated representative to FEAT's board of directors, was charged by the state prosecutor of dereliction of duty as an FEAT board member, resulting in financial loss to FEAT. FEAT also initiated a civil action against Hu and the Bank, claiming that they were jointly liable for damages of $677,199 thousand plus interest. The criminal case brought by FEAT against Hu and the Bank was adjudicated on September 28, 2012, and both defendants were acquitted of the charge brought against them; thus, the civil lawsuit was also dismissed by the criminal court. FEAT disagreed with this judgment and filed for appeal of the court's decision on the Bank and Hu's criminal and civil cases, claiming that these two defendants were jointly liable for damages of $660,000 thousand plus interest. As of June 30, 2015, the lawsuit was pending before the Taiwan High Court. Thus, the Bank could not estimate the related possible loss because the final outcome of the lawsuit is uncertain. In July 2013, FEAT sued Yageo Corporation Limited, Feng Dan Bai Lu Corporation Limited, Yong Chun Corporation Limited and the Bank for failing to discharge its obligations as a good administrator, resulting in embezzlement FEAT, for which FEAT demanded the payment of $100,000 thousand and interests. As of December 30, 2014, the lawsuit was pending before the Taipei District Court. The Bank could not estimate the related possible loss because the final outcome of the lawsuit is uncertain.

44. EQUITY TRANSACTION WITH NON-CONTROLLING INTERESTS

The China Development Managing and Consulting Corp. acquired 11.14% interest of CDC Finance& Leasing Corp. by cash on April 7, 2014. This transaction was accounted for as an equity transaction.

	Amount
Consideration paid in cash	$ (111,150)
The proportionate share of the carrying amount of the net assets of the subsidiary transferred to non-controlling interests	102,127
Differences arising from equity transaction	$ (9,023)
Line items adjusted for equity transaction	
Capital surplus - difference between consideration and carrying amounts adjusted due to a change in percentage of ownership of a subsidiary	$ (9,023)

45. FINANCIAL INSTRUMENTS

a. Fair value hierarchy of financial instruments

The definitions of each hierarchy are as follows:

1) Level I fair values are quoted prices in active markets for financial instruments.

2) Level II fair values are those directly or indirectly observable inputs other than Level I quoted prices, such as the quoted prices of similar financial instruments in less active markets or price estimates arrived at through pricing models that use inputs such as interest rates, which are derived from or can be corroborated by observable market data.

3) Level III refers to inputs that are not based on observable market data.

b. Fair value hierarchy of financial instruments

1) The fair value hierarchy of financial instruments were as follows:

June 30, 2015

(In Thousands of New Taiwan Dollars)

	Level I	Level II	Level III	Total
Nonderivative financial instruments				
Financial assets				
Financial assets at FVTPL				
Financial assets held for trading				
Stock investments	$ 112,106	$ -	$ -	$ 112,106
Financial assets designated as at FVTPL	-	-	222,770	222,770
Available-for-sale financial assets				
Stock investments	10,515,138	537,209	-	11,052,347
Bond investments	50,628	107,261	-	157,889
Others	26,857	-	-	26,857

December 31, 2014

(In Thousands of New Taiwan Dollars)

	Level I	Level II	Level III	Total
Nonderivative financial instruments				
Financial assets				
Financial assets at FVTPL				
Financial assets held for trading				
Stock investments	$ 433,949	$ -	$ -	$ 433,949
Bond investments	29,098,743	1,204,911	-	30,303,654
Others	10,695	-	-	10,695
Financial assets designated as at FVTPL	-	-	233,686	233,686
Available-for-sale financial assets				
Stock investments	19,612,027	644,331	-	20,256,358
Bond investments	32,051,923	71,016,412	311,154	103,379,489
Others	13,581	-	-	13,581
Financial liabilities				
Financial liabilities at FVTPL				
Financial liabilities designated as at FVTPL	-	1,071,148	-	1,071,148
Derivative financial instruments				
Financial assets				
Financial assets at FVTPL	58,976	20,020,239	1,994,719	22,073,934
Financial liabilities				
Financial liabilities at FVTPL	-	21,164,900	2,114,959	23,279,859

June 30, 2014

(In Thousands of New Taiwan Dollars)

	Level I	**Level II**	**Level III**	**Total**
Nonderivative financial instruments				
Financial assets				
Financial assets at FVTPL				
Financial assets held for trading				
Stock investments	$ 576,530	$ -	$ -	$ 576,530
Bond investments	17,830,405	1,247,611	-	19,078,016
Financial assets designated as at FVTPL	-	-	194,393	194,393
Available-for-sale financial assets				
Stock investments	21,621,702	2,260,728	-	23,882,430
Bond investments	37,625,617	38,993,838	291,671	76,911,126
Others	9,472	-	-	9,472
Financial liabilities				
Financial liabilities at FVTPL				
Financial liabilities held for trading	7,680	-	-	7,680
Financial liabilities designated as at FVTPL	-	1,077,685	-	1,077,685
Derivative financial instruments				
Financial assets				
Financial assets at FVTPL	11,419	6,775,008	1,490,917	8,277,344
Financial liabilities				
Financial liabilities at FVTPL	-	6,366,535	1,454,001	7,820,536

2) Financial instruments measured at fair value

For financial assets and liabilities at fair value through profit or loss, available-for-sale financial assets, and derivative financial assets for hedging, fair value is determined at quoted market prices. When market prices of the Bank and subsidiaries' various financial instruments are not readily available, fair values are estimated by using appropriate valuation models or other banks' transaction prices. The information the Bank and subsidiaries use for fair value estimation is consistent with that generally used in the market.

Fair values of derivative instruments without quoted market prices are based on estimates using discounted cash flow techniques, Black-Scholes model, binomial pricing or Monet Carlo simulation, etc.

The fair values of forward exchange contracts are estimated on the basis of forward rates quoted by Reuters. Fair values of interest rate derivative products are estimated on the basis of market interest rates, quotations by Reuters or Bloomberg through the models mentioned above, except those of structured financial products, of which fair values are estimated on the basis of market quotations provided by the counter-party.

3) Fair value adjustment

a) The limitation of valuation techniques and uncertain inputs

Valuation techniques incorporate assumptions are dependent on the instrument type and available market data. However, certain model inputs may be less readily determinable from valuation techniques. In these circumstances, valuation model would adopt additional parameters and/or model assumptions such as model risk or Liquidity Risk and so on, to make fair value adjustment. According to our policies of Valuation management and relevant control procedure, the Bank's management considers that Valuation adjustments are necessary and appropriate. To accepted approaches and principles for the making the appropriate adjustments, all parameters and price information should be evaluated thoroughly and rely on the market.

b) Credit risk valuation adjustment

Credit risk valuation consists of credit valuation adjustment and debit valuation adjustment.

Credit valuation adjustment adopts for derivative contracts trading in other than exchange market, over-the-counter, and reflects the non-performance risk of counter party on fair value.

Debit valuation adjustment adopts for derivative contracts trading in other than exchange market, over-the-counter, and reflects the non-performance risk of the Group on fair value.

The Bank calculated credit valuation adjustment based on international ratings and rating models of Probability of Default (PD) and Loss Given Default (LGD) multiplying Exposure at Default (EAD). On the contrary, the Bank calculated debit valuation adjustment based on the PD of the Bank (under the condition of no county default), in consideration of LGD multiplying EAD.

The Bank calculate EAD based on mark-to-market fair value of OTC derivative instruments.

The Bank calculated EAD based on the mark to market value of OTC derivative instruments. The Bank takes 60% as the PD of counter parties according to the guideline issued by TWSE.

The Bank takes credit risk valuation adjustment into valuation of the fair value of financial instruments, thus reflect the credit quality of counter parties and the Group.

4) Reconciliation of Level III items of financial instruments

The movements of financial assets with Level III fair value were as follows:

For the Six Months Ended June 30, 2015

(In Thousands of New Taiwan Dollars)

Items	Beginning Balance	Valuation Gains (Losses) Recognized as Current Income (Loss) or Other Comprehensive Income	Amount of Increase		Amount of Decrease		Ending Balance
			Purchase or Issue	Transfer to Level III	Sale, Disposal or Settlement	Transfer from Level III	
Financial assets at FVTPL							
Financial assets held for trading	$ 1,994,719	$ 194,330	$ 137,461	$ -	$ (2,326,510)	$ -	$ -
Financial assets designated as FVTPL	233,686	(10,916)	-	-	-	-	222,770
Available-for-sale financial assets	311,154	(8,247)	-	-	(302,907)	-	-

For the Six Months Ended June 30, 2014

(In Thousands of New Taiwan Dollars)

Items	Beginning Balance	Valuation Gains (Losses) Recognized as Current Income (Loss) or Other Comprehensive Income	Amount of Increase		Amount of Decrease		Ending Balance
			Purchase or Issue	Transfer to Level III	Sale, Disposal or Settlement	Transfer from Level III	
Financial assets at FVTPL							
Financial assets held for trading	$ 1,122,097	$ (62,836)	$ 450,327	$ -	$ (18,671)	$ -	$ 1,490,917
Financial assets designated as FVTPL	237,898	(43,505)	-	-	-	-	194,393
Available-for-sale financial assets	290,515	1,156	-	-	-	-	291,671
Derivative financial assets for hedging	19,568	-	-	-	(19,568)	-	-

The movements of financial liabilities with Level III fair value were as follows:

For the Six Months Ended June 30, 2015

(In Thousands of New Taiwan Dollars)

Items	Beginning Balance	Valuation Loss Recognized as Current Loss or Other Comprehensive Loss	Amount of Increase		Amount of Decrease		Ending Balance
			Purchase or Issue	Transfer to Level III	Sale, Disposal or Settlement	Transfer from Level III	
Financial liabilities at FVTPL	$ 2,114,959	$ 916,588	$ 512,851	$ -	$ (3,544,398)	$ -	$ -

For the Six Months Ended June 30, 2014

(In Thousands of New Taiwan Dollars)

Items	Beginning Balance	Valuation Loss Recognized as Current Loss or Other Comprehensive Loss	Amount of Increase		Amount of Decrease		Ending Balance
			Purchase or Issue	Transfer to Level III	Sale, Disposal or Settlement	Transfer from Level III	
Financial liabilities at FVTPL	$ 1,059,565	$ (45,831)	$ 483,123	$ -	$ (42,856)	$ -	$ 1,454,001

The total gains and losses for the period included loss of $230,032 thousand, $56,034 thousand, $720,702 thousand and $272,281 thousand relating to assets and liabilities held for the three months ended June 30, 2015 and 2014, six months ended June 30, 2015 and 2014.

5) Pricing process of level III fair value

The Bank's risk management department is in charge of conducting independent verification by independent sources to make valuations more close to market status and confirm that the source of information is independent, reliable, consistent with other resources and representative of exercise price. Besides, the department corrects pricing model periodically, implementing retrospective testing, update information and inputs that pricing model needed and other essential fair value adjustment to insure outcomes are reasonable. Investment Property is valued by the Bank and subsidiaries based on Financial Supervisory Commission's declaration of valuation method and parameters or committed to appraisers to make valuation.

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

The carrying amounts of cash and cash equivalents, due from the Central Bank and other banks, securities purchased under resell agreements, bonds investment, receivables, discount and loans, restricted assets, other financial assets, call loans from banks, securities sold under repurchase agreements, payables, deposits and remittances, bank debentures payable, and other financial liabilities' book value is approximate to their fair values, as a result the Bank and subsidiaries do not disclose their fair value.

Investments accounted for using the equity method - unlisted stocks and financial assets measured at cost both are unlisted financial assets, which have no quoted market prices in an active market owing to the variation interval of the estimate of the fair value is not quite small and the possibilities of the estimates in the interval cannot be assessed reasonably. The fair value cannot be reliably measured, thus the Bank and subsidiaries do not disclose their fair value.

46. FINANCIAL RISK MANAGEMENT

a. Risk management policies and framework

The Bank has established its risk management policies, which combine business management and risk management to form a corporate culture and business strategies that place a fundamental importance on risk management. The results of quantified and qualified risk management measures serve as a reference for formulating business strategies. The board of directors has approved the documentation of both overall and specific risk management policies, including market, credit, operational and liquidity risks.

The Bank has established a risk management committee supervising the implementation of risk management policies, inspecting risk control reports and dealing with related issues. The Bank also has a risk management department to plan and manage the risk management system and provide related information to the management and the board of directors.

b. Credit risk

1) Sources and definition of credit risk

The Bank is exposed to credit risk due to default on contracts by borrowers, debtors or counter-parties and changes in credit quality. Financial assets contracts held by the Bank may entail risks of loss arising from loans, issuer of financial instruments, counter-parties, and underlying assets.

2) Management policies of liquidity risk

a) Strategy and objectives

For the objectives to enhance stockholder value and to ensure degree of risk tolerance, the Bank's credit risk strategy focuses on superior credit quality assets. The Bank offers clients different products mixes based on their individual risk levels and with duration, risk mitigation, and graded pricing strategies to strengthen the credit review system. Through a regular review and adjustment of the portfolio structure, the Bank can achieve symmetry of the overall business risk and reward.

b) Policies and procedures

To have a common-language credit risk management, definition, communication and measurement, the Bank sets credit risk management policies to manage credit risk in accordance with international standards and CDFH's risk management policies. The procedures for the Bank's credit risk policy development are as follows:

Business units develop business strategies and objectives based on asset sizes. Management units and risk management units assess risks related to these strategies and objectives and then submit them to the Board for approval.

3) Mitigation of risks or hedging of credit risk/monitoring mechanism of risk avoidance and mitigation instruments

Considering asset hedge market and liquidity, the Bank takes the necessary risk reduction strategies, mainly on corporate finance, for assets with doubt or a long period of duration, including methods adopted to increase collaterals. Collaterals have been appraised regularly by an assessment unit to ensure their continued effectiveness. If a client is found to have bad credit factors, the Bank will strengthen the monitoring of this credit and demand at the appropriate time an early repayment or additional collateral to mitigate risks. For cases with poor credit ratings, in addition to collateral requirements and financial restrictions, the Bank will avoid if their transaction terms and profitability cannot reflect risk costs. In addition, the Bank develops different credit limits for counter-parties involved in derivative transactions and enters into collateral support agreements with counter-parties to ensure that risks are under control.

4) Maximum exposure to credit risk

Except for the following statement, the Bank's maximum amount of credit risk exposure was equal to its book value.

The amounts of financial contracts with off-balance-sheet credit risks as of June 30, 2015, December 31, 2014 and June 30, 2014 were as follows:

Items	**June 30, 2015**	**December 31, 2014**	**June 30, 2014**
Off-balance-sheet commitments and guarantees	$ -	$ 14,755,597	$ 16,302,098

Many credit commitments are expected to expire without being drawn upon; thus, the total commitment amounts do not necessarily represent future cash requirements. The maximum amount of credit risk exposure is reference coefficient of customer credit risk. The total potential loss is equal to the above amounts, excluding the value of any collateral, if related commitments are completely drawn upon and the counter-parties default on contracts.

5) Concentrations of credit risk exposure

Concentrations of credit risk exist when changes in economic, industry or other conditions similarly affect groups of counter-parties whose aggregate credit exposure is material in relation to the Bank's total credit exposure. For its protection, the Bank maintains a diversified portfolio, does not limit its exposure to any one geographic region, country or individual creditor, and monitors the exposure continually.

As of June 30, 2015, December 31, 2014 and June 30, 2014, the Bank's most significant concentrations of credit risk were as follows:

a) Credit risk profile by counter-party

	June 30, 2015		**December 31, 2014**		**June 30, 2014**	
	Amount	**%**	**Amount**	**%**	**Amount**	**%**
Private sector	$ -	-	$ 127,992,280	99.85	$ 126,805,716	99.82
State-operated enterprises	-	-	191,300	0.15	229,568	0.18
Consumer	-	-	2,758	-	1,322	-
Total	-	-	128,186,338	100.00	127,036,606	100.00

b) Credit risk profile by industry sector

	June 30, 2015		December 31, 2014		June 30, 2014	
	Amount	%	Amount	%	Amount	%
Electricity industry	$ -	-	$ 28,664,694	22.36	$ 28,340,060	22.31
Chemistry	-	-	12,155,329	9.48	12,877,332	10.14
Information and communication industry	-	-	6,251,280	4.88	7,751,683	6.10
Others	-	-	81,115,035	63.28	78,067,531	61.45
Total	-	-	128,186,338	100.00	127,036,606	100.00

6) Credit quality and impairment assessment

Some financial assets such as cash and cash equivalents, due from the Central Bank and call loans to banks, financial assets at fair value through profit or loss, securities purchased under resell agreements, parts of receivables (including dividend receivable, interest receivable on bonds, spot foreign remittances receivable, and interest receivable on interest rate swap contracts) and refundable deposits are regarded as having very low credit risk because of the good credit rating of counter-parties.

In addition to the above, the credit analyses of other financial assets were as follows:

a) Credit quality analysis for discounts and loans and receivables

June 30, 2015	Neither Past Due Nor Impaired				Overdue But Not Yet Impaired (B)	Impairment Amount (C)	Total (A)+(B)+(C)	Loss Recognized (D)		Net Total (A)+(B)+(C)-(D)
	Good/Moderate	Substandard	Unrated	Subtotal (A)				With Objective Evidence of Impairment	With No Objective Evidence of Impairment	
Receivables	$ -	$ -	$ -	$ -	$ -	$ 2,892,662	$ 2,892,662	$ 306,571	$ 982,924	$ 1,603,127
Discounts and loans	-	-	-	-	-	-	-	-	-	-

December 31, 2014	Neither Past Due Nor Impaired				Overdue But Not Yet Impaired (B)	Impairment Amount (C)	Total (A)+(B)+(C)	Loss Recognized (D)		Net Total (A)+(B)+(C)-(D)
	Good/Moderate	Substandard	Unrated	Subtotal (A)				With Objective Evidence of Impairment	With No Objective Evidence of Impairment	
Receivables	$ 45,656,810	$ -	$ 1,039,894	$ 46,696,704	$ -	$ 3,158,725	$ 49,855,429	$ 415,334	$ 1,458,113	$ 47,981,982
Discounts and loans	110,533,565	16,616,703	626,335	127,776,603	-	409,735	128,186,338	858,738	1,225,208	126,102,392

June 30, 2014	Neither Past Due Nor Impaired				Overdue But Not Yet Impaired (B)	Impairment Amount (C)	Total (A)+(B)+(C)	Loss Recognized (D)		Net Total (A)+(B)+(C)-(D)
	Good/Moderate	Substandard	Unrated	Subtotal (A)				With Objective Evidence of Impairment	With No Objective Evidence of Impairment	
Receivables	$ 47,025,767	$ 112,906	$ 961,754	$ 48,100,427	$ -	$ 3,175,252	$ 51,275,679	$ 451,785	$ 1,460,741	$ 49,363,153
Discounts and loans	108,105,879	18,525,670	405,057	127,036,606	-	-	127,036,606	683,441	1,205,259	125,147,906

Note: The total of discounts and loans is the original amount without the adjustments for premiums or discounts.

b) The credit analysis of discounts not impaired and past due and loans based on internal rating standards are as follows:

December 31, 2014	Neither Past Due Nor Impaired			
	Good/Moderate	**Substandard**	**Unrated**	**Total**
Consumer finance				
Micro credit	$ -	$ -	$ 2,758	$ 2,758
Corporate banking				
Secured	44,335,380	7,995,860	-	52,331,240
Unsecured	66,198,185	8,620,843	623,577	75,442,605
Total	110,533,565	16,616,703	626,335	127,776,603

June 30, 2014	Neither Past Due Nor Impaired			
	Good/Moderate	**Substandard**	**Unrated**	**Total**
Consumer finance				
Micro credit	$ -	$ -	$ 1,322	$ 1,322
Corporate banking				
Secured	43,326,075	9,089,879	9,214	52,425,168
Unsecured	64,779,804	9,435,791	394,521	74,610,116
Total	108,105,879	18,525,670	405,057	127,036,606

Note: The total amount is the original amount without the nonperforming loans and the adjustments for premiums or discounts.

c) Credit analysis of marketable securities

June 30, 2015	Neither Past Due Nor Impaired				Overdue But Not Yet Impaired (B)	Impairment Amount (C)	Total (A)+(B)+(C)	Impairment Loss Recognized (D)	Net Total (A)+(B)+(C)-(D)
	Good/Moderate	Substandard	Unrated	Subtotal (A)					
Available-for-sale financial assets Investment in bonds	$ 157,889	$ -	$ -	$ 157,889	$ -	$ -	$ 157,889	$ -	$ 157,889

Note 1: Available-for-sale financial assets other than the above investment in bonds have an initial cost of $14,576,222 thousand, loss on valuation of $3,428,370 thousand and accumulated impairment of $68,648 thousand.

Note 2: Financial assets measured at cost have an initial cost of $22,838,345 thousand and accumulated impairments of $1,675,922 thousand.

Note 3: Debt instruments with no active markets have initial costs of $2,761,594 thousand and accumulated impairments of $218,035 thousand.

December 31, 2014	Neither Past Due Nor Impaired				Overdue But Not Yet Impaired (B)	Impairment Amount (C)	Total (A)+(B)+(C)	Impairment Loss Recognized (D)	Net Total (A)+(B)+(C)-(D)
	Good/Moderate	Substandard	Unrated	Subtotal (A)					
Available-for-sale financial assets Investment in bonds	$ 103,068,335	$ -	$ -	$ 103,068,335	$ -	$ -	$ 103,068,335	$ -	$ 103,068,335

Note 1: Available-for-sale financial assets other than the above investment in bonds have an initial cost of $21,874,206 thousand, gain on valuation of $1,224,941 thousand and accumulated impairment of $68,172 thousand.

Note 2: Financial assets measured at cost have an initial cost of $31,807,057 thousand and accumulated impairments of $1,649,398 thousand.

Note 3: Debt instruments with no active markets have initial costs of $2,802,168 thousand and accumulated impairments of $146,172 thousand.

June 30, 2014	Neither Past Due Nor Impaired				Overdue But Not Yet Impaired (B)	Impairment Amount (C)	Total (A)+(B)+(C)	Impairment Loss Recognized (D)	Net Total (A)+(B)+(C)-(D)
	Good/Moderate	Substandard	Unrated	Subtotal (A)					
Available-for-sale financial assets Investment in bonds	$ 76,619,455	$ -	$ -	$ 76,619,455	$ -	$ -	$ 76,619,455	$ -	$ 76,619,455

Note 1: Available-for-sale financial assets other than the above investment in bonds have an initial cost of $24,418,431 thousand, gain on valuation of $458,204 thousand and accumulated impairment of $693,062 thousand.

Note 2: Financial assets measured at cost have an initial cost of $31,885,353 thousand and accumulated impairments of $1,489,373 thousand.

Note 3: Debt instruments with no active markets have initial costs of $3,014,919 thousand and accumulated impairments of $74,309 thousand.

7) Impairment of discounts and loans and receivables

Items		Discounts and Loans			Allowance for Bad Debts		
		June 30, 2015	December 31, 2014	June 30, 2014	June 30, 2015	December 31, 2014	June 30, 2014
With objective evidence of impairment	Assessment of individual impairment	$ -	$ 5,588,794	$ 6,343,424	$ -	$ 858,738	$ 683,441
With no objective evidence of impairment	Assessment of collective impairment	-	122,597,544	120,693,182	-	1,225,208	1,205,259

Items		Receivables			Allowance for Bad Debts		
		June 30, 2015	December 31, 2014	June 30, 2014	June 30, 2015	December 31, 2014	June 30, 2014
With objective evidence of impairment	Assessment of individual impairment	$ 1,725,011	$ 1,991,952	$ 2,023,113	$ 306,571	$ 415,334	$ 451,785
With no objective evidence of impairment	Assessment of collective impairment	1,167,651	47,863,477	49,252,566	982,924	1,458,113	1,460,741

Note: The amounts of loans or receivable do not include the amounts of allowance and adjustments for discounts (premiums).

8) The Bank and subsidiaries had no overdue but not yet impaired financial assets.

9) Management policies of collaterals assumed

The Bank and subsidiaries' collaterals assumed were mainly land and buildings. As of June 30, 2015, December 31, 2014 and June 30, 2014, the carrying amounts of the collaterals were $129,559 thousand, $153,631 thousand and $183,499 thousand, respectively. Collaterals assumed are classified as other assets in the consolidated balance sheets.

10) Disclosures required by the Regulations Governing the Preparation of Financial Reports by Public Banks

a) Asset quality of overdue loans and receivable

Item			June 30, 2014				
			Nonperforming Loan (NPL) (Note 1)	Total Loans	NPL Ratio (Note 2)	Loan Loss Reserves (LLR)	Coverage Ratio (Note 3)
Corporate loan	Secured		$ -	$ 52,425,168	-	$ 1,079,964	-
	Unsecured		-	74,610,116	-	808,723	-
Consumer loan	Mortgage (Note 4)		-	-	-	-	-
	Cash card		-	-	-	-	-
	Micro credit (Note 5)		-	1,322	-	13	-
	Other (Note 6)	Secured	-	-	-	-	-
		Unsecured					
Total			-	127,036,606	-	1,888,700	-
			Overdue Receivable	Account Receivable	Delinquency Ratio	Allowance for Credit Losses	Coverage Ratio
Credit card (Note 7)			-	-	-	-	-
Account receivable - factored without recourse (Note 8)			-	1,706,637	-	17,066	-

Note 1: Overdue loans represent the amounts of overdue loans reported in accordance with the "Regulations Governing the Procedures for Banking Institutions to Evaluate Assets and Deal with Nonperforming/Nonaccrual Loans" issued by the Ministry of Finance.

Note 2: NPL ratio = NPL/Total loans.

Note 3: Coverage ratio = LLR/NPL.

Note 4: Home mortgage refers to financing obtained to buy, build, or fix houses owned by the borrower or the borrower's spouse or children, with the house used as loan collateral.

Note 5: Micro credit is covered by a Banking Bureau pronouncement dated December 19, 2005 (Ref. No. 09440010950) and is excluded from credit card and cash card loans.

Note 6: “Others” under consumer loans refers to secured or unsecured loans other than mortgage loans, cash cards, micro credit, and credit cards.

Note 7: The Bank does not engage in the credit card business.

Note 8: As required by the Banking Bureau in its letter dated July 19, 2005 (Ref. No. 0945000494), allowance for bad debt is recognized once no compensation is made by a factor or insurance company within three months for accounts receivable factored without recourse.

Note 9: The Bank had no disclosures to make as regards the Banking Bureau’s letter dated April 25, 2006 (Ref. No. 09510001270).

Note 10: The Bank had no disclosures to make as regards the Banking Bureau’s letter dated September 15, 2008 (Ref. No. 09700318940).

b) Excluded overdue loans and receivables: None.

c) Concentration of credit risk

June 30, 2014

(In Thousands of New Taiwan Dollars, %)

Top 10 Ranking (Note 1)	Group (Industry Category) (Note 2)	Total Credit (Note 3)	Percentage of Net Worth
1	A Group (011700 petroleum and coal products manufacturing)	$ 9,708,253	8.46
2	B Group (012641 LCD and related components manufacturing)	6,910,803	6.03
3	C Group (016022 cable and other pay programs broadcasting)	4,751,683	4.14
4	D Group (011850 artificial fiber manufacturing)	3,949,150	3.44
5	E Group (016700 real estate development)	3,832,522	3.34
6	F Group (010319 manufacture of computers, electronic and optical products)	3,000,000	2.62
7	G Group (017112 engineering activities and related technical consultancy)	2,927,801	2.55
8	H Group (010303 manufacture of textile)	2,141,338	1.87
9	I Group (012611 IC manufacturing)	1,995,675	1.74
10	J Group (010315 manufacture of other non-metallic mineral products)	1,869,540	1.63

Note 1: The list shows rankings of the top 10 borrowers by total amount of credit, endorsement or other transactions but excludes government-owned or state-run enterprises. If the borrower is a member of a group enterprise, the total amount of credit, endorsement or other transactions of the entire group enterprise must be listed and disclosed by code and line of industry. The industry of the Group enterprise should be presented as the industry of the member firm with the highest risk exposure. The lines of industry should be described in accordance with the Standard Industrial Classification System of the Republic of China of the Directorate-General of Budget, Accounting and Statistics under the Executive Yuan.

Note 2: Under Article 6 of the "Supplementary Provisions to the Taiwan Stock Exchange Corporation criteria for the Review of Securities Listings", "Group" refers to the entity that has a controlling or subordinate relationship with the counter-party that obtained loans from the Bank.

Note 3: Credit balance means the sum of all the loans (including import bills negotiated, export bills negotiated, discounts, overdrafts, short-term secured and unsecured loans, marginal receivables, medium-term secured and unsecured loans, long-term secured and unsecured loans, and overdue receivables), exchange bills negotiated, accounts receivable factored without recourse, acceptances receivable, and guarantees issued.

c. Liquidity risk

1) Source and definition of liquidity risk

Liquidity risk is defined as the Bank is unable to meet its obligation for the asset funding within a reasonable time, which causes the risk of earnings or economic capital loss.

2) Management policies of liquidity risk

Pursuant to liquidity risk control, the Bank calculates the maximum cumulative cash outflow (maximum cumulative outflows, or MCO) to monitor daily funding gap by each major currency. There were various measures such as valuating possible future capital requirements and deconcentration of capital sources, to assure the Bank could acquire capital at any time and have the ability to pay liabilities when due, and to maintain adequate liquidity at best cost to volume.

3) Maturity gap analysis of financial assets and nonderivative financial liabilities held for liquidity purpose

a) Financial assets held for liquidity management

The Bank holds cash and highly liquid and high grade carry assets to pay off obligations and meet the potential emergency funding events. That is the assets held for liquidity management include cash and cash equivalents, due from the Central Bank and other banks, financial assets at fair value through profit or loss, discounts, loans, and available-for-sale financial assets.

b) Nonderivative financial liabilities

The following tables show the cash outflows of the Bank's nonderivative financial liabilities based on the duration of contract maturities. The amounts disclosed were based on contractual cash flows; therefore, some of them will not relatively match with those shown on the consolidated balance sheets.

(In Thousands of New Taiwan Dollars)

June 30, 2015	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Call loans from banks	$ -	$ -	$ -	$ -	$ -	$ -
Securities sold under repurchase agreements	-	-	-	-	-	-
Payables	-	-	-	-	-	-
Deposits and remittances	-	-	-	-	-	-
Bank debentures payable	-	-	-	-	-	-
Other capital outflow on maturity	29,107	3,711	2,825	124,879	842,214	1,002,736
Subtotal	$ 29,107	$ 3,711	$ 2,825	$ 124,879	$ 842,214	$ 1,002,736

(In Thousands of New Taiwan Dollars)

December 31, 2014	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Call loans from banks	$ 4,555,100	$ 215,704	$ 259,430	$ 253,740	$ -	$ 5,283,974
Securities sold under repurchase agreements	7,058,297	-	-	-	-	7,058,297
Payables	305,475	41,911	18,655	1,038	-	367,079
Deposits and remittances	20,573,553	26,176,002	40,443,980	4,567,915	4,668	91,766,118
Bank debentures payable	10,071,148	-	1,000,000	-	2,750,000	13,821,148
Other capital outflow on maturity	748,807	373,762	13,205	6,026	1,328,265	2,470,065
Subtotal	$ 43,312,380	$ 26,807,379	$ 41,735,270	$ 4,828,719	$ 4,082,933	$ 120,766,681

(In Thousands of New Taiwan Dollars)

June 30, 2014	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Call loans from banks	$ 24,885	$ 101,300	$ 131,013	$ 530,234	$ -	$ 787,432
Securities sold under repurchase agreements	10,926,423	250,181	-	-	-	11,176,604
Payables	48,699	15,063	18,467	129,680	-	211,909
Deposits and remittances	24,869,370	46,594,903	48,148,140	2,251,742	4,668	121,868,823
Bank debentures payable	1,077,685	-	-	10,000,000	2,750,000	13,827,685
Other capital outflow on maturity	97,508	48,848	2,406	275,174	1,220,672	1,644,608
Subtotal	$ 37,044,570	$ 47,010,295	$ 48,300,026	$ 13,186,830	$ 3,975,340	$ 149,517,061

(In Thousands of U.S. Dollars)

June 30, 2015	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Call loans from banks	$ -	$ -	$ -	$ -	$ -	$ -
Securities sold under repurchase agreements	-	-	-	-	-	-
Payables	-	-	-	-	-	-
Deposits and remittances	-	-	-	-	-	-
Other capital outflow on maturity	-	-	-	11,695	11,855	25,550
Subtotal	$ -	$ -	$ -	$ 11,695	$ 11,855	$ 25,550

(In Thousands of U.S. Dollars)

December 31, 2014	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Call loans from banks	$ 135,000	$ -	$ -	$ -	$ -	$ 135,000
Securities sold under repurchase agreements	728,574	857,481	187,119	-	-	1,773,174
Payables	1,291	1,507	926	483	-	4,207
Deposits and remittances	1,912,304	210,908	300,092	119,167	-	2,542,471
Other capital outflow on maturity	20,966	2,525	197	-	11,995	35,683
Subtotal	$ 2,798,135	$ 1,072,421	$ 488,334	$ 119,650	$ 11,995	$ 4,490,535

(In Thousands of U.S. Dollars)

June 30, 2014	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Call loans from banks	$ 138,000	$ -	$ -	$ -	$ -	$ 138,000
Securities sold under repurchase agreements	432,766	1,128,954	152,359	-	-	1,714,079
Payables	1,531	1,946	1,044	167	-	4,688
Deposits and remittances	1,481,707	181,717	185,421	117,311	-	1,966,156
Other capital outflow on maturity	37,654	16,466	1,124	-	14,451	69,695
Subtotal	$ 2,091,658	$ 1,329,083	$ 339,948	$ 117,478	$ 14,451	$ 3,892,618

4) Maturity analysis of derivative instruments

a) Net settled derivative instruments

Net settled derivative instruments of the Bank include:

i. Foreign currency derivatives instruments: Currency option contracts, commodity-linked option contracts and nondeliverable forward contracts.

ii. Equity derivatives instruments: Equity option.

Assessment of contractual maturities was a basis of understanding derivative instruments presented in the consolidated balance sheet. Amounts disclosed in the table are based on as the contractual cash flows; thus, some amounts will not match those in the consolidated balance sheets. Maturity analyses of net settled derivative instruments were as follows:

(In Thousands of New Taiwan Dollars)

December 31, 2014	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Derivative financial instruments at FVTPL						
Equity derivatives instruments	$ 4,665	$ -	$ -	$ -	$ -	$ 4,665

(In Thousands of U.S. Dollars)

June 30, 2014	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Derivative financial instruments at fair value through profit or loss						
Foreign currency derivatives instruments	$ (126)	$ -	$ -	$ -	$ -	$ (126)

b) Gross settled derivative instruments

Gross settled derivative instruments of the Bank include:

i. Foreign currency derivatives instruments: Foreign currency future contracts, currency swap contracts and forward exchange contracts.

ii. Interest rate derivatives instruments: Interest rate swap contracts, cross-currency swap contracts, asset swap contracts and interest rate future contracts.

The following tables show the cash outflows on the Bank's gross-settled derivative instruments by period from the consolidated balance sheet dates to contract maturity dates. Assessment of contractual maturities was a basis of understanding derivative instruments presented in the consolidated balance sheets. Amounts disclosed in the tables were based on the contractual cash flows; thus, some amounts will not match those in the consolidated balance sheets. Maturity analyses of gross settled derivative instruments were as follows:

(In Thousands of New Taiwan Dollars)

December 31, 2014	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Derivative financial instruments at FVTPL						
Foreign currency derivatives instruments						
Cash outflow	$ (147,438,705)	$ (184,409,292)	$ (38,203,727)	$ (28,640,724)	$ -	$ (398,692,448)
Cash inflow	136,466,137	185,324,338	58,780,013	28,041,051	-	408,611,539
Interest rate derivative instruments						
Cash outflow	(1,698,393)	(1,398,701)	(9,942,210)	(4,142,367)	(52,040,127)	(69,221,798)
Cash inflow	188,739	1,338,243	8,316,423	900,000	1,241,199	11,984,604
Cash outflow subtotal	(149,137,098)	(185,807,993)	(48,145,937)	(32,783,091)	(52,040,127)	(467,914,246)
Cash inflow subtotal	136,654,876	186,662,581	67,096,436	28,941,051	1,241,199	420,596,143
Net cash flow	$ (12,482,222)	$ 854,588	$ 18,950,499	$ (3,842,040)	$ (50,798,928)	$ (47,318,103)

(In Thousands of New Taiwan Dollars)

June 30, 2014	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Derivative financial instruments at FVTPL						
Foreign currency derivatives instruments						
Cash outflow	$ (117,316,453)	$ (147,361,151)	$ (30,604,610)	$ (8,260,659)	$ -	$ (303,542,873)
Cash inflow	121,763,890	148,319,487	73,628,149	9,335,041	-	353,046,567
Interest rate derivative instruments						
Cash outflow	(228,542)	(3,143,902)	(2,285,261)	(11,913,155)	(62,261,793)	(79,832,653)
Cash inflow	183,700	3,050,782	2,277,112	12,205,048	1,002,093	18,718,735
Cash outflow subtotal	(117,544,995)	(150,505,053)	(32,889,871)	(20,173,814)	(62,261,793)	(383,375,526)
Cash inflow subtotal	121,947,590	151,370,269	75,905,261	21,540,089	1,002,093	371,765,302
Net cash flow	$ 4,402,595	$ 865,216	$ 43,015,390	$ 1,366,275	$ (61,259,700)	$ (11,610,224)

(In Thousands of U.S. Dollars)

December 31, 2014	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Derivative financial instruments at FVTPL						
Foreign currency derivatives instruments						
Cash outflow	$ (6,161,353)	$ (6,294,339)	$ (1,959,846)	$ (1,015,204)	$ -	$ (15,430,742)
Cash inflow	6,530,571	6,241,225	1,294,217	1,051,239	-	15,117,252
Interest rate derivative instruments						
Cash outflow	(31,961)	(88,811)	(91,544)	(48,329)	(97,808)	(358,453)
Cash inflow	31,715	57,856	88,893	18,140	40,000	236,604
Cash outflow subtotal	(6,193,314)	(6,383,150)	(2,051,390)	(1,063,533)	(97,808)	(15,789,195)
Cash inflow subtotal	6,562,286	6,299,081	1,383,110	1,069,379	40,000	15,353,856
Net cash flow	$ 368,972	$ (84,069)	$ (668,280)	$ 5,846	$ (57,808)	$ (435,339)

(In Thousands of U.S. Dollars)

June 30, 2014	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Derivative financial instruments at FVTPL						
Foreign currency derivatives instruments						
Cash outflow	$ (4,823,725)	$ (5,263,065)	$ (2,504,416)	$ (369,647)	$ -	$ (12,960,853)
Cash inflow	5,018,468	5,747,952	1,096,696	354,557	-	12,217,673
Interest rate derivative instruments						
Cash outflow	(27,688)	(131,032)	(126,846)	(262,610)	(77,275)	(625,451)
Cash inflow	12,184	137,321	127,161	232,589	8,376	517,631
Cash outflow subtotal	(4,851,413)	(5,394,097)	(2,631,262)	(632,257)	(77,275)	(13,586,304)
Cash inflow subtotal	5,030,652	5,885,273	1,223,857	587,146	8,376	12,735,304
Net cash flow	$ 179,239	$ 491,176	$ (1,407,405)	$ (45,111)	$ (68,899)	$ (851,000)

5) Maturity analysis of off-balance sheet items

The following table sorts the Bank's off-balance sheet items by period from the consolidated balance sheet dates to contract maturity dates. Amounts disclosed in the table were based on as the contractual cash flows; thus some amounts will not match those in the consolidated balance sheets.

(In Thousands of New Taiwan Dollars)

December 31, 2014	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Irrevocable loan commitments, guarantees, and letters of credit	$ 770,777	$ 1,272,047	$ 824,525	$ 2,241,210	$ 9,647,038	$ 14,755,597

(In Thousands of New Taiwan Dollars)

June 30, 2014	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Irrevocable loan commitments, guarantees, and letters of credit	$ 1,081,538	$ 1,168,879	$ 1,286,462	$ 1,477,686	$ 11,287,533	$ 16,302,098

6) Maturity analysis of lease commitments and capital outflow commitments

The Bank and subsidiaries' lease commitments included operating leases and finance leases. Operating lease commitments were the future minimum payments under noncancellable operating lease where the Bank or its subsidiary is the lessee or lessor. The maturity analyses of lease commitments and capital outflow commitments are as follows:

(In Thousands of New Taiwan Dollars)

December 31, 2014	Within 1 Year	1- 5 Years	Over 5 Years	Total
Financial lease gross incomes (lessor)	$ 3,803,497	$ 3,506,051	$ -	$ 7,309,548
Financial lease present value incomes (lessor)	3,447,214	3,271,053	-	6,718,267

(In Thousands of New Taiwan Dollars)

June 30, 2014	Within 1 Year	1- 5 Years	Over 5 Years	Total
Financial lease gross incomes (lessor)	$ 3,505,543	$ 3,360,177	$ -	$ 6,865,720
Financial lease present value incomes (lessor)	3,290,531	2,971,611	-	6,262,142

7) Regulations Governing the Preparation of Financial Reports by Public Banks, and the required disclosures are summarized as follows:

a) Maturity analysis of New Taiwan dollars of the Bank

(In Thousands of New Taiwan Dollars)

June 30, 2015	0-10 Days	11-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Cash inflow	$ 5,085,555	$ 388,752	$ 2,651,643	$ 1,987,202	$ 396	$ 58,913,379	$ 69,026,927
Cash outflow	13,719	15,388	3,711	2,825	124,879	67,609,494	67,770,016
Gap	5,071,836	373,364	2,647,932	1,984,377	(124,483)	(8,696,115)	1,256,911

(In Thousands of New Taiwan Dollars)

June 30, 2014	0-10 Days	11-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Cash inflow	$ 87,705,882	$ 110,281,303	$ 179,122,404	$ 90,235,811	$ 28,461,575	$ 147,980,170	$ 643,787,145
Cash outflow	59,839,935	101,166,886	208,847,564	95,003,222	52,476,823	208,504,835	725,839,265
Gap	27,865,947	9,114,417	(29,725,160)	(4,767,411)	(24,015,248)	(60,524,665)	(82,052,120)

b) Maturity analysis of U.S. dollars of the Bank

(In Thousands of U.S. Dollars)

June 30, 2015	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Cash inflow	$ 11,756	$ -	$ -	$ -	$ 1,208	$ 12,964
Cash outflow	-	-	-	11,695	45,538	57,233
Gap	11,756	-	-	(11,695)	(44,330)	(44,269)

(In Thousands of U.S. Dollars)

June 30, 2014	0-30 Days	31-90 Days	91-180 Days	181 Days-1 Year	Over 1 Year	Total
Cash inflow	$ 5,987,151	$ 6,583,377	$ 1,735,360	$ 1,792,192	$ 1,611,075	$ 17,709,155
Cash outflow	7,070,393	6,948,019	3,245,275	1,129,012	731,199	19,123,898
Gap	(1,083,242)	(364,642)	(1,509,915)	663,180	879,876	(1,414,743)

d. Market risk

1) Source and definition of market risk

Market risk is defined as an unfavorable change in macroeconomic and financial market variables, (such as interest rates, exchange rates, stock prices and commodity prices) which may cause a potential loss on financial assets held for trading.

2) Risk management policies

To have a common-language of market risk management, definition, communication and measurement, the Bank has developed “Market Risk Policy” based on Regulations Governing the Capital Adequacy Ratio of Banks and on market risk calculation tables announced by FSC, international standards, and CDFH’s market risk management policy framework.

The “Market Risk Policy” is applicable to “Trading Book” positions defined by the Regulations Governing the Capital Adequacy Ratio of Banks related market risk calculation tables and the Bank’s book management approach to financial instrument handling.

Following the "Market Risk Policy", the Bank sets up the "Market Risk Management Procedure to Trading Activities" to manage market risk throughout the Firm. This procedure includes risk identification and assessment, risk measurement, risk monitoring and response, risk reporting and contingency management processes.

3) The procedure of market risk measuring, monitoring, and reporting

The Bank's market risk limits include position sensitivities, stop-loss limits, Value-at-Risk (VaR).

Risk factors analyzed through the Bank's risk measurement systems are sufficient to determine all market risks of trading positions on balance sheet, including interest rates risk, foreign exchange risk, equity risk and commodity risk, as well as volatility risks which arise out of the option transactions.

The Bank's market risk report includes profit or loss on trading positions, limits usage, stress testing, trading portfolio risk assessment, as well as significant exception if any.

The risk management unit of the Bank independently performs daily market risk limit controls, and monthly reports to both the Risk Management Committee and CDFH's Risk Management Committee. Besides, the above reports are regularly presented to the Board for reference.

4) Mitigation of risks or hedging of market risk

The Bank's market risk positions or hedging positions are marked to market on a daily base through techniques such as model evaluation. All market parameters are updated at least daily in accordance with changes in market conditions. Market Risk Limits are regularly reviewed and controlled based on the revaluation results.

5) Valuation techniques of market risk

The Bank uses the VaR model and/or stress testing to evaluate the potential and/or extreme risk of trading portfolios. Through variations of the assumptions on market conditions, these techniques can be used to assess the market risk of positions held and the maximum expected loss.

VaR is calculated using a one-day time horizon with a 95% confidence level.

	June 30, 2015			December 31, 2014			June 30, 2014		
	Average	Highest	Lowest	Average	Highest	Lowest	Average	Highest	Lowest
Value at risk of foreign exchange rate	$ -	$ -	$ -	$ 8,322	$ 17,544	$ 1,955	$ 8,269	$ 20,779	$ 2,367
Value at risk of interest rate	-	-	-	65,735	100,306	6,725	10,652	37,100	3,695
Value at risk of equity stocks	-	-	-	15,416	18,764	12,103	10,850	14,782	7,612
Total value at risks	-	-	-	69,064	-	-	17,379	-	-

6) Interest rate risk management of the banking book

The interest rate risk management strategy involving the Bank's banking book is to minimize the negative impact of changes in interest rates on net interest income and the net economic value of equity. The asset-liability management committee (ALMCO) approves the annual banking book interest rate risk limits and monitors the Bank's interest rate risk exposures every day. The interest rate risk management processes involving the banking book include risk identification, risk measurement, risk control, risk monitor and others. The unit monitoring the banking book interest rate risk reports interest rate risk exposures regularly to ALMCO, and adjust the structure of assets and liabilities according to the report, lowering the amount of exposure. For risk monitoring, the asset and liability management system outputs an analysis report, which is provided to the interest rate risk execution unit and top management. If risk missing or excess of limit occurred from monitor, written notices will be passed to interest rate risk implementation units to adjust and improve the program reported to ALMCO.

7) Foreign currency rate risk information

The financial assets and liabilities denominated in foreign currency and with material influence on the Bank and subsidiaries were as follows:

(In Thousands of Foreign currencies/New Taiwan Dollars)

	June 30, 2015		
	Foreign Currencies	**Exchange Rate**	**New Taiwan Dollars**
Financial assets			
Monetary items			
USD	$ 193,148	31.070	$ 6,001,121
HKD	137,129	4.008	549,598
EUR	6,955	34.697	241,317
RMB	47,886	5.007	239,765
KRW	5,828,858	0.028	162,316
JPY	425,038	0.254	108,002
Nonmonetary items			
HKD	29,977	4.008	112,131
Investments accounted for using the equity method			
RMB	256,701	5.007	1,285,300
USD	38,050	31.070	1,182,229
Financial liabilities			
Monetary items			
USD	221,807	31.070	6,891,542

	December 31, 2014		
	Foreign Currencies	**Exchange Rate**	**New Taiwan Dollars**
Financial assets			
Monetary items			
USD	$ 4,545,083	31.718	$ 144,160,953
RMB	2,245,478	5.103	11,459,573
HKD	280,055	4.090	1,145,342
EUR	21,178	38.550	816,398
AUD	12,695	25.960	329,557
JPY	1,171,895	0.265	310,786
KRW	6,202,560	0.029	180,339
Nonmonetary items			
HKD	446,456	4.090	1,825,869
RMB	20,364	5.103	103,918
Investments accounted for using the equity method			
RMB	137,655	5.103	702,508

(Continued)

	December 31, 2014		
	Foreign Currencies	**Exchange Rate**	**New Taiwan Dollars**
<u>Financial liabilities</u>			
Monetary items			
USD	$ 3,253,661	31.718	$ 103,199,634
RMB	1,597,356	5.103	8,151,944
NZD	17,638	24.853	438,346
EUR	9,844	38.550	379,477
AUD	10,141	25.960	263,250
JPY	920,698	0.265	244,169
KRW	5,504,389	0.029	160,040
ZAR	37,845	2.740	103,687

(Concluded)

	June 30, 2014		
	Foreign Currencies	**Exchange Rate**	**New Taiwan Dollars**
<u>Financial assets</u>			
Monetary items			
USD	$ 5,195,799	29.915	$ 155,432,333
RMB	7,565,428	4.824	36,494,110
HKD	212,392	3.860	819,746
JPY	1,273,681	0.295	375,863
AUD	8,848	28.137	248,942
KRW	6,554,040	0.030	193,780
Nonmonetary items			
HKD	434,276	3.860	1,676,133
<u>Financial liabilities</u>			
Monetary items			
USD	4,244,382	29.915	126,970,692
RMB	1,160,897	4.824	5,599,936
NZD	17,128	26.147	447,848
JPY	772,767	0.295	228,044
KRW	7,399,603	0.030	218,791
AUD	7,330	28.137	206,247
EUR	2,991	40.843	122,154
ZAR	36,789	2.825	103,944

8) Disclosures required by the Regulations Governing the Preparation of Financial Reports by Public Banks

a) Analysis of interest rate-sensitive assets and liabilities (New Taiwan dollars)

June 30, 2015

(In Thousands of New Taiwan Dollars, %)

Item	1 to 90 Days	91 to 180 Days	181 Days to 1 Year	Over 1 Year	Total
Interest rate-sensitive assets	$ 4,657,375	$ -	$ -	$ 516,328	$ 5,173,703
Interest rate-sensitive liabilities	-	-	-	-	-
Interest rate sensitivity gap	4,657,375	-	-	516,328	5,173,703
Net worth					66,767,280
Ratio of interest rate-sensitive assets to liabilities (%)					-
Ratio of interest rate-sensitive gap to net worth (%)					7.75

June 30, 2014

(In Thousands of New Taiwan Dollars, %)

Item	1 to 90 Days	91 to 180 Days	181 Days to 1 Year	Over 1 Year	Total
Interest rate-sensitive assets	$ 115,199,582	$ 7,139,085	$ 840,000	$ 44,294,823	$ 167,473,490
Interest rate-sensitive liabilities	89,002,011	42,526,798	12,226,842	3,832,353	147,588,004
Interest rate sensitivity gap	26,197,571	(35,387,713)	(11,386,842)	40,462,470	19,885,486
Net worth					112,908,060
Ratio of interest rate-sensitive assets to liabilities (%)					113
Ratio of interest rate-sensitive gap to net worth (%)					18

Note 1: The above amounts included only New Taiwan dollar amounts held in the domestic and overseas branches (i.e., excluding foreign currencies).

Note 2: Interest rate-sensitive assets and liabilities refer to interest-earning assets and interest-bearing liabilities with revenues or costs affected by interest rate changes.

Note 3: Interest rate sensitivity gap = Interest rate-sensitive assets - Interest rate-sensitive liabilities.

Note 4: Ratio of interest rate-sensitive assets to liabilities = Interest rate-sensitive assets/Interest rate-sensitive liabilities (interest rate-sensitive assets and interest rate-sensitive liabilities are in New Taiwan dollars).

b) Analysis of interest rate-sensitive assets and liabilities (U.S. dollars)

June 30, 2015

(In Thousands of U.S. Dollars, %)

Item	1 to 90 Days	91 to 180 Days	181 Days to 1 Year	Over 1 Year	Total
Interest rate-sensitive assets	$ 11,756	$ -	$ -	$ -	$ 11,756
Interest rate-sensitive liabilities	-	-	-	-	-
Interest rate sensitivity gap	11,756	-	-	-	11,756
Net worth					31,683
Ratio of interest rate-sensitive assets to liabilities (%)					-
Ratio of interest rate-sensitive gap to net worth (%)					37.11

June 30, 2014

(In Thousands of U.S. Dollars, %)

Item	1 to 90 Days	91 to 180 Days	181 Days to 1 Year	Over 1 Year	Total
Interest rate-sensitive assets	$ 2,150,464	$ 292,947	$ 693,651	$ 1,778,898	$ 4,915,960
Interest rate-sensitive liabilities	3,363,145	337,780	117,311	-	3,818,236
Interest rate sensitivity gap	(1,212,681)	(44,833)	576,340	1,778,898	1,097,724
Net worth					56,959
Ratio of interest rate-sensitive assets to liabilities (%)					129
Ratio of interest rate-sensitive gap to net worth (%)					1,927

Note 1: The above amounts included only U.S. dollar amounts held in the domestic and overseas branches and OBU (i.e., excluding contingency assets and liabilities).

Note 2: Interest rate-sensitive assets and liabilities refer to interest-earning assets and interest-bearing liabilities with revenues or costs affected by interest rate changes.

Note 3: Interest rate sensitivity gap = Interest rate-sensitive assets - Interest rate sensitive liabilities.

Note 4: Ratio of interest rate-sensitive assets to liabilities = Interest rate-sensitive assets/Interest rate-sensitive liabilities (interest rate-sensitive assets and interest rate-sensitive liabilities are in U.S. dollars).

e. Offsetting financial assets and financial liabilities

CDIB has no transactions of financial instruments that correspond to the provisions of IAS 32-42, but there are enforceable master netting arrangements or similar agreements signed with counterparty, and the financial assets and financial liabilities can be offset when both sides of the transaction have decided to, but gross settlements if not. One can choose net settlement if the other side of the transaction is in breach of the contract.

Related information of offsetting financial assets and financial liabilities are as follows:

December 31, 2014						
Financial Assets under Offsetting, Net Settlement Contracts or Similar Agreements						
Item	Recognized Financial Assets - Gross Amount (a)	Netted Financial Liabilities Recognized on the Balance Sheet - Gross Amount (b)	Recognized Financial Assets - Net Amount (c)=(a)-(b)	Related Amount Not Netted on the Balance Sheet (d)		Net Amount (e)=(c)-(d)
				Financial Instruments (Note)	Cash Received as Collaterals	
Derivative instruments	$ 22,073,934	$ -	$ 22,073,934	$ 6,649,308	$ 141,921	$ 15,282,705
Notes and bonds issued under repurchase agreements	23,414,342	-	23,414,342	23,414,342	-	-
	$ 45,488,276	$ -	$ 45,488,276	$ 30,063,650	$ 141,921	$ 15,282,705

Note: Including netting settlement agreement and non-cash financial collaterals.

December 31, 2014						
Financial Liabilities under Offsetting, Net Settlement Contracts or Similar Agreements						
Item	Recognized Financial Liabilities - Gross Amount (a)	Netted Financial Assets Recognized on the Balance Sheet - Gross Amount (b)	Recognized Financial Liabilities - Net Amount (c)=(a)-(b)	Related Amount Not Netted on the Balance Sheet (d)		Net Amount (e)=(c)-(d)
				Financial Instruments (Note)	Cash Collaterals Pledged	
Derivative instruments	$ 23,279,859	$ -	$ 23,279,859	$ 6,649,308	$ 5,884,374	$ 10,746,177
Notes and bonds issued under repurchase agreement	63,299,830	-	63,299,830	63,299,830	-	-
	$ 86,579,689	$ -	$ 86,579,689	$ 69,949,138	$ 5,884,374	$ 10,746,177

Note: Including netting settlement agreement and non-cash financial collaterals.

June 30, 2014						
Financial Assets under Offsetting, Net Settlement Contracts or Similar Agreements						
Item	**Recognized Financial Assets - Gross Amount (a)**	**Netted Financial Liabilities Recognized on the Balance Sheet - Gross Amount (b)**	**Recognized Financial Assets - Net Amount (c)=(a)-(b)**	**Related Amount Not Netted on the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments (Note)	**Cash Received as Collaterals**	
Derivative instruments	$ 8,277,344	$ -	$ 8,277,344	$ 4,169,438	$ 150,547	$ 3,957,359
Securities purchased under resell agreements	25,807,786	-	25,807,786	25,807,786	-	-
	$ 34,085,130	$ -	$ 34,085,130	$ 29,977,224	$ 150,547	$ 3,957,359

Note: Including netting settlement agreement and non-cash financial collaterals.

June 30, 2014						
Financial Liabilities under Offsetting, Net Settlement Contracts or Similar Agreements						
Item	**Recognized Financial Liabilities - Gross Amount (a)**	**Netted Financial Assets Recognized on the Balance Sheet - Gross Amount (b)**	**Recognized Financial Liabilities - Net Amount (c)=(a)-(b)**	**Related Amount Not Netted on the Balance Sheet (d)**		**Net Amount (e)=(c)-(d)**
				Financial Instruments (Note)	**Cash Collaterals Pledged**	
Derivative instruments	$ 7,820,536	$ -	$ 7,820,536	$ 4,169,438	$ 351,480	$ 3,299,618
Notes and bonds issued under repurchase agreement	62,453,284	-	62,453,284	62,453,284	-	-
	$ 70,273,820	$ -	$ 70,273,820	$ 66,622,722	$ 351,480	$ 3,299,618

Note: Including netting settlement agreement and non-cash financial collaterals.

47. CAPITAL MANAGEMENT

a. Objectives

The Bank’s eligible capital should be higher than the statutorily required capital and should meet the authorities’ minimum requirements for capital adequacy ratio. This is the fundamental principle of capital management.

Capital is needed to cover any future losses. Capital management is the main tool of financial institutions for developing business and risk management strategies. To effectively manage the Bank’s capital as well as meet the regulatory authorities’ minimum requirements, the Bank follows the principle “Capital bears risk as well as requires compensation”; thus, under an effective capital management framework, the Bank balances risk control and business development and achieves the business objective of maximizing stockholder value.

b. Capital management procedures

The Bank had met the authorities’ minimum requirements for capital adequacy ratio and reported to the authorities quarterly. Eligible capital is calculated in accordance with the “Regulations Governing the Capital Adequacy and Capital Category of Banks.”

c. Capital adequacy ratio

(In Thousands of New Taiwan Dollars, %)

Items \ Year			June 30, 2015	December 31, 2014	June 30, 2014
Eligible capital	Common stockholders' equity		$ 8,054,633	$ 45,327,171	$ 43,565,976
	Other Tier 1 capital		-	-	-
	Tier 2 capital		-	-	-
	Eligible capital		8,054,633	45,327,171	43,565,976
Risk-weighted assets	Credit risk	Standardized approach	4,749,799	213,061,881	206,104,353
		Internal rating-based approach	N/A	N/A	N/A
		Securitization	-	-	-
	Operational risk	Basic indicator approach	12,540,050	12,540,050	9,167,125
		Standardized approach/ alternative standardized approach	N/A	N/A	N/A
		Advanced measurement approach	N/A	N/A	N/A
	Market risk	Standardized approach	1,711,754	30,065,413	22,671,000
		Internal model approach	N/A	N/A	N/A
	Total risk-weighted assets		19,001,603	255,667,344	237,942,478
Capital adequacy ratio			42.39%	17.73%	18.31%
Ratio of common stockholders' equity to risk-weighted assets			42.39%	17.73%	18.31%
Ratio of Tier 1 capital to risk-weighted assets			42.39%	17.73%	18.31%
Leverage ratio			80.41%	7.71%	7.86%

Note 1: The above table was filled in accordance with the "Regulations Governing the Capital Adequacy Ratio of Banks" and related calculation tables.

Note 2: The Bank should disclose the capital adequacy ratios of the current and previous periods in annual financial reports. For semiannual financial reports, the Bank should disclose the capital adequacy ratios of the current and previous periods, and of the previous year-end.

Note 3: The formulas used in calculating the above table entries were as follows:

1) Eligible capital = Common stockholder's equity + Other Tier 1 capital + Tier 2 capital.

2) Total risk-weighted asset = Risk-weighted assets for credit risk + (Capital requirement for operational risk + Capital requirements for market risk) × 12.5.

3) Capital adequacy ratio = Eligible capital/Total risk-weighted assets.

4) Ratio of common stockholders' equity to risk-weighted assets = Common stock/Total risk-weighted assets.

5) Ratio of Tier 1 capital to risk-weighted assets = (Stockholders' equity + Other Tier 1 capital)/Total risk-weighted assets.

6) Leverage ratio = Tier 1 capital/Total exposure.

48. TRUST BUSINESS OPERATIONS UNDER THE TRUST ENTERPRISES ACT

a. The balance sheets and income statements of the trust accounts and trust property accounts were as follows:

Balance Sheets of Trust Accounts

(In Thousands of New Taiwan Dollars)

Assets	June 30, 2015	December 31, 2014	June 30, 2014	Liabilities	June 30, 2015	December 31, 2014	June 30, 2014
Bank deposits	$ -	$ 585,031	$ 493,347	Payables	$ -	$ 2,210	$ 510
Financial assets at fair value through profit or loss	-	5,076,358	4,662,262	Other liabilities	-	1,280,000	1,280,000
				Trust capital	-	6,500,406	7,807,714
Financial assets measured at cost	-	1,400,000	1,400,000	Reserve and retained earnings			
Real estate, net	-	797,943	1,151,662	Accumulated deficit	-	1,156,851	1,156,831
				Appropriation of income	-	(100,391)	(60,735)
Other assets	-	1,117,998	2,421,950	Net income	-	138,254	(55,099)
				Total capital surplus and related earnings	-	1,194,714	1,040,997
Total	$ -	$ 8,977,330	$ 10,129,221	Total	$ -	$ 8,977,330	$ 10,129,221

Income Statements of Trust Accounts

(In Thousands of New Taiwan Dollars)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Trust income and gains				
Gain on financial assets at FVTPL, net	$ 101,756	$ (48,255)	$ 225,466	$ -
Interest income	7,971	28,896	15,721	36,842
Rental income	213	2,588	1,025	5,385
Dividend income	-	35,445	-	35,445
Other income and gains	-	22	-	22
Total trust income and gains	109,940	18,696	242,212	77,694
Trust expenses				
Interest expenses	3,315	13,005	19,635	13,005
Trust administrative	39	8,136	188	10,216
Loss on financial assets at FVTPL, net expense	-	105,299	-	105,299
Service fee expense	-	-	-	2,000
Other expenses	10	204	34	2,273
Total trust expenses	3,364	126,644	19,857	132,793
Net income before income tax	$ 106,576	$ (107,948)	$ 222,355	$ (55,099)

The above income from trust operations were excluded from CDIB’s income.

Trust Property Accounts

(In Thousands of New Taiwan Dollars)

Investment Portfolio	June 30, 2015	December 31, 2014	June 30, 2014
Bank deposits	$ -	$ 585,031	$ 493,347
Financial assets at FVTPL	-	5,076,358	4,662,262
Financial assets measured at cost	-	1,400,000	1,400,000
Real estate, net	-	797,943	1,151,662
Payments for others	-	1,115,230	2,376,428
Other assets	-	2,768	45,522
	$ -	$ 8,977,330	$ 10,129,221

b. Trust business operations under the Trust Enterprises Act: Please refer to Note 1 to the consolidated financial statements.

49. ALLOCATION OF REVENUE, COST AND EXPENSE RESULTING FROM INTERCOMPANY COOPERATION AND RESOURCE SHARING

For the cooperation and resource sharing between China Development Financial Holding Corporation, the Bank's parent, and subsidiaries, please refer to Note 41 to the consolidated financial statements.

50. PROFITABILITY

(%)

Items		June 30	
		2015	**2014**
Return on total assets	Before income tax	2.09	1.99
	After income tax	2.20	1.88
Return on net worth	Before income tax	6.18	7.58
	After income tax	6.52	7.18
Profit margin		73.97	71.44

Note 1: Return on total assets = Income before (after) income tax/Average total assets.

Note 2: Return on net worth = Income before (after) income tax/Average net worth.

Note 3: Profit margin = Income after income tax/Total operating revenues.

Note 4: Income before (after) income tax means income accumulated from January of the current period to the current period.

51. ADDITIONAL DISCLOSURES

a. Following are the additional disclosures required by the Securities and Futures Bureau for the Bank and subsidiaries:

1) Financing provided: The Bank: Not applicable. For information on other subsidiaries: None.

2) Collaterals/guarantees provided: The Bank: Not applicable. For information on other subsidiaries: None.

3) Marketable securities held: The Bank: Not applicable. For information on other subsidiaries, please refer to Table 1 (attached).

4) Subsidiaries are acquired and disposed of, at cost or price of at least NT$300 million or 10% of the issued capital (subsidiaries acquired and disposed of marketable securities, at cost or price of at least NT$300 million or 10% of the issued capital): Please refer to Table 2 (attached).

5) Acquisition of individual real estate at cost of at least NT$300 million or 10% of the issued capital: None.

6) Disposal of individual real estate at price of at least NT$300 million or 10% of the issued capital: The Bank: None.

7) Discount on service fees received from related parties amounting to NT$5 million: None.

8) Receivables from related parties amounting to NT$300 million or 10% of the issued capital: Please refer to Note 41 to the consolidated financial statements and Table 3 (attached).

9) Sold nonperforming loans: Please refer to Table 4 (attached).

10) Financial asset securitization: None.

11) Other significant transactions which may affect the decisions of the consolidated financial statements users: None.

12) The information of investees: Table 6 (attached).

13) Derivative transactions: Please refer to Notes 8, 45 and 46 to the consolidated financial statements.

b. Investments in Mainland China: Please refer to Table 7 (attached).

c. Business relationships and significant transactions among the Bank and subsidiaries. Please refer to Table 8 (attached).

52. SEGMENT INFORMATION

The reportable segments of the Bank and subsidiaries are the principal investment business, financial market business and corporate banking business. The principal investment business includes principal investments, equity-related financial product investments and trading business. The financial market business includes the distribution of funds, issuance of bank debentures, money market, foreign exchange, bond market, products, equity, other financial market-related products and transactions and of derivative products; and corporate banking business includes deposits, remittance and corporate lending.

There was no inconsistency between the accounting policies of the operating segment and the accounting policies described in Note 4. The Bank and subsidiaries use net profit before income tax as the measurement for segment profit and the basis of performance assessment. The net revenue, net profit before income tax, assets and liabilities are composed of direct attributed and allocated revenues and expenses. The revenue and expenses between the operating segments are netted off.

a. Segment revenues and results

The following is an analysis of the Bank and subsidiaries' revenue and results of operations by reportable segment:

	Principal Investment Business	Financial Market Business	Corporate Banking Business	Others	Total
For the three months ended June 30, 2015					
Interest profit (loss), net	$ 67,131	$ 147,360	$ 164,095	$ (33,516)	$ 345,070
Net revenue (loss) - intersegment	(140,197)	(82,171)	(48,997)	271,365	-
Noninterest profits and gains (losses), net	102,829	1,111,135	21,298	(12,159)	1,223,103
Net revenue	29,763	1,176,324	136,396	225,690	1,568,173
Reversal of allowance for (allowance) bad debts and losses on guarantees, net	49	4,532	37,644	(2,517)	39,708
Operating expenses	(218,260)	(28,776)	(33,619)	(274,230)	(554,885)
Income (loss) before income tax	(188,448)	1,152,080	140,421	(51,057)	1,052,996
Income tax benefit (expense)	(18,278)	-	(2,660)	243,187	222,249
Net profit (loss)	$ (206,726)	$ 1,152,080	$ 137,761	$ 192,130	$ 1,275,245
For the three months ended June 30, 2014					
Interest profit (loss), net	$ 33,157	$ 468,719	$ 681,432	$ (2,020)	$ 1,181,288
Net revenue (loss) - intersegment	(111,984)	(40,122)	(70,044)	222,150	-
Noninterest profits and gains, net	1,325,801	(80,008)	109,175	(58,028)	1,296,940
Net revenue	1,246,974	348,589	720,563	162,102	2,478,228
Reversal of allowance (allowance) for bad debts and losses on guarantees, net	(481)	766	(80,317)	75,407	(4,625)
Operating expenses	(330,907)	(80,896)	(168,308)	(166,686)	(746,797)
Income before income tax	915,586	268,459	471,938	70,823	1,726,806
Income tax benefit (expense)	(86,707)	-	(8,000)	148,424	53,717
Net profit	$ 828,879	$ 268,459	$ 463,938	$ 219,247	$ 1,780,523
For the six months ended June 30, 2015					
Interest profit (loss), net	$ 113,845	$ 461,863	$ 773,280	$ (36,381)	$ 1,312,607
Net revenue (loss) - intersegment	(229,235)	(215,699)	(58,082)	503,016	-
Noninterest profits and gains (losses), net	1,366,116	1,248,978	150,556	(29,510)	2,736,140
Net revenue	1,250,726	1,495,142	865,754	437,125	4,048,747
Reversal of allowance for (allowance) bad debts and losses on guarantees, net	168	358	87,358	218	88,102
Operating expenses	(435,785)	(133,558)	(215,193)	(513,121)	(1,297,657)
Income (loss) before income tax	815,109	1,361,942	737,919	(75,778)	2,839,192
Income tax benefit (expense)	(38,861)	-	(6,084)	200,472	(155,527)
Net profit	$ 776,248	$ 1,361,942	$ 731,835	$ 126,694	$ 2,994,719

(Continued)

	Principal Investment Business	Financial Market Business	Corporate Banking Business	Others	Total
For the six months ended June 30, 2014					
Interest profit (loss), net	$ 67,072	$ 902,716	$ 1,427,723	$ (3,461)	$ 2,394,050
Net revenue (loss) - intersegment	(223,134)	(2,405)	(244,071)	469,610	-
Non-interest profits and gains (losses), net	3,533,346	(274,527)	122,476	15,033	3,396,328
Net revenue	3,377,284	625,784	1,306,128	481,182	5,790,378
Reversal of allowance (allowance) for bad debts and losses on guarantees, net	36,581	766	(56,282)	88,300	69,365
Operating expenses	(627,476)	(153,856)	(336,670)	(373,644)	(1,491,646)
Income (loss) before income tax	2,786,389	472,694	913,176	195,838	4,368,097
Income tax benefit (expense)	(305,002)	-	(8,640)	82,351	(231,291)
Net profit	$ 2,481,387	$ 472,694	$ 904,536	$ 278,189	$ 4,136,806

(Concluded)

b. Segment assets and liabilities

	Principal Investment Business	Financial Market Business	Corporate Banking Business	Others	Total
June 30, 2015					
Assets	$ 62,840,982	$ -	$ -	$ 7,811,183	$ 70,652,165
Liabilities	$ 1,503,379	$ -	$ -	$ 1,394,749	$ 2,898,128
December 31, 2014					
Assets	$ 70,170,948	$ 214,006,828	$ 174,200,593	$ 15,612,312	$ 473,990,681
Liabilities	$ 1,673,485	$ 171,574,418	$ 179,736,420	$ 4,907,337	$ 357,891,660
June 30, 2014					
Assets	$ 92,524,962	$ 187,593,397	$ 160,946,137	$ 24,076,200	$ 465,140,696
Liabilities	$ 1,527,614	$ 153,750,578	$ 189,229,391	$ 4,552,953	$ 349,060,536

CHINA DEVELOPMENT INDUSTRIAL BANK AND SUBSIDIARIES

MARKETABLE SECURITIES HELD
JUNE 30, 2015
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	June 30, 2015				Note
				Shares/Face Value/Units	Carrying Value (Note 2)	Percentage of Ownership	Market Value or Net Asset Value (Note 3)	
R.O.C. Strategic Company Ltd.	Stocks							
	Lion Travel Service Co., Ltd.	-	Available-for-sale financial assets	281,000	$ 47,068	0.40	$ 47,068	
	Sunfun Info Co., Ltd.	-	Available-for-sale financial assets	100,000	2,880	0.76	2,880	
	Victory Circuit Co., Ltd.	-	Available-for-sale financial assets	100,000	1,229	0.17	1,229	
	HIM International Music Inc.	-	Available-for-sale financial assets	477,900	62,605	1.35	62,605	
	Victory New Materials Limited Company	-	Available-for-sale financial assets	1,281,735	108,050	1.45	108,050	
	Greatland Electronics Taiwan Ltd.	-	Financial assets measured at cost	640,000	2,240	1.83	5,082	
	Azotek Co., Ltd.	-	Financial assets measured at cost	412,250	13,823	0.82	4,284	
	AMPAK Technology Inc.	-	Financial assets measured at cost	604,325	12,398	0.72	7,682	
	Pai Lung Machinery Mill Co., Ltd.	-	Financial assets measured at cost	750,000	16,500	2.11	3,594	
	Evervision Electronics Co., Ltd.	-	Financial assets measured at cost	596,222	11,599	2.59	18,406	
	Beyond Innovation Technology Co., Ltd.	-	Financial assets measured at cost	630,518	8,995	1.87	1,830	
	CBA Sports International Limited	-	Financial assets measured at cost	160,714	24,364	0.28	25,174	
	Option							
	CBA Sports International Limited - preferred stock	-	Financial assets measured at cost	-	44,584	-	89,438	
	Convertible (exchangeable) corporate bond							
	Capital Excel Investment Limited	-	Financial assets at fair value through profit or loss	-	111,385	-	111,385	
CDIB Strategic Venture Fund, Ltd.	Stocks							
	Lion Travel Service Co., Ltd.	-	Available-for-sale financial assets	80,000	13,400	0.11	13,400	
	Newmax Technology Co., Ltd.	-	Available-for-sale financial assets	743,847	14,282	0.73	14,282	
	Sunfun Info Co., Ltd.	-	Available-for-sale financial assets	100,000	2,880	0.76	2,880	
	Capital Securities Corporation	-	Available-for-sale financial assets	884,887	8,840	0.04	8,840	
	Victory Circuit Co., Ltd.	-	Available-for-sale financial assets	100,000	1,229	0.17	1,229	
	HIM International Music Inc.	-	Available-for-sale financial assets	477,900	62,605	1.35	62,605	
	Victory New Materials Limited Company	-	Available-for-sale financial assets	497,878	41,971	0.56	41,971	
	Cando Corporation	-	Available-for-sale financial assets	1,110,583	6,042	0.28	6,042	
	Alpha Imaging Technology Corp.	-	Available-for-sale financial assets	156,375	5,551	0.28	5,551	
	Greatland Electronics Taiwan Ltd.	-	Financial assets measured at cost	1,280,000	4,480	3.66	10,165	
	Azotek Co., Ltd.	-	Financial assets measured at cost	412,250	13,823	0.82	4,284	
	AMPAK Technology Inc.	-	Financial assets measured at cost	604,325	12,398	0.72	7,682	
	Pai Lung Machinery Mill Co., Ltd.	-	Financial assets measured at cost	750,000	16,500	2.11	3,594	
	CBA Sports International Limited	-	Financial assets measured at cost	354,107	53,682	0.62	55,467	
	Derbysoft Holdings Limited - preferred stock A	-	Financial assets measured at cost	28,000,000	91,938	41.69	142,024	(Note 4)
	Derbysoft Holdings Limited - preferred stock B	-	Financial assets measured at cost	4,643,469	15,297	9.26	31,552	(Note 4)
	Option							
	CBA Sports International Limited - preferred stock	-	Financial assets measured at cost	-	98,234	-	197,061	
	Convertible (exchangeable) corporate bond							
	Capital Excel Investment Limited	-	Financial assets at fair value through profit or loss	-	111,385	-	111,385	
China Venture Management Inc.	Stocks							
	CDIB CME Fund Ltd.	Associate	Investments accounted for using equity method	1,500,000	14,592	1.00	14,592	
	CDIB Biomedical Venture Capital Corporation	Associate	Investments accounted for using equity method	875,000	8,459	1.00	8,459	
	Giga Solution Tech. Co., Ltd.	-	Available-for-sale financial assets	440,916	9,480	0.37	9,480	
	Victory Circuit Co., Ltd.	-	Available-for-sale financial assets	100,000	1,229	0.17	1,229	

(Continued)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	June 30, 2015				Note
				Shares/Face Value/Units	Carrying Value (Note 2)	Percentage of Ownership	Market Value or Net Asset Value (Note 3)	
China Venture Management Inc.	Stocks							
	Pili International Multimedia Co., Ltd.	-	Available-for-sale financial assets	300,000	$ 25,500	0.68	$ 25,500	
	Alpha Imaging Technology Corp.	-	Available-for-sale financial assets	11,727	416	0.02	416	
	Progate Group Corporation	-	Financial assets measured at cost	27,274	325	0.08	261	
	MCM Stamping Co., Ltd.	-	Financial assets measured at cost	70,000	2,100	0.22	950	
CDIB Capital Management Corp. (formerly named CDIB Equity Inc.)	Stocks							
	Tong Hsing Electronic Industries, Ltd.	-	Available-for-sale financial assets	660,000	57,486	0.41	57,486	
	Aten International Co., Ltd.	-	Available-for-sale financial assets	65,660	5,995	0.05	5,995	
	Powertech Industrial Co., Ltd.	-	Available-for-sale financial assets	199,299	3,367	0.18	3,367	
	Transcend Information, Inc.	-	Available-for-sale financial assets	90,933	10,321	0.02	10,321	
	Hua Jung Components Co., Ltd.	-	Available-for-sale financial assets	5,252	30	-	30	
	ASRock Inc.	-	Available-for-sale financial assets	54,022	3,052	0.05	3,052	
	Share Hope Medicine Co., Ltd.	-	Available-for-sale financial assets	177,736	7,154	0.30	7,154	
	Altek Corporation	-	Available-for-sale financial assets	70,708	1,994	0.03	1,994	
	Initio Corporation	-	Financial assets measured at cost	93,285	684	0.52	659	
	Wells Tech Optical Co., Ltd.	-	Financial assets measured at cost	327,364	3,274	0.51	3,274	
	Arcoa Communication Co., Ltd.	-	Financial assets measured at cost	783,000	7,493	0.58	21,078	
	Beyond Innovation Technology Co., Ltd.	-	Financial assets measured at cost	235,474	4,485	0.70	1,318	
	EVA Technologies Co., Ltd.	-	Financial assets measured at cost	744,058	12,060	1.44	848	
	Luminous Town Electric Co., Ltd.	-	Financial assets measured at cost	1,442,883	13,645	2.16	14,648	
	CDIB Private Equity (Hong Kong) Corporation Limited	Subsidiary	Investments accounted for using equity method	51,900,000	204,496	100.00	204,496	
CDIB Private Equity (Hong Kong) Corporation Limited	Stocks							
	CPEC Huachuang Private Equity (Kunshan) Co, Ltd.	Subsidiary	Investments accounted for using equity method	-	HK$ 5,033	65.00	HK$ 5,033	
	CPEC Huachuang Private Management (Kushan) Enterprise (Limited Partnership)	Subsidiary	Investments accounted for using equity method	-	HK$ 237	4.53	HK$ 237	
CPEC Huachuang Private Equity (Kunshan) Co., Ltd.	Stocks							
	CPEC Huachuang Private Management (Kushan) Enterprise (Limited Partnership)	Subsidiary	Investments accounted for using equity method	-	RMB 3,891	93.02	RMB 3,891	
CPEC Huachuang Private Management (Kushan) Enterprise (Limited Partnership)	Fund							
	CPEC Huachuang Private Equity (Kunshan) Enterprise (Limited Partnership)	Associate	Investments accounted for using equity method	-	RMB 3,964	-	RMB 3,964	
CDIB Venture Capital Corporation	Stocks							
	Iron Force Industrial Co., Ltd.	-	Available-for-sale financial assets	750,000	103,500	1.05	103,500	
	Aten International Co., Ltd.	-	Available-for-sale financial assets	2,283,567	208,490	1.91	208,490	
	Anpec Electronics Corporation	-	Available-for-sale financial assets	3,709,011	88,645	3.69	88,645	
	Twi Pharmaceuticals, Inc.	-	Available-for-sale financial assets	1,341,260	279,653	1.19	279,653	
	Macroblock, Inc.	-	Available-for-sale financial assets	250,000	13,575	0.77	13,575	
	K Laser Technology Inc.	-	Available-for-sale financial assets	703,148	9,985	0.45	9,985	
	Taihan Precision Technology Co., Ltd.	-	Available-for-sale financial assets	4,117,158	39,113	6.56	39,113	
	Dynamic Electronics Co., Ltd.	-	Available-for-sale financial assets	3,285,131	32,851	1.15	32,851	
	Formosa Advanced Technologies Co., Ltd.	-	Available-for-sale financial assets	100,000	2,170	0.02	2,170	
	Chicony Power Technology Co., Ltd.	-	Available-for-sale financial assets	4,040,100	172,108	1.13	172,108	
	Solartech Energy Corp.	-	Available-for-sale financial assets	5,584,328	94,674	1.51	94,674	
	Neo Solar Power Corp.	-	Available-for-sale financial assets	2,621,996	54,923	0.30	54,923	
	Lextar Electronics Corp.	-	Available-for-sale financial assets	2,608,605	52,292	0.42	52,292	
	Gallant Precision Machine Co., Ltd.	-	Available-for-sale financial assets	1,247,499	16,030	0.73	16,030	
	Shin Zu Shing Co., Ltd.	-	Available-for-sale financial assets	789,462	73,894	0.44	73,894	
	Trea Xtal Technology Corp.	-	Available-for-sale financial assets	4,250,961	21,637	2.23	21,637	
	Hua Jung Co., Ltd.	-	Available-for-sale financial assets	4,829,475	27,382	2.71	27,382	
	Chipsip Technology Co., Ltd.	-	Available-for-sale financial assets	428,928	3,024	1.02	3,024	
	Sunfun Info Co., Ltd.	-	Available-for-sale financial assets	810,000	23,328	6.16	23,328	
	ASRock Inc.	-	Available-for-sale financial assets	424,462	23,982	0.37	23,982	
	Share Hope Medicine Co., Ltd.	-	Available-for-sale financial assets	213,284	8,585	0.36	8,585	
	Cando Corporation	-	Available-for-sale financial assets	3,737,475	21,944	0.96	20,332	
	Hotron Precision Electronic Industrial Co., Ltd.	-	Available-for-sale financial assets	1,273,387	19,101	2.00	19,101	

(Continued)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	June 30, 2015				Note
				Shares/Face Value/Units	Carrying Value (Note 2)	Percentage of Ownership	Market Value or Net Asset Value (Note 3)	
CDIB Venture Capital Corporation	Stocks							
	ADDA Corp.	-	Available-for-sale financial assets	4,015,430	$ 27,626	2.75	$ 27,626	
	Topoint Technology Co., Ltd.	-	Available-for-sale financial assets	2,513,383	64,845	1.58	64,845	
	Aces Connectors Co., Ltd.	-	Available-for-sale financial assets	2,850,421	66,842	2.30	66,842	
	China Communications Media Group Co., Ltd.	-	Available-for-sale financial assets	1,110,000	69,930	2.93	69,930	
	Focal Tech Corporation, Ltd.	-	Available-for-sale financial assets	706,497	24,763	0.17	24,763	
	Sino-American Silicon Products Inc.	-	Available-for-sale financial assets	2,594,562	101,188	0.45	101,188	
	Enterex International Limited	-	Available-for-sale financial assets	3,750,000	112,125	3.73	112,125	
	Dee Van Enterprise Co., Ltd.	-	Financial assets measured at cost	1,660,875	38,273	2.01	31,391	
	Global Mobile Corp.	-	Financial assets measured at cost	2,272,338	25,915	0.82	12,340	
	Allied Biotech Corp.	-	Financial assets measured at cost	2,750,000	27,500	2.91	33,193	
	Yenyo Technology Co., Ltd.	-	Financial assets measured at cost	500,000	5,250	1.24	5,164	
	Chain Yarn Co., Ltd.	-	Financial assets measured at cost	843,653	11,504	0.55	6,665	
	Compliance Certification Services Inc.	-	Financial assets measured at cost	749,271	15,000	2.12	17,064	
	Kentec Inc.	-	Financial assets measured at cost	1,512,000	45,720	1.64	38,955	
	Top Green Technologies Inc.	-	Financial assets measured at cost	2,000,000	20,000	0.89	11,430	
	Biodenta Corporation	-	Financial assets measured at cost	4,333,333	68,000	3.32	31,200	
	M2Communication, Inc.	-	Financial assets measured at cost	5,090,000	74,610	17.13	118,695	
	Jochu Technology Co., Ltd.	-	Financial assets measured at cost	3,725,007	107,176	4.48	46,861	
	STL Technology Co., Ltd.	-	Financial assets measured at cost	7,002,053	255,605	10.17	44,812	
	Interactive Digital Technologies Inc.	-	Financial assets measured at cost	2,895,000	59,483	6.89	147,935	
	Luxtaltek Corporation	-	Financial assets measured at cost	124,474	2,197	0.20	718	
	Solar PV Corporation	-	Financial assets measured at cost	14,000,000	168,264	9.14	29,345	
	Excelsior Medical Co., Ltd.	-	Financial assets measured at cost	33,000	146,075	4.81	225,463	
	Strong LED Lighting Systems (Cayman) Co., Ltd.	-	Financial assets measured at cost	2,990,000	44,445	9.09	64,212	
	Hartec Asia Pte. Ltd.	-	Financial assets measured at cost	2,800,000	99,603	10.23	79,565	
	GSD Technologies Co., Ltd.	-	Financial assets measured at cost	5,841,702	109,087	19.47	178,106	
	Shengzhuang Holding Limited	-	Financial assets measured at cost	610,590	151,150	6.11	186,118	
	Crown Bioscience, International	-	Financial assets measured at cost	6,076,476	105,485	2.59	167,259	
	Cvie Therapeutics Company Limited	-	Financial assets measured at cost	66,006	7,252	0.49	5,094	
	Dyaco Co., Ltd.	-	Financial assets measured at cost	5,310,000	175,230	6.80	184,469	
	Andes Technologies Co., Ltd.	-	Financial assets measured at cost	1,130,385	75,736	3.17	124,763	
	Fukuta Co., Ltd.	-	Financial assets measured at cost	1,400,000	119,000	4.91	119,000	
	DL-tek Co., Ltd.	-	Financial assets measured at cost	3,650,000	51,100	1.05	51,100	
	Cvie Therapeutics Limited.	-	Financial assets measured at cost	1,302,518	54,131	4.15	64,223	
	Deanfa Corporation - preferred stock	-	Financial assets measured at cost	901,963	255,383	17.45	244,914	(Note 4)
	Zentera Systems, Inc.-preferred stock	-	Financial assets measured at cost	1,324,503	61,900	17.98	62,140	(Note 4)
	CDIB Venture Capital (Hong Kong) Corporation Limited	Subsidiary	Investments accounted for using the equity method	420,000,000	1,580,224	100.00	1,580,224	
	Depositary receipt							
	Global Sweeteners Holdings Ltd.	-	Available-for-sale financial assets	3,200,000	15,264	0.21	15,264	
CDIB Venture Capital (Hong Kong) Corporation Limited	Stocks							
	CDIB Private Equity Management Corporation	Subsidiary	Investments accounted for using the equity method	-	HK$ 10,357	100.00	HK$ 10,357	
	CPEC Huakai Private Equity (Fujian) Co., Ltd.	Subsidiary	Investments accounted for using the equity method	-	HK$ 14,481	70.00	HK$ 14,481	
	CPEC Huachuang Private Equity Management (Fujian) Enterprise (Limited Partnership)	Subsidiary	Investments accounted for using the equity method	-	HK$ 8,353	56.00	HK$ 8,353	
	Fund							
	CPEC Huachuang Private Equity (Fujian) Enterprise (Limited Partnership)	Associate	Investments accounted for using the equity method	-	HK$ 165,722	-	HK$ 165,722	
	CPEC Huachuang Private (Kushan) Enterprise (Limited Partnership)	Associate	Investments accounted for using equity method	-	HK$ 145,358	-	HK$ 145,358	
CPEC Huakai Private Equity (Fujian) Co., Ltd.	Stock							
	CPEC Huachuang Private Equity Management (Fujian) Enterprise (Limited Partnership)	Subsidiary	Investments accounted for using equity method	-	RMB 2,388	20.00	RMB 2,388	

(Continued)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	June 30, 2015				Note
				Shares/Face Value/Units	Carrying Value (Note 2)	Percentage of Ownership	Market Value or Net Asset Value (Note 3)	
CPEC Huachuang Private Equity Management (Fujian) Enterprise (Limited Partnership)	Fund							
	CPEC Huachuang Private Equity (Fujian) Enterprise (Limited Partnership)	Associate	Investments accounted for using the equity method	-	RMB 3,867	-	RMB 3,867	
CDIB Capital Investment I Limited	Stocks							
	Subicvest Inc.	Subsidiary	Investments accounted for using the equity method	200,000	US$ 87	100.00	US$ 87	
	Samson Holding Ltd.	-	Available-for-sale financial assets	11,830,000	US$ 1,572	0.39	US$ 1,572	
	Da Chan Food (Asia) Ltd.	-	Available-for-sale financial assets	48,210,000	US$ 5,659	4.74	US$ 5,659	
	Global Sweeteners Holdings Ltd.	-	Available-for-sale financial assets	28,000,000	US$ 1,987	1.83	US$ 1,987	
	B&M Holdings, Inc.	-	Financial assets measured at cost	199,999	US$ 8,828	10.00	US$ 11,875	
	BP SCI, LLC	-	Financial assets measured at cost	30,000	US$ 3,000	18.61	US$ 5,423	
	BP SCI, LLC - preferred stock	-	Financial assets measured at cost	12,000	US$ 12,000	18.61	US$ 21,690	(Note 4)
	Great Team Backend Foundry Inc. - preferred stock	-	Financial assets measured at cost	1,636,800	US$ 818	1.91	US$ 1,099	(Note 4)
	Touch Media International Holdings - preferred stock -B	-	Financial assets measured at cost	8,097,973	US$ 8,826	60.44	US$ 13,280	(Note 4)
	Rock Mobile (Cayman) Co. - preferred stock-C	-	Financial assets measured at cost	840,336	US$ 1,000	3.26	US$ 984	(Note 4)
	Fund							
	CDIB Capital Asia Partners L.P.	Associate	Investments accounted for using equity method	-	US$ 37,866	-	US$ 37,866	
	Carlyle Asia Partners II, L.P.	-	Financial assets measured at cost	-	US$ 9,958	-	US$ 8,465	
	Ripley Cable Holdings I, L.P.	-	Financial assets measured at cost	-	US$ 6,556	-	US$ 32,093	
	Calera XV, LLC	-	Financial assets measured at cost	-	US$ 15,154	-	US$ 18,756	
	Option							
	Garden Fresh (HK) Fruit & Vegetable Beverage Co., Ltd.	-	Financial assets measured at cost	-	US$ 2,705	-	US$ 21,853	
	Convertible (exchangeable) corporate bond							
	Garden Fresh (HK) Fruit & Vegetable Beverage Co., Ltd.	-	Debt instruments with no active markets	-	US$ 6,619	-	US$ 6,860	
Subicvest, Inc.	Stocks							
	SPEC Protertices, Inc.	-	Financial assets measured at cost	242,683	PHP 2,590	3.44	PHP 2,590	
CDIB Capital Investment II Limited	Stocks							
	Neo-neon Holdings Ltd.	-	Available-for-sale financial assets	14,000,000	US$ 2,420	0.72	US$ 2,420	
	Indostar Capital	-	Financial assets measured at cost	927,500	US$ 9,275	4.66	US$ 20,440	
	Indostar Everstone - preferred stock	-	Financial assets measured at cost	927,500	US$ 9,275	9.73	US$ 20,333	(Note 4)
	Sungjoo Design Tech & Distribution Inc. - preferred stock A	-	Debt instruments with no active markets	3,334	US$ 11,545	50.01	US$ 11,602	(Note 4)
	CBA Sports International Ltd.	-	Financial assets measured at cost	508,929	US$ 2,733	0.89	US$ 2,583	
	Options							
	Sungjoo Design Tech & Distribution Inc.	-	Financial assets measured at cost	-	US$ 1,833	-	US$ 14,858	
	CBA Sports International Ltd.	-	Financial assets measured at cost	-	US$ 4,867	-	US$ 9,177	
	Fund							
	Miare Asset Partners Private Equity Fund VII	-	Financial assets measured at cost	-	US$ 21,263	-	US$ 38,002	
CDIB Global Markets I Limited	Stock							
	Light Sciences Oncology, Inc.	-	Financial assets measured at cost	250,000	US$ 6	0.28	US$ 1	
	Fund							
	Adams Street Direct Co. Investment Fund, L.P.	-	Financial assets measured at cost	-	US$ 3,851	-	US$ 4,249	
	Tenaya Capital V, L.P.	-	Financial assets measured at cost	-	US$ 5,645	-	US$ 4,797	
	THL Equity Fund VI Investors (Ceridian), L.P.	-	Financial assets measured at cost	-	US$ 5,002	-	US$ 6,803	
	Thomas H. Lee Parallel Fund VI, L.P.	-	Financial assets measured at cost	-	US$ 11,384	-	US$ 13,801	
	Platinum Equity Capital Partners II, L.P.	-	Financial assets measured at cost	-	US$ 8,853	-	US$ 7,602	
	THL Equity Fund VI Investors (Clear Channel), L.P.	-	Financial assets measured at cost	-	US$ 12,476	-	US$ 6,238	
	Platinum Equity Capital Partners III, L.P.	-	Financial assets measured at cost	-	US$ 3,099	-	US$ 5,311	

(Continued)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	June 30, 2015						Note
				Shares/Face Value/Units	Carrying Value (Note 2)		Percentage of Ownership	Market Value or Net Asset Value (Note 3)		
CDIB Global Markets I Limited	Fund									
	Tenaya Capital VI, L.P.	-	Financial assets measured at cost	-	US$	5,765	-	US$	6,176	
CDIB Global Markets II Limited	Stock									
	Facebook Inc.	-	Available-for-sale financial assets	4,297	US$	369	-	US$	369	
	Gopro Inc.	-	Available-for-sale financial assets	22,793	US$	1,202	-	US$	1,202	
	Flemingo International (BVI) Ltd. - preferred stock	-	Debt instruments with no active markets	746	US$	19,980	39.98	US$	27,507	(Note 4)
	Fund									
	GS TDN Investors Offshore, L.P.	-	Financial assets measured at cost	-	US$	21,000	-	US$	16,088	
	CX Partners Fund Alpha Limited	-	Financial assets measured at cost	-	US$	8,919	-	US$	9,681	
	Carlyle Asia Partners III, L.P.	-	Financial assets measured at cost	-	US$	9,668	-	US$	9,838	
	Riverwood Capital Partners, L.P.	-	Financial assets measured at cost	-	US$	11,659	-	US$	15,970	
	ECP II (Cayman) Ltd. A	-	Financial assets measured at cost	-	US$	6,525	-	US$	7,650	
	Sino-Century China Private Equity II L.P.	-	Financial assets measured at cost	-	US$	520	-	US$	654	
	KKR Asian Fund II L.P.	-	Financial assets measured at cost	-	US$	2,477	-	US$	3,062	
	Carlyle Giovanna Partners, L.P.	-	Financial assets measured at cost	-	US$	20,531	-	US$	40,012	
	Industry Ventures Fund VI, L.P.	-	Financial assets measured at cost	-	US$	5,016	-	US$	5,854	
	Formation8 Partners Fund I, L.P.	-	Financial assets measured at cost	-	US$	2,008	-	US$	4,450	
CDIB Global Markets III Limited	Stocks									
	Sonics, Inc. - preferred stock-B	-	Financial assets measured at cost	114,359	US$	333	14.74	US$	278	(Note 4)
	Microfabrica, Inc. - Preferred Series B	-	Financial assets measured at cost	13,091	US$	27	0.12	US$	30	(Note 4)
	Microfabrica, Inc. - Preferred Series AC	-	Financial assets measured at cost	7,749	US$	13	0.48	US$	18	(Note 4)
	Optoplex Corporation - preferred stock-A	-	Financial assets measured at cost	7,956	US$	23	0.42	US$	6	(Note 4)
	Optoplex Corporation - preferred stock-B	-	Financial assets measured at cost	20,602	US$	31	0.75	US$	17	(Note 4)
	Good Technology Corporation - preferred stock-C	-	Financial assets measured at cost	1,218,026	US$	5,000	8.32	US$	6,744	(Note 4)
	Fund									
	Carlyle Asia Partners IV, L.P.	-	Financial assets measured at cost	-	US$	6,038	-	US$	5,216	
	Blue Point Capital Partners III, L.P.	-	Financial assets measured at cost	-	US$	2,663	-	US$	2,756	
	Riverwood Capital Partnrts II, L.P.	-	Financial assets measured at cost	-	US$	3,482	-	US$	2,927	
CDIB Capital International Corporation	Stocks									
	CDIB Capital International (Hong Kong) Corporation Limited	Subsidiary	Investments accounted for using the equity method	15,400,000	US$	5,084	100.00	US$	5,084	
	CDIB Capital International (Korea) Corporation	Subsidiary	Investments accounted for using the equity method	1,848,000	US$	5,373	100.00	US$	5,373	
	CDIB Capital International (USA) Corporation	Subsidiary	Investments accounted for using the equity method	8,000,000	US$	1,457	100.00	US$	1,457	
	CDIB Capital Asia Partners Limited	Subsidiary	Investments accounted for using the equity method	-	US$	(14)	100.00	US$	(14)	
CDIB Biotech USA Investment Co., Ltd.	Stocks									
	Amphastar Pharmaceuticals, Inc.	-	Available-for-sale financial assets	40,000	US$	500	0.11	US$	703	
	Confor MIS - preferred stock	-	Financial assets measured at cost	563,276	US$	111	16.52	US$	111	(Note 4)
China Development Asset Management Corp.	Stocks									
	Development Industrial Bank Asset Management Corp.	Subsidiary	Investments accounted for using the equity method	120,000,000		1,375,938	100.00		1,375,938	
	Chung Hwa Growth 3 Asset Management Corp.	Subsidiary	Investments accounted for using the equity method	300,000,000		3,193,228	100.00		3,193,228	
	Chung Hwa Growth 4 Asset Management Corp.	Subsidiary	Investments accounted for using the equity method	27,000,000		284,859	100.00		284,859	
China Development Asset Management Corp.	Stocks									
	Pine Street Asset Management Corp.	-	Financial assets measured at cost	3,886,190		47,377	12.25		48,498	
	Waterland Securities Co., Ltd.	-	Financial assets measured at cost	9,598,788		8,672	1.07		104,342	

(Continued)

Holding Company	Marketable Securities Type and Issuer	Relationship with the Holding Company	Financial Statement Account	June 30, 2015				Note
				Shares/Face Value/Units	Carrying Value (Note 2)	Percentage of Ownership	Market Value or Net Asset Value (Note 3)	
Chung Hwa Growth 3 Asset Management Corp.	Bonds Bank of Kaohsiung -subordinated bank debenture	-	Held-to-maturity financial assets	100,000,000	$ 102,564	-	$ 102,564	

Note 1: The Corporation and subsidiaries recognized the related income or loss of investees as required by regulations. For decline in value that was other than temporary, investment loss was recognized.

Note 2: The amounts were net of allowance for losses.

Note 3: Market prices of listed and OTC stocks were calculated at the closing prices of June 30, 2015. The net assets values of unlisted stocks, on which the Bank recognized its investment incomes in the current year, were calculated on the basis of audited financial statements of the same period of the holding company or the net assets values of the investees, market values of emerging stocks, the cost of acquiring an investee's newly issued shares or book value of the investees. However, the net asset values of investees do not represent the value of unlisted stocks on the balance sheet date.

Note 4: The market value or net worth of preferred stock is equal to the ratio of preferred shares held to the number of preferred shares outstanding multiplied by the total market value or total net worth of all of investee's common and preferred shares.

Note 5: No securities were treated as collaterals or warrants.

Note 6: The above companies which are the subsidiaries of the CDIB Industrial Bank were eliminated from the consolidated financial statements.

(Concluded)

CHINA DEVELOPMENT INDUSTRIAL BANK AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT$300 MILLION OR 10% OF THE PAID-IN CAPITAL
(THE BANK'S SUBSIDIARIES AMOUNTING TO NT$300 MILLION OR 10% OF THE ISSUED CAPITAL)
FOR THE SIX MONTHS ENDED JUNE 30, 2015
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Company Name	Marketable Securities Type and Name	Financial Statement Account	Counter-party	Nature of Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares/Face Value/Units	Amount	Shares/Face Value/Units	Amount	Shares/Face Value/Units	Amount	Carrying Value	Gain (Loss) on Disposal	Shares/Face Value/Units	Amount
China Development Industrial Bank (The Bank)	Stock													
	CDIB Management Consulting Corporation	Investment accounted for using equity method	KGI Bank	Subsidiary	153,171,873	$ 1,655,048	-	$ -	153,171,873	$ 1,589,115	$ 1,565,817 (Note 1)	$ 23,298	-	$ -
	R.O.C. Strategic Company Ltd.	Investment accounted for using equity method	-	-	97,300,000	1,047,662	-	-	57,200,000 (Note 2)	-	518,454 (Note 3)	-	40,100,000	529,208
	CDIB Strategic Venture Fund Ltd.	Investment accounted for using equity method	-	-	152,200,000	3,133,528	-	-	100,000,000 (Note 4)	-	2,289,485 (Note 5)	-	52,200,000	844,043
CDIB Venture Capital Corporation	Stock													
	CDIB Venture Capital (Hong Kong) Corporation Limited	Investment accounted for using equity method	-	-	270,000,000	996,622	150,000,000	583,602 (Note 6)	-	-	-	-	420,000,000	1,580,224
CDIB Venture Capital (Hong Kong) Corporation Limited	Fund													
	CPEC Huachuang private Equity Management (Kunshan) Enterprise (Limited Partnership)	Investment accounted for using equity method	-	-	-	-	-	HK$ 145,358 (Note 7)	-	-	-	-	-	HK$ 145,358
CDIB Capital Investment I Limited	Fund													
	CDIB Capital Asia Partners L.P.	Investment accounted for using equity method	-	-	-	US$ 65,392	-	-	-	-	US$ 27,526 (Note 8)	-	-	US$ 37,866
CDIB Global Market I Limited	Fund													
	KKR 2006 Fund L.P.	Financial assets measured at cost	-	-	-	US$ 17,625	-	US$ 18	-	US$ 16,679	US$ 17,643	US$ (964)	-	-
	Sun Capital Partners V, L.P.	Financial assets measured at cost	-	-	-	US$ 12,521	-	US$ 295	-	US$ 13,141	US$ 12,816	US$ 325	-	-
	Silver Lake Partners III, L.P.	Financial assets measured at cost	-	-	-	US$ 11,617	-	US$ 20	-	US$ 11,392	US$ 11,637	US$ (245)	-	-
CDIB Global Market II Limited	Fund													
	Clayton, Dubilier & Rice Fund VIII, L.P.	Financial assets measured at cost	-	-	-	US$ 7,444	-	US$ 24	-	US$ 10,852	US$ 7,468	US$ 3,384	-	-
CDIB Global Market III Limited	Fund													
	New Mountain Partners III, L.P.	Financial assets measured at cost	-	-	-	US$ 10,828	-	US$ 53	-	US$ 13,438	US$ 10,881	US$ 2,557	-	-

Note 1: Consists of $48,779 cash dividends, exchange loss on translating foreign operations of $58,221 thousand, investment gain of $19,983 thousand, unrealized loss on available-for-sale financial assets of $2,182 thousand, loss on change of additional paid-in capital $32 thousand and sold investment cost $1,476,586.

Note 2: 57,200,000 shares were proceeds from return of stocks.

Note 3: Consists of reduction of the Bank's capital of $500,000 thousand, investment gain of $12,578 thousand and unrealized loss on available-for-sale of $31,032 thousand.

Note 4: 100,000,000 shares were proceeds from return of stocks.

Note 5: Consists of reduction of the Bank's capital of $1,000,000 thousand, cash dividend $1,239,374 thousand, investment gain $22,891 thousand, and unrealized loss on available-for-sale of $73,002 thousand.

Note 6: Consists of $606,300 thousand from new issue, exchange loss on translating foreign operations of $32,857 thousand and investment gain of $10,159 thousand.

Note 7: Consists of HK$148,832 thousand from new issue, exchange loss on translating foreign operations of HK$2,167 thousand and investment loss HK$1,307 thousand.

Note 8: Consists of reduction of the Bank's capital of US$31,148 thousand, investment gain US$2,562 thousand and increase of retained earnings US$1,060 thousand.

Note 9: The above companies which are the subsidiaries of the CDIB Industrial Bank were eliminated from the consolidated financial statements.

CHINA DEVELOPMENT INDUSTRIAL BANK AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO NT$300 MILLION OR 10% OF THE PAID-IN CAPITAL
JUNE 30, 2015
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Year	Allowance for Bad Debts
					Amount	Action Taken		
China Development Industrial Bank	China Development Financial Holding Corporation	Parent company	$ 713,685	-	$ -	-	$ -	$ -

CHINA DEVELOPMENT INDUSTRIAL BANK AND SUBSIDIARIES

SOLD NONPERFORMING LOANS
FOR THE SIX MONTHS ENDED JUNE 30, 2015
(In Thousands of New Taiwan Dollars)

1. Summary of sold nonperforming loans

Transaction Date	Counter Party	Type of Loans	Carrying Value (Note)	Selling Price	Disposal Gain (Loss)	Other Condition	Relationship of Counter-party with the Subsidiaries
2015.03.24	A	Real estate mortgages	$ 6,662	$ 9,060	$ 2,398	-	-

Note: Carrying value ＝ Original amount - Allowance for bad debts

2. Sale of nonperforming loans exceeding NT$1 billion (excluding related-party transactions): For the Corporation and subsidiaries: None.

TABLE 5

CHINA DEVELOPMENT INDUSTRIAL BANK AND SUBSIDIARIES

SUBSIDIARIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2015

Consolidated entities

Investor Company	Subsidiaries	Main Business and Products	Percentage of Ownership			Note
			June 30, 2015	December 31, 2014	June 30, 2014	
China Development Industrial Bank (The Bank)	China Venture Management Inc.	Management company of venture fund	100.00	100.00	100.00	
	R.O.C. Strategic Company Ltd.	Venture fund	100.00	100.00	100.00	
	CDIB Capital Management Corp. (formerly named CDIB Equity Inc.)	Management company of venture fund	100.00	100.00	100.00	
	CDIB Venture Capital Corporation	Venture fund	100.00	100.00	100.00	
	CDIB Strategic Venture Fund Ltd.	Venture fund	100.00	100.00	100.00	
	China Development Asset Management Corp.	Trading and management of nonperforming loans of financial institutions	100.00	100.00	100.00	
	CDIB Management Consulting Corporation	Management and consulting	-	100.00	100.00	
	CDIB Global Markets I Limited	Venture fund	100.00	100.00	100.00	
	CDIB Global Markets II Limited	Venture fund	100.00	100.00	100.00	
	CDIB Global Markets III Limited	Venture fund	100.00	100.00	100.00	
	CDIB Capital Investment I Limited	Venture fund	100.00	100.00	100.00	
	CDIB Capital Investment II Limited	Venture fund	100.00	100.00	100.00	
	CDIB Capital International Corporation	Management company of venture fund	100.00	100.00	100.00	
CDIB Capital Investment I Limited	Subicvest Inc.	Leasing	100.00	100.00	100.00	
	CDIB Capital Asia Partners L.P.	Private equity fund	(Note 1)	(Note 1)	(Note 1)	
CDIB Capital Asia Partners L.P.	CBTL Holdings Corporation	Venture fund	(Note 1)	100.00	100.00	
CDIB Management Consulting Corporation	CDC Finance & Leasing Corp.	Leasing	-	76.04	76.04	
	CDIB International Leasing Corp.	Leasing	-	100.00	100.00	
China Development Asset Management Corp.	Development Industrial Bank Asset Management Corp.	Trading and management of nonperforming loans of financial institutions	100.00	100.00	100.00	
	Chung Hwa Growth 3 Asset Management Corp.	Trading and management of nonperforming loans of financial institutions	100.00	100.00	100.00	
	Chung Hwa Growth 4 Asset Management Corp.	Trading and management of nonperforming loans of financial institutions	100.00	100.00	100.00	
CDIB Capital International Corporation	CDIB Capital International (Hong Kong) Corporation Limited	Management company of venture fund	100.00	100.00	100.00	
	CDIB Capital International (USA) Corporation	Management company of venture fund	100.00	100.00	100.00	
	CDIB Capital International (Korea) Corporation	Management company of venture fund	100.00	100.00	100.00	
	CDIB Capital Asia Partners Limited	Management of private equity fund	100.00	100.00	100.00	(Note 2)
CDIB Venture Capital Corporation	CDIB Venture Capital (Hong Kong) Corporation Limited	Venture fund	100.00	100.00	100.00	

(Continued)

Investor Company	Subsidiaries	Main Business and Products	Percentage of Ownership			Note
			June 30, 2015	December 31, 2014	June 30, 2014	
CDIB Venture Capital (Hong Kong) Corporation Limited	CDIB Private Equity Management Corporation	Management and consulting	100.00	100.00	100.00	
	CPEC Huakai Private Equity (Fujian) Co., Ltd.	Management and consulting	70.00	70.00	70.00	
	CPEC Huachung private Equity Management (Fujian) Enterprise (Limited Partnership)	Management and consulting	56.00	56.00	56.00	
CPEC Huakai Private Equity (Fujian) Co., Ltd.	CPEC Huachung private Equity Management (Fujian) Enterprise (Limited Partnership)	Management and consulting	20.00	20.00	20.00	
CDIB Equity Inc.	CDIB Private Equity (Hong Kong) Corporation Limited	Management and consulting	100.00	100.00	100.00	
CDIB Private Equity (Hong Kong) Corporation Limited	CPEC Huachuang Private Equity (Kunshan) Co, Ltd.	Management and consulting	65.00	65.00	-	
	CPEC Huachuang private Equity Management (Kunshan) Enterprise (Limited Partnership)	Management and consulting	4.53	4.53	-	
CPEC Huachuang Private Equity (Kunshan) Co, Ltd.	CPEC Huachuang private Equity Management (Kunshan) Enterprise (Limited Partnership)	Management and consulting	93.02	93.02	-	

Note 1: Under IFRS 10, the Bank will recognize control over CDIB Capital Asia Partners L.P. and CBTL Holdings Corporation, a wholly owned subsidiary of CDIB Asia Partners L.P. since the acquisition date. But prior to the application of IFRS 10, the subsidiary of the Bank's ownership interest in both of the companies are treated as investments in associate and thus accounted the investments as investments accounted for using the equity method. The Bank no longer has control over neither of the Company due to the decrease of the percentage owned by the Bank since March 31, 2015.

Note 2: CDIB conducted registration of establishment on March 21, 2014, however, as of June 30, 2015, CDIB had not invested capital.

Unconsolidated entities

Investor Company	Subsidiaries	Main Business and Products	Percentage of Ownership			Note
			June 30, 2015	December 31, 2014	June 30, 2014	
The Bank	CDIB Biotech USA Investment Co., Ltd.	Venture fund	50.00	50.00	50.00	As of June 30, 2015, CDIB's investment in CDIB Biotech USA Investment Co., Ltd. of CDIB had amounted to $14,818 thousand; CDIB Biotech USA Investment Co., Ltd. was approbated to liquidate by the Board of Director on April 20, 2008, therefore, CDIB Biotech USA Investment Co., Ltd. was not included in the consolidated financial statement.
Chung Hwa Growth 3 Asset Management Corp.	Qing-Xing-Xing Industrial Corp.	House and building development leasing	-	-	100.00	Qing-Xing-Xing Industrial Corp. was approbated to liquidate by the Board of Director on December 23, 2013, therefore, Qing-Xing-Xing Industrial Corp. was not included in the consolidated financial statement and it was liquidated in October 2014.

(Continued)

Investor Company	Subsidiaries	Main Business and Products	Percentage of Ownership			Note
			June 30, 2015	December 31, 2014	June 30, 2014	
Chung Hwa Growth 3 Asset Management Corp.	Cheng-Xi Asset Management Corp.	Trading and management of nonperforming loans of financial institutions	-	-	100.00	Cheng-Xi I Management Corp. was approbated to liquidate by the Board of Director on December 23, 2013, therefore, Cheng-Xi I Management Corp. was not included in the consolidated financial statement since January 1, 2014, and it was liquidated in March 2015.
CDC Finance & Leasing Corp.	CDC Finance & Leasing (BVI) Corp.	Leasing	-	-	100.00	CDC Finance & Leasing (BVI) Corp. was approbated to liquidate by the board of director on July 31, 2014, therefore, was not included in the consolidated financial statement and it was liquidated in October 2014.

(Concluded)

CHINA DEVELOPMENT INDUSTRIAL BANK AND SUBSIDIARIES

INFORMATION ON INVESTED ENTERPRISES
JUNE 30, 2015
(In Thousands of New Taiwan Dollars)

Investee Company	Location	Main Business	Balance as of June 30, 2015			Consolidated Investment (Note 1)				Note
			Percentage of Ownership	Carrying Value	Investment Gain (Loss)	Present Shares	Virtual Shares (Note 2)	Shares	Percentage of Ownership	
Available-for-sale financial assets										
Financial industry - related										
China Development Financial Holding Corporation	Taiwan	Financial Holding	0.14	$ 241,560	$ -	345,488,916	-	345,488,916	2.28	
Nonfinancial industry - related										
Chipbond Technology Corporation	Taiwan	Manufacture, packaging and testing of semi-conductors	1.52	659,678	-	9,890,229	-	9,890,229	1.52	
King Yuan Electronics Co., Ltd.	Taiwan	Manufacture, packaging and testing of semi-conductors	0.84	268,414	-	9,959,695	-	9,959,695	0.84	
Inotera Memories, Inc.	Taiwan	Manufacture, packaging and testing of semi-conductors	0.06	104,304	-	4,253,786	-	4,253,786	0.06	
Formosa Advanced Technologies Co., Ltd.	Taiwan	Manufacture, packaging and testing of semi-conductors	0.46	44,290	-	2,141,000	-	2,141,000	0.48	
Transcend Information Inc.	Taiwan	Manufacture, packaging and testing of semi-conductors	1.33	649,026	44,759	5,843,819	-	5,843,819	1.36	
Chipsip Technology Co., Ltd.	Taiwan	Manufacture, packaging and testing of semi-conductors	4.56	13,503	-	2,344,216	-	2,344,216	5.58	
Aspeed Technology Inc.	Taiwan	Manufacture, packaging and testing of semi-conductors	0.43	38,045	-	111,897	-	111,897	0.43	
FocalTech Corporation Ltd.	Taiwan	Manufacture, packaging and testing of semi-conductors	1.22	178,368	-	5,795,452	-	5,795,452	1.39	
Sino-America Silicon Products Inc.	Taiwan	Manufacture, packaging and testing of semi-conductors	0.59	133,534	-	6,065,662	-	6,065,662	1.05	
Topoint Technology Co., Ltd.	Taiwan	Metal processing	2.17	89,291	-	5,974,293	-	5,974,293	3.75	
De Poan Pneumatic Corp.	Taiwan	Metal processing	4.58	38,468	-	2,360,000	-	2,360,000	4.58	
China Metal Products Co., Ltd.	Taiwan	Metal processing	3.17	320,986	-	12,490,003	-	12,490,003	3.17	
China Fineblanking Technology Co., Ltd.	Taiwan	Metal processing	4.23	44,669	-	1,972,137	-	1,972,137	4.23	
Sharehope Medicine Co., Ltd.	Taiwan	Wholesale trade	4.34	102,712	-	2,942,862	-	2,942,862	5.00	
Tong Hsing Electronic Industries, Ltd.	Taiwan	Manufacture of basic metals and fabricated metal products	0.86	121,962	60	2,060,248	-	2,060,248	1.26	
Epistar Corporation	Taiwan	Manufacture of basic metals and fabricated metal products	0.22	100,758	-	2,442,607	-	2,442,607	0.22	
Lextar Electronics Corp.	Taiwan	Manufacture of basic metals and fabricated metal products	1.77	221,353	11,704	13,648,130	-	13,648,130	2.19	
Winmate Communication Inc.	Taiwan	Manufacture of basic metals and fabricated metal products	1.02	33,794	-	626,441	-	626,441	1.04	
InnoLux Display Corporation	Taiwan	Manufacture of basic metals and fabricated metal products	0.09	144,204	-	8,994,486	-	8,994,486	0.09	
Cando Corp.	Taiwan	Manufacture of basic metals and fabricated metal products	3.97	84,295	-	21,487,936	-	21,487,936	5.51	
Tera Xtal Technology Co., Ltd.	Taiwan	Manufacture of basic metals and fabricated metal products	0.71	6,912	-	5,642,601	-	5,642,601	2.95	
Green Energy Technology Inc.	Taiwan	Manufacture of solar cells	0.09	5,573	-	371,561	-	371,561	0.09	
Solartech Energy Corp.	Taiwan	Manufacture of solar cells	2.11	141,824	-	13,441,594	-	13,441,594	3.62	
Neo Solar Power Corp.	Taiwan	Manufacture of solar cells	1.64	315,912	-	16,634,420	-	16,634,420	1.94	
Eversol Corp.	Taiwan	Manufacture of solar cells	2.50	11,084	-	7,015,000	-	7,015,000	2.50	
Acbel Polytech Inc.	Taiwan	Manufacture of other electronic parts and components	0.69	87,629	122	3,628,521	-	3,628,521	0.69	
Entery Industrial Co., Ltd.	Taiwan	Manufacture of other electronic parts and components	13.60	66,912	-	13,940,000	-	13,940,000	13.60	
Aces Electronic Co., Ltd.	Taiwan	Manufacture of other electronic parts and components	0.92	26,604	-	3,984,904	-	3,984,904	3.21	
Hotron Precision Electronic Industrial Co., Ltd.	Taiwan	Manufacture of other electronic parts and components	8.43	80,729	-	6,655,324	-	6,655,324	10.43	
Copartner Tech. Corp.	Taiwan	Manufacture of other electronic parts and components	12.97	153,238	-	11,024,340	-	11,024,340	12.97	
Microcosm Technology, Co., Ltd.	Taiwan	Manufacture of bare printed circuit boards and the assembly	2.86	24,062	(476)	2,406,220	-	2,406,220	2.86	
Dynamic Electronics Co., Ltd.	Taiwan	Manufacture of bare printed circuit boards and the assembly	3.48	99,490	-	13,234,137	-	13,234,137	4.63	
ShineMore Technology Materials Co., Ltd.	Taiwan	Manufacture of bare printed circuit boards and the assembly	5.76	28,663	-	4,376,035	-	4,376,035	5.76	
Qisda Corporation	Taiwan	Manufacture of computers and peripheral equipment	7.60	1,793,650	500	149,494,321	-	149,494,321	7.60	
Darfon Electronics Corp.	Taiwan	Manufacture of computers and peripheral equipment	0.77	40,894	-	2,441,442	-	2,441,442	0.77	
Aten International Co., Ltd.	Taiwan	Manufacture of computers and peripheral equipment	1.29	140,713	-	3,891,944	-	3,891,944	3.26	
ADDA Corporation	Taiwan	Manufacture of computers and peripheral equipment	5.11	51,339	-	11,477,554	-	11,477,554	7.86	
Gallant Precision Machine Co., Ltd.	Taiwan	Manufacture of electrical and machinery equipment	5.12	111,915	-	9,956,857	-	9,956,857	5.85	
Utechzone Co., Ltd.	Taiwan	Manufacture of electrical and machinery equipment	4.55	82,382	-	2,778,496	-	2,778,496	4.55	
Chime Ball Technology Co., Ltd.	Taiwan	Manufacture of electrical and machinery equipment	1.29	33,847	-	497,750	-	497,750	1.29	
Super Dragon Technology Co., Ltd.	Taiwan	Water supply and remediation activities	1.39	24,874	-	1,429,512	-	1,429,512	1.39	
Cleanaway Company Limited	Taiwan	Water supply and remediation activities	0.38	76,468	-	419,000	-	419,000	0.38	
Powertech Industrial Co., Ltd.	Taiwan	Manufacture of electrical and machinery equipment	3.31	62,743	1,114	3,911,825	-	3,911,825	3.49	

(Continued)

Investee Company	Location	Main Business	Balance as of June 30, 2015			Consolidated Investment (Note 1)				Note
			Percentage of Ownership	Carrying Value	Investment Gain (Loss)	Present Shares	Virtual Shares (Note 2)	Shares	Percentage of Ownership	
Chunghwa Chemical Synthesis & Biotech. Co., Ltd.	Taiwan	Manufacture of pharmaceuticals and medicinal chemical products	5.94	$ 139,049	$ 60	4,604,255	-	4,604,255	5.94	
Coland Holdings Limited	Grand Cayman	Manufacture of pharmaceuticals and medicinal chemical products	0.72	36,210	2,030	561,402	-	561,402	0.72	
Paiho Shih Holdings Corporation	Grand Cayman	Manufacture of Textile, Apparel and Leather Production	0.88	60,820	-	1,968,297	-	1,968,297	0.88	
Transasia Airways Corporation	Taiwan	Transportation and storage	7.00	352,171	-	40,950,104	-	40,950,104	7.00	
Taiwan Hon Chuan Enterprise Co., Ltd.	Taiwan	Manufacture of rubber and plastic materials	0.44	83,330	870	1,390,004	-	1,390,004	0.45	
Donpon Precison Inc.	Taiwan	Manufacture of rubber and plastic materials	6.82	126,019	-	6,793,493	-	6,793,493	6.82	
Taihan Precision Technology Co., Ltd.	Taiwan	Manufacture of rubber and plastic materials	3.64	21,673	-	6,398,545	-	6,398,545	10.20	
Magnate Technology Corp.	Taiwan	Manufacture of transport equipment and parts	6.42	135,194	-	3,475,414	-	3,475,414	6.42	
Tsang Yow Industrial Co., Ltd.	Taiwan	Manufacture of transport equipment and parts	1.75	32,887	-	1,802,000	-	1,802,000	1.75	
Kuangli Photoelectric Technology Co., Ltd.	China	Manufacture of other non-metallic mineral products	11.47	99,509	-	5,237,326		5,237,326	11.47	
Pili International Multimedia Co., Ltd.	Taiwan	Motion picture, video and television programmer production, sound recording and music publishing activities	2.81	104,805	-	1,533,000		1,533,000	3.49	
Investments accented for using equity method										
Financial industry - related										
China Development Asset Management Corporation	Taiwan	Financial institution creditor's right (money) Purchase and management	100.00	4,353,485	50,452	400,000,000	-	400,000,000	100.00	
Nonfinancial industry - related										
R.O.C. Strategic Company Ltd.	Taiwan	Venture fund	100.00	529,208	12,578	40,100,000	-	40,100,000	100.00	
CDIB Venture Capital Corporation	Taiwan	Venture fund	100.00	6,629,156	183,658	681,596,725	-	681,596,725	100.00	
CDIB Strategic Venture Fund Ltd.	Taiwan	Venture fund	100.00	844,043	22,891	52,200,000	-	52,200,000	100.00	
CDIB Global Markets III Limited	British Virgin Islands	Venture fund	100.00	2,481,726	(219,600)	110,505,052	-	110,505,052	100.00	
CDIB Capital Investment I Limited	British Virgin Islands	Venture fund	100.00	6,161,818	127,566	132,800,000	-	132,800,000	100.00	
CDIB Global Markets II Limited	Malaysia	Venture fund	100.00	5,755,003	190,465	200,000	-	200,000	100.00	
CDIB Capital Investment II Limited	British Virgin Islands	Venture fund	100.00	2,218,854	(25,216)	80,000,000	-	80,000,000	100.00	
CDIB Global Markets I Limited	British Virgin Islands	Venture fund	100.00	4,620,036	64,966	129,617,905	-	129,617,905	100.00	
CDIB Biotech USA Investment Co., Ltd.	British Virgin Islands	Venture fund	50.00	14,818	-	3,060,000	-	3,060,000	50.00	
CDIB Capital International Corporation	Grand Cayman	Venture fund management	100.00	604,726	213,204	4,700,000	-	4,700,000	100.00	
CDIB Bioscience Venture Management (BVI), Inc.	British Virgin Islands	Fund management activities	31.09	5,739	(793)	120,375	-	120,375	60.00	
CDIB Biomedical Venture Capital Corporation	Taiwan	Venture fund	33.29	281,567	(5,547)	30,000,000	-	30,000,000	34.29	
CDIB CME Fund Ltd.	Taiwan	Investing and venture fund	38.80	566,160	(3,943)	59,700,000	-	59,700,000	39.80	
CDIB & Partners Investment Holding Corporation	Taiwan	Investing and venture fund	28.71	4,074,478	123,625	367,200,000	-	367,200,000	33.66	
CDIB Bioscience Ventures I, Inc.	Taiwan	Investing and venture fund	20.00	100,168	833	12,134,877	-	12,134,877	21.20	
United Development Corporation	Taiwan	Professional, scientific and technical activities	50.00	38,080	1,461	2,599,394	-	2,599,394	50.00	
Tuntex Gas Corporation	Taiwan	Electricity and gas supply	47.30	50,000	-	104,066,400	-	104,066,400	47.30	
CDIB Capital Management Corp. (formerly named CDIB Equity, Inc.)	Taiwan	venture capital fund management	100.00	551,377	41,112	43,833,217	-	43,833,217	100.00	
China Venture Management Inc.	Taiwan	venture capital fund management	100.00	368,068	24,191	24,174,382	-	24,174,382	100.00	
Financial assets measured at cost										
Financial industry - related										
Taiwan Stock Exchange Corp.	Taiwan	Other securities	7.00	8,400	62	54,252,593	-	54,252,593	8.42	
Taiwan Futures Exchange Co., Ltd.	Taiwan	Other futures	0.51	10,250	-	17,892,347	-	17,892,347	6.17	
Nonfinancial industry - related										
Dabomb Protein Corp.	Taiwan	Manufacture of food, beverages and tobacco	13.94	90,000	-	3,105,000	-	3,105,000	13.94	
Allied Biotech Corp.	Taiwan	Manufacture of food, beverages and tobacco	2.91	27,500	-	5,500,000	-	5,500,000	5.81	
Chain Yarn Co., Ltd.	Taiwan	Manufacture of petroleum and coal products & Wholesale of chemical materials and chemical products	10.30	222,642	-	16,717,799	-	16,717,799	10.87	
Solar Fine Chemical Co., Ltd.	Taiwan	Manufacture of petroleum and coal products & Wholesale of chemical materials and chemical products	10.83	67,324	-	5,364,515	-	5,364,515	10.83	
Kuo Ching Chemical Co., Ltd.	Taiwan	Manufacture of petroleum and coal products & Wholesale of chemical materials and chemical products	10.19	69,771	8,419	9,249,709	-	9,249,709	10.19	
Orgchem Technologies, Inc.	Taiwan	Manufacture of petroleum and coal products & Wholesale of chemical materials and chemical products	1.86	49,000	-	1,067,220	-	1,067,220	1.86	
EChem Hightech Co., Ltd.	Taiwan	Manufacture of petroleum and coal products & Wholesale of chemical materials and chemical products	11.69	27,720	-	2,047,913	-	2,047,913	11.69	

(Continued)

Investee Company	Location	Main Business	Balance as of June 30, 2015			Consolidated Investment (Note 1)				Note
			Percentage of Ownership	Carrying Value	Investment Gain (Loss)	Present Shares	Virtual Shares (Note 2)	Shares	Percentage of Ownership	
Nytex Composites Co., Ltd.	Taiwan	Manufacture of petroleum and coal products & Wholesale of chemical materials and chemical products	2.26	$ 20,433	$ -	1,808,322	-	1,808,322	2.26	
Beauty Essentials International Ltd.	Taiwan	Manufacture of petroleum and coal products & Wholesale of chemical materials and chemical products	8.71	179,045	-	83,742,331	-	83,742,331	8.71	
Hair O' right International Corp.	Taiwan	Manufacture of petroleum and coal products & Wholesale of chemical materials and chemical products	9.02	89,120	-	1,353,036	-	1,353,036	9.02	
Nan Pao Technology Co., Ltd.	Taiwan	Manufacture of petroleum and coal products & Wholesale of chemical materials and chemical products	1.30	105,000	-	1,150,000	-	1,150,000	1.30	
5V Technologies Ltd.	Taiwan	Manufacture, packaging and testing of semi-conductors	0.99	10,172	-	159,435	-	159,435	0.99	
Beyond Innovation Technology Co., Ltd.	Taiwan	Manufacture, packaging and testing of semi-conductors	6.27	41,289	-	2,984,756	-	2,984,756	8.84	
Initio Corporation	Taiwan	Manufacture, packaging and testing of semi-conductors	2.72	3,599	-	584,010	-	584,010	3.24	
Subtron Technology Co., Ltd.	Taiwan	Manufacture, packaging and testing of semi-conductors	4.17	193,819	-	12,316,000	-	12,316,000	4.17	
Terawins, Inc.	Taiwan	Manufacture, packaging and testing of semi-conductors	6.30	27,173	-	1,913,996	-	1,913,996	6.30	
Mosart Semiconductor Corp.	Taiwan	Manufacture, packaging and testing of semi-conductors	10.57	60,056	-	2,731,098	-	2,731,098	10.57	
Aptos Technology Inc.	Taiwan	Manufacture, packaging and testing of semi-conductors	7.15	319,933	-	10,620,446	-	10,620,446	7.15	
Apm Communication, Inc.	Taiwan	Manufacture, packaging and testing of semi-conductors	0.75	-	(3,000)	60,000	-	60,000	0.75	
Global Wafers Co., Ltd. Taiwan	Taiwan	Manufacture, packaging and testing of semi-conductors	0.55	141,617	-	1,971,773	-	1,971,773	0.56	
ADL Engineering Inc.	Taiwan	Manufacture, packaging and testing of semi-conductors	1.46	-	(16,310)	163,098	-	163,098	1.46	
Asia Pacific Microsystems, Inc.	Taiwan	Manufacture, packaging and testing of semi-conductors	0.86	10,678	-	1,161,710	-	1,161,710	0.86	
Kingmax Technology Inc.	Taiwan	Manufacture, packaging and testing of semi-conductors	7.04	48,885	-	4,195,484	-	4,195,484	7.04	
Feature Integration Technology, Inc.	Taiwan	Manufacture, packaging and testing of semi-conductors	4.03	54,953	-	1,578,592	-	1,578,592	4.03	
LeFram Technology Corp.	Taiwan	Manufacture, packaging and testing of semi-conductors	17.48	54,757	12	7,484,454	-	7,484,454	17.48	
Yenyo Technology Co., Ltd.	Taiwan	Manufacture, packaging and testing of semi-conductors	9.91	42,000	-	4,500,000	-	4,500,000	11.15	
Orient Pharma Co., Ltd.	Taiwan	Manufacture of pharmaceuticals and medicinal chemical products	2.60	55,307	-	4,427,407	-	4,427,407	2.62	
Vita Genomics, Inc.	Taiwan	Manufacture of pharmaceuticals and medicinal chemical products	0.32	1,413	-	141,310	-	141,310	0.32	
PlexBio Co., Ltd.	Taiwan	Manufacture of pharmaceuticals and medicinal chemical products	9.44	90,000	-	3,600,000	-	3,600,000	9.44	
JHL Biotech, Ltd.-A	Taiwan	Manufacture of pharmaceuticals and medicinal chemical products	15.19	459,101	-	13,207,922	-	13,207,922	15.19	
Samara Capital Partners Fund I Limited	India	Trusts, funds and other financial vehicles	-	215,985	-	-	-	-	-	
Arch Venture Fund V, L.P.	USA	Trusts, funds and other financial vehicles	-	27,837	-	-	-	-	-	
CommLaunch Ventures L.P.	Israel	Trusts, funds and other financial vehicles	-	40,092	-	-	-	-	-	
Platinum Venture Capital L.P.	Israel	Trusts, funds and other financial vehicles	-	6,492	-	-	-	-	-	
The Asia Java Fund PTE Ltd.	Singapore	Trusts, funds and other financial vehicles	11.34	6	-	2,111	-	2,111	11.34	
Forward Ventures IV, L.P.	USA	Trusts, funds and other financial vehicles	-	18,939	-	-	-	-	-	
Forward Venture V, L.P.	USA	Trusts, funds and other financial vehicles	-	64,388	-	-	-	-	-	
Mpm Bioventures III L.P.	USA	Trusts, funds and other financial vehicles	-	75,984	-	-	-	-	-	
Sanderling Ventures V Co-Investment Fund	USA	Trusts, funds and other financial vehicles	-	32,535	-	-	-	-	-	
Ca-Hire Co-Investment, L.P. - Coates Hire Funding	Grand Cayman	Trusts, funds and other financial vehicles	-	135,062	-	-	-	-	-	
THL Equity Fund VI Investors (Ceridian), L.P.	USA	Trusts, funds and other financial vehicles	-	324,433	-	-	-	-	-	
Power Venture Co.	Taiwan	Investing and venture fund	5.68	10,169	-	1,016,909	-	1,016,909	5.68	
Vision Venture Capital Fund, Inc.	Taiwan	Investing and venture fund	7.03	6,421	-	642,060	-	642,060	7.03	
Riselink Venture Capital Corp.	Taiwan	Investing and venture fund	12.50	101,210	-	10,120,950	-	10,120,950	12.50	
Apex Venture Capital Corporation	Taiwan	Investing and venture fund	2.80	6,561	-	656,074	-	656,074	2.80	
Overseas Investment & Development Corp.	Taiwan	Construction	2.89	26,000	30	2,600,000	-	2,600,000	2.89	
Vita Genomics, Inc.	Taiwan	Professional, scientific and technical activities	0.42	8,587	-	858,690	-	858,690	0.42	
Core Pacific City Co., Ltd.	Taiwan	Retail trade	1.41	140,625	-	22,500,000	-	22,500,000	1.41	
Yih Dah Co., Ltd.	Taiwan	Retail trade	19.89	153,429	150	13,746,864	-	13,746,864	19.89	
Leyou, Inc.	Grand Cayman	Retail trade	5.07	450,150	-	-	663,958,732	663,958,732	5.07	
Arcoa Communication Co., Ltd.	Taiwan	Retail trade	5.64	101,207	-	8,350,424	-	8,350,424	6.22	
Insrea Game Center Corp.	Taiwan	Publishing activities	17.65	8,610	-	3,000,000	-	3,000,000	17.65	
Lager Network Technologies Inc.	Taiwan	Publishing activities	5.00	30,000	-	1,500,000	-	1,500,000	5.00	
Compliance Certification Services Inc.	Taiwan	Professional, scientific and technical activities	6.36	45,000	-	2,997,085	-	2,997,085	8.48	
Foresee Pharmaceuticals, Inc.	Grand Cayman	Professional, scientific and technical activities	6.24	171,743	-	5,500,000	-	5,500,000	6.24	
China Healthcare Multi-Services, Inc. - preferred stock	Grand Cayman	Human health and social work activities	9.23	61,971	-	-	8,489,438	8,489,438	9.23	
Excelsior Medical Co., Ltd.	Taiwan	Human health and social work activities	4.81	147,857	2	66,000	-	66,000	9.62	
Jochu Technology Co., Ltd.	Taiwan	Metal processing	5.70	145,462	-	8,487,658	-	8,487,658	10.20	
TopGreen Technology Co., Ltd.	Taiwan	Metal processing	1.94	22,500	-	814,377	-	814,377	1.94	
Wai-Gin Industrial Co., Ltd.	Taiwan	Metal processing	3.44	11,106	-	1,170,000	-	1,170,000	3.44	
YIEH United Steel Corp.	Taiwan	Metal processing	0.82	147,395	-	18,157,809	-	18,157,809	0.83	

(Continued)

Investee Company	Location	Main Business	Balance as of June 30, 2015			Consolidated Investment (Note 1)				Note
			Percentage of Ownership	Carrying Value	Investment Gain (Loss)	Present Shares	Virtual Shares (Note 2)	Shares	Percentage of Ownership	
UP Scientech Materials Corp.	Taiwan	Metal processing	6.85	$ 252,200	$ -	4,651,344	-	4,651,344	6.85	
Chien Shing Harbour Service Co., Ltd.	Taiwan	Transportation and storage	4.39	29,988	-	2,828,395	-	2,828,395	4.39	
Kaohsiung Rapid Transit Co., Ltd.	Taiwan	Transportation and storage	1.38	39,703	-	3,845,330	-	3,845,330	1.38	
HCT Logistics Co., Ltd.	Taiwan	Transportation and storage	1.97	113,705	-	4,920,876	-	4,920,876	1.97	
Jouge Technology Co., Ltd.	Taiwan	Manufacture of basic metals and fabricated metal products	9.68	47,975	-	2,614,500	-	2,614,500	9.68	
Gloria Solar International Holding, Inc.	Grand Cayman	Manufacture of basic metals and fabricated metal products	3.43	146,544	-	4,000,000	-	4,000,000	3.43	
Evervision Electronics Co., Ltd.	Taiwan	Manufacture of basic metals and fabricated metal products	8.22	11,363	-	2,497,731	-	2,497,731	10.83	
Wafer Works Optronics Corp.	Taiwan	Manufacture of basic metals and fabricated metal products	1.42	-	(33,000)	1,100,000	-	1,100,000	1.42	
Wellstech Optical Co., Ltd.	Taiwan	Manufacture of basic metals and fabricated metal products	1.92	12,435	-	1,587,971	-	1,587,971	2.46	
Luxtaltek Corporation	Taiwan	Manufacture of basic metals and fabricated metal products	2.46	27,094	-	1,659,662	-	1,659,662	2.66	
Elit Fine Ceramics Co., Ltd.	Taiwan	Manufacture of basic metals and fabricated metal products	13.70	80,000	-	5,000,000	-	5,000,000	13.70	
Axuntek Solar Energy Co., Ltd.	Taiwan	Manufacture of basic metals and fabricated metal products	6.06	13,200	-	10,000,000	-	10,000,000	6.06	
Kentec Inc.	Taiwan	Manufacture of basic metals and fabricated metal products	0.91	25,400	-	2,352,000	-	2,352,000	2.55	
Lightel Technologies, Inc.	USA	Manufacture of basic metals and fabricated metal products	11.27	89,700	-	-	3,000,000	3,000,000	11.27	
Vactronics Technologies, Inc.	Taiwan	Manufacture of basic metals and fabricated metal products	5.46	48,060	-	2,375,533	-	2,375,533	5.46	
MEC Imex Inc.	Taiwan	Manufacture of other electronic parts and components	10.52	244,465	-	4,802,000	-	4,802,000	10.52	
Dee Van Enterprise Co., Ltd.	Taiwan	Manufacture of other electronic parts and components	6.04	128,327	60	6,643,500	-	6,643,500	8.05	
Hua Jie (Taiwan) Corp.	Taiwan	Manufacture of other electronic parts and components	6.45	13,395	-	1,300,403	-	1,300,403	6.45	
Sunshine PV Corp.	Taiwan	Manufacture of solar cells	5.65	59,626	-	5,962,600	-	5,962,600	5.65	
Sun Q Solar Corporation	Taiwan	Manufacture of solar cells	17.26	122,016	-	19,000,000	-	19,000,000	17.26	
Top Green Energy Technologies Inc.	Taiwan	Manufacture of solar cells	12.99	292,333	-	31,233,333	-	31,233,333	13.88	
Tak Technology Co., Ltd.	Taiwan	Manufacture of electronic passive devices	4.14	2,665	-	4,935,413	-	4,935,413	4.14	
Luminous Town Electric Co., Ltd.	Taiwan	Manufacture of electronic passive devices	13.80	87,209	-	10,664,632	-	10,664,632	15.96	
EVA Technologies Co., Ltd.	Taiwan	Manufacture of bare printed circuit boards and the assembly	10.43	97,940	-	6,120,399	-	6,120,399	11.87	
Microprogram Information Co., Ltd.	Taiwan	Manufacture of electronic and optical products	9.42	68,000	-	2,550,000	-	2,550,000	9.42	
Topview Technology Corp.	Taiwan	Manufacture of electronic and optical products	10.00	54,000	4,000	2,100,000	-	2,100,000	10.00	
Eastern Electronic Co., Ltd.	Taiwan	Manufacture of electronic and optical products	6.47	46,598	60	4,348,680	-	4,348,680	6.47	
Aonvision Technology Corp.	Taiwan	Manufacture of electronic and optical products	11.71	45,075	-	1,803,000	-	1,803,000	11.71	
Bcom Electronics Inc.	Taiwan	Manufacture of electronic and optical products	4.71	3,840	(15,110)	631,708	-	631,708	4.71	
Everest Display Inc.	Taiwan	Manufacture of electronic and optical products	6.19	21,485	-	2,043,800	-	2,043,800	6.19	
Dragon Jet Corporation	Taiwan	Manufacture of computers and peripheral equipment	4.77	178,450	-	4,300,000	-	4,300,000	4.77	
SercoNet Ltd.	Israel	Information service activities	0.42	-	(579)	-	1,972,565	1,972,565	0.42	
BOLT Solutions Inc.	Israel	Information service activities	0.11	-	(587)	-	18,641	18,641	0.11	
Logitech Inc.	Taiwan	Manufacture of electrical and machinery equipment	10.69	23,862	-	2,965,248	-	2,965,248	10.69	
STL Technology Co., Ltd.	Taiwan	Manufacture of electrical and machinery equipment	7.92	191,968	-	12,457,934	-	12,457,934	18.09	
E-One Moli Energy Corp.	Taiwan	Manufacture of electrical and machinery equipment	2.40	105,234	-	6,035,000	-	6,035,000	2.40	
Gold Peak Industries (Taiwan) Ltd.	Taiwan	Manufacture of electrical and machinery equipment	15.04	173,341	-	30,621,980	-	30,621,980	15.04	
Amia Co., Ltd.	Japan	Water supply and remediation activities	9.54	210,000	-	6,037,395	-	6,037,395	9.60	
Eastern Power and Electric Company Limited	Thailand	Electricity and gas supply	12.00	295,572	16,928	3,201,019	-	3,201,019	12.00	
Star Energy Power Corp.	Taiwan	Electricity and gas supply	10.00	300,000	60	30,000,000	-	30,000,000	10.00	
General Life Biotechnology Co., Ltd.	Taiwan	Manufacture of furniture and other manufacturing	12.00	54,000	-	3,600,000	-	3,600,000	12.00	
Biodenta Corporation	Taiwan	Manufacture of furniture and other manufacturing	3.83	125,000	-	9,354,929	-	9,354,929	7.17	
Notal Vision Inc.	Taiwan	Manufacture of furniture and other manufacturing	0.50	-	(5,032)	-	235,965	235,965	0.50	
Healthstream Taiwan Inc.	Taiwan	Manufacture of furniture and other manufacturing	13.96	59,980	-	4,774,523	-	4,774,523	13.96	
Apexigen, Inc.	USA	Manufacture of pharmaceuticals and medicinal chemical products	5.62	75,847	-	-	4,970,588	4,970,588	5.62	
Awise Fiber Technology Co., Ltd.	Taiwan	Manufacture of transport equipment and parts	19.14	43,750	-	3,500,000	-	3,500,000	19.14	
Motive Power Industry Co., Ltd.	Taiwan	Manufacture of transport equipment and parts	10.00	141,000	-	10,000,000	-	10,000,000	10.00	
China Sea Products Dev. Co.	Taiwan	Agriculture, forestry, fishing and animal husbandry	6.47	13,367	48	1,670,900	-	1,670,900	6.47	
Genoa Color Technologies Ltd.	Israel	Motion picture, video and television programmer production, sound recording and music publishing activities	0.06	-	(25)	156	-	156	0.06	
Genoa Color Technologies Ltd.-Preferred stock	Israel	Motion picture, video and television programmer production, sound recording and music publishing activities	0.60	-	(301)	-	1,883	1,883	0.60	
Engineering and IP Advanced Technologies Ltd.	Israel	Computer system design services	-	2	-	4,216	-	4,216	0.00	
Engineering and IP Advanced Technologies Ltd.-Preferred stock	Israel	Computer system design services	0.32	2,354	-	-	6,392,765	6,392,765	0.32	
Zend Technologies Ltd.	Israel	Computer system design services	0.42	-	(2,258)	-	1,972,565	1,972,565	0.42	
Panorama Software Inc.	Canada	Computer system design services	0.03	-	(290)	-	2,009	2,009	0.03	

(Continued)

Investee Company	Location	Main Business	Balance as of June 30, 2015			Consolidated Investment (Note 1)				Note
			Percentage of Ownership	Carrying Value	Investment Gain (Loss)	Present Shares	Virtual Shares (Note 2)	Shares	Percentage of Ownership	
<u>Debt instruments with no active market</u>										
<u>Nonfinancial industry - related</u>										
Taiwan High Speed Rail Corporation - preferred stock	Taiwan	Transport	1.02	$ 999,992	$ -	88,332	110,026,000	112,576,000	1.05	
China TMK Battery Systems Inc.	USA	Electromechanical and environmental projects	8.87	-	(71,863)	-	5,000,000	5,000,000	8.87	
Belta (Cayman) Holding Company Ltd. - Corporate Bond	Grand Cayman	Services	19.26	358,439	-	-	35,781	35,781	19.26	

Note 1: All present shares or virtual shares of the Bank, directors, supervisors, the Bank's managers, and affiliates should be included.

Note 2: (1) Virtual shares are acquired under the hypothesis that equity-type securities and derivative financial instrument contracts are transferred to common shares. Based on the transaction terms or the holding purposes of the Bank, the two types of investments are linked to the equity of investees, which are recognized as investments accounted for using equity method, available-for-sale financial assets and financial assets measured at cost, to comply with Article 74 of the Securities and Exchange Act. (2) Equity-type securities are securities regulated by Article 11 of the Securities and Exchange Act Enforcement Rules, such as convertible bonds and warrants. (3) Financial instrument contracts are those defined under International Accounting Standard 39 "Accounting for Financial Instruments," such as stock options.

(Concluded)

TABLE 7

CHINA DEVELOPMENT INDUSTRIAL BANK AND SUBSIDIARIES

INFORMATION ON INVESTMENT IN MAINLAND CHINA
JUNE 30, 2015
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investee Company Name	Main Businesses and Products	Total Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2015	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2015	Investee Company's Current Gain or Loss	% Ownership of Direct or Indirect Investment	Investment Gain	Carrying Value as of June 30, 2015	Accumulated Inward Remittance of Earnings as of June 30, 2015
					Outflow	Inflow						
China Healthcare multi-services, Inc.	Third party medical services under emergency	RMB 41,192 thousand	Note 1, c.	US$ 1,871 thousand	$ -	$ -	US$ 1,871 thousand	(Note 3)	10.76	$ -	$ 59,591	$ -
China Peptides (Wuhan) Co., Ltd.	Sale and R&D protein drugs	US$ 11,000 thousand	Note 1, c.	US$ 2,262 thousand	US$ 167 thousand (Note 10)	-	US$ 2,429 thousand	(Note 3)	16.67	-	73,044	-
JHL Biotech, Inc. (Wuhan)	R&D protein drugs	RMB 50,000 thousand	Note 1, c.	US$ 734 thousand	-	-	US$ 734 thousand	(Note 3)	8.00	-	22,118	-
Beauty Essential International Ltd.	Sale and R&D the cosmetic	US$ 2,000 thousand	Note 1, c.	US$ 2,262 thousand	-	-	US$ 2,262 thousand	(Note 3)	8.71	-	67,521	-
Derby Software (Shanghai) Co., Ltd.	The next-generation electronic distribution channel operator serving China's hotel industry	US$ 10,000 thousand	Note 1, c.	US$ 2,800 thousand	-	-	US$ 2,800 thousand	(Note 3)	41.69 (Note 5)	-	91,938	-
	The next-generation electronic distribution channel operator serving China's hotel industry	US$ 10,000 thousand	Note 1, c.	US$ 464 thousand	-	-	US$ 464 thousand	(Note 3)	9.26 (Note 5)	-	15,297	-
Triplex International Biosciences (Fujian)	Manufacture, sale and R&D medical diagnostic reagents and instruments	US$ 35,200 thousand	Note 1, c.	US$ 1,400 thousand	-	-	US$ 1,400 thousand	(Note 3)	1.66	-	45,003	-
Solar PV Corp.	Solar cells manufacturer and sell	US$ 79,940 thousand	Note 1, c.	US$ 11,400 thousand	-	-	US$ 11,400 thousand	(Note 3)	9.14	-	339,711	-
Hartec T Echnology (Kunshan) Co., Ltd.	NB EMI sputtering	US$ 17,130 thousand	Note 1, c.	US$ 3,000 thousand	-	-	US$ 3,000 thousand	(Note 3)	10.23	-	99,603	-
Unifun Computer (Shanghai) Co., Ltd.	Internet service provider	US$ 8,000 thousand	Note 1, c.	US$ 1	-	-	US$ 1	(Note 3)	6.75	-	-	-
Strong LED Lighting Systems (Suzhou) Corporation	LED lighting system	US$ 10,000 thousand	Note 1, c.	US$ 1,260 thousand	-	-	US$ 1,260 thousand	(Note 3)	9.09	-	37,334	-
Great Team Backend Fundry (Dongguan) Ltd.	Analog IC testing and packaging	US$ 87,070 thousand	Note 1, c.	US$ 228 thousand	-	-	US$ 228 thousand	(Note 3)	1.79	-	7,084	-
Touch Equipment leasing (Shanghai) Co., Ltd.	Mobile interactive LCD equipment leasing	US$ 8,000 thousand	Note 1, c.	US$ 669 thousand	-	-	US$ 669 thousand	(Note 3)	9.61	-	20,786	-
Touch Multimedia Technology (Shanghai) Co., Ltd.	Multimedia technology, network technology, computer software development, design production and sales	RMB 114,660 thousand	Note 1, c.	US$ 1,080 thousand	-	-	US$ 1,080 thousand	(Note 3)	9.61	-	33,556	-
MCM (Beijing) Commercial Co., Ltd.	Apparel, jewelry, watches, perfumes, cosmetics, glasses, bags, leather goods wholesale and retail; import and export of goods	EUR 4,460 thousand	Note 1, c.	EUR 140 thousand	-	-	EUR 140 thousand	(Note 3)	5.00	-	4,858	-
Chengdu Le Me Shi Jia Trading Co., Ltd.	Furniture wholesale, metal building materials wholesale and transport service	US$ 18,500 thousand	Note 1, c.	US$ 699 thousand	-	-	US$ 699 thousand	(Note 3)	2.26	-	5,661	-
China Healthcare multi-services, Inc.	Third party medical services under emergency	RMB 41,192 thousand	Note 1, c.	US$ 1,871 thousand	-	-	US$ 1,871 thousand	(Note 3)	10.76	-	59,591	-
Chengdu Le Me Shi Jia Information Technology Co., Ltd.	Furniture wholesale, metal building materials wholesale and transport service	US$ 400 thousand	Note 1, c.	US$ 33 thousand	-	-	US$ 33 thousand	(Note 3)	2.26	-	267	-

(Continued)

Investee Company Name	Main Businesses and Products	Total Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2015	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2015	Investee Company's Current Gain or Loss	% Ownership of Direct or Indirect Investment	Investment Gain	Carrying Value as of June 30, 2015	Accumulated Inward Remittance of Earnings as of June 30, 2015
					Outflow	Inflow						
Tianjin Mei Wei Information Technology Co., Ltd.	Computer IT consulting and technical services; computer hardware and software development; furniture, building materials, daily commodities, hardware wholesale; enterprise management consulting; enterprise planning and international transport agent	RMB 50,669 thousand	Note 1, c.	RMB 1,016 thousand	RMB 1,310 thousand	$ -	RMB 2,326 thousand	(Note 3)	2.26	$ -	$ 3,036	$ -
Tianjin Mu Mu Yuan Household Trading Co., Ltd.	Household items; furniture, building materials, daily commodities, hardware wholesale; enterprise management consulting; enterprise planning and international transport agent	US$ 500 thousand	Note 1, c.	US$ 42 thousand	-	-	US$ 42 thousand	(Note 3)	2.26	-	337	-
CDIB Private Equity Management Corporation	Management and consulting	US$ 4,000 thousand	Note 1, b.	US$ 4,000 thousand	-	-	US$ 4,000 thousand	$ 6,056	100.00	6,051	41,511	-
CPEC Huakai Private Equity (Fujian) Co., Ltd.	Management and consulting	RMB 10,000 thousand	Note 1, b.	RMB 7,000 thousand	-	-	RMB 7,000 thousand	21,916	70.00	15,330	58,040	-
CPEC Huachuang Private Equity Management (Fujian) Enterprise (Limited Partnership)	Management and consulting	RMB 12,000 thousand	Note 1, b.	RMB 6,720 thousand	-	-	RMB 6,720 thousand	(124)	70.00	(87)	45,434	-
CPEC Huachuang Private Equity (Fujian) Enterprise (Limited Partnership)	Equity investment	RMB 400,000 thousand	Note 1, b.	RMB 141,200 thousand	-	-	RMB 141,200 thousand	(8,058)	-	(5,660)	677,761	-
CPEC Huachuang Private Equity (Kunshan) Co, Ltd.	Management and consulting	RMB 7,000 thousand	Note 1, b.	RMB 4,550 thousand	-	-	RMB 4,550 thousand	(2,750)	65.00	(1,786)	20,173	-
CPEC Huachuang Private Equity Management (Kushan) Enterprise (Limited Partnership)	Management and consulting	RMB 4,300 thousand	Note 1, b.	RMB 195 thousand	-	-	RMB 195 thousand	(246)	65.00	(160)	20,443	-
CPEC Huachuang Private Equity (Kushan) Enterprise (Limited Partnership)	Equity Investment	RMB 363,200 thousand	Note 1, c.	-	RMB 121,400 thousand	-	RMB 121,400 thousand	(16,315)	-	(5,364)	592,908	-
Focus Multimedia Technology (Shanghai) Co., Ltd.	LCD advertising and multimedia network information systems software R&D; multimedia network engineering design consultancy; market research and intermediary service; LCD displays and related electronic product manufacture, assembling, integrating, packing and sale	US$ 38,000 thousand	Note 1, c.	US$ 16,612 thousand	-	-	US$ 16,612 thousand	(Note 3)	0.94	-	516,142	-
Focus (China) Information Technology Co., Ltd.	LCD advertising, software and hardware of computers manufacture and sale, and network technology design and development; computer integrated design, debugging and maintenance; self-developed technological achievement transfer; related technologies consultancy and technical service	US$ 10,000 thousand	Note 1, c.	US$ 4,371 thousand	-	-	US$ 4,371 thousand	(Note 3)	0.94	-	135,812	-
Chi Zhong Information Technology Co., Ltd.	LCD advertising, software and hardware of computers manufacture and sale, and network technology design and development; computer integrated design, debugging and maintenance; self-developed technological achievement transfer; related technologies consultancy and technical service	US$ 10,000 thousand	Note 1, c.	US$ 875 thousand	-	-	US$ 875 thousand	(Note 3)	0.94	-	27,176	-
Shanghai OOH Advertising Co., Ltd.	Domestic and foreign advertisement design, production, releases and agent	US$ 400 thousand	Note 1, c.	US$ 174 thousand	-	-	US$ 174 thousand	(Note 3)	0.94	-	5,408	-
GSD Industrial Co., Ltd.	Pumps manufacture and sale	RMB 50,000 thousand	Note 1, c.	US$ 2,235 thousand	-	-	US$ 2,235 thousand	(Note 3)	19.86	-	68,353	-
Shengzhuang Co., Ltd.	Cosmetics sales	RMB 54,300 thousand	Note 1, c.	US$ 5,000 thousand	-	-	US$ 5,000 thousand	(Note 3)	5.44	-	151,150	-

(Continued)

Investee Company Name	Main Businesses and Products	Total Paid-in Capital	Investment Type	Accumulated Outflow of Investment from Taiwan as of January 1, 2015	Investment Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2015	Investee Company's Current Gain or Loss	% Ownership of Direct or Indirect Investment	Investment Gain	Carrying Value as of June 30, 2015	Accumulated Inward Remittance of Earnings as of June 30, 2015
					Outflow	Inflow						
Lightel Technologies Inc.	Fiber optic components, fiber optic equipment and instruments and LED lamps	US$ 3,100 thousand	Note 1, c.	US$ 202 thousand	$ -	$ -	US$ 202 thousand	(Note 3)	13.48	$ -	$ 6,060	$ -
Guohui (China) Co., Ltd.	Manufacturing and sale sport apparel, footwear and accessories	HK$ 313,432 thousand	Note 1, c.	US$ 1,750 thousand	-	-	US$ 1,750 thousand	(Note 3)	7.73	-	54,374	-
Fujian Guohui Footwear Co., Ltd.	Manufacturing and sale sport apparel, footwear and accessories	HK$ 195,686 thousand	Note 1, c.	US$ 1,357 thousand	-	-	US$ 1,357 thousand	(Note 3)	7.73	-	42,160	-

Accumulated Investment in Mainland China as of June 30, 2015	Investment Amounts Authorized by Investment Commission, MOEA	Limit on Investment
$4,203,515	US$266,904 thousand	$54,235,739

Note 1: The investment types are as follows:

a. Remittances through a third place.
b. Reinvested through a new founded company at a third place.
c. Reinvested through an investee company at a third place.
d. Direct investments.
e. Other.

Note 2: The column "Investment Gain" should state clearly:

a. If there were no gains or losses during preparation
b. Income recognition was based on the:

1) Financial statements audited by an international CPA firm having a cooperative relation with CPA firms in the Republic of China;
2) Financial statements audited by the CPA firm of the parent company in Taiwan;
3) Other.

c. Should be specified if there can's get the investee company's current gain or loss information.

Note 3: The bank and its subsidiaries has no significant influence in investee company, they are unable to obtain its financial information.

Note 4: The Bank indirectly invested in Changshu Everbright Material Technology Co., Ltd. through its subsidiary's investment in Ferro China on which the Corporation fully impaired and recognized an impairment loss in 2008.

Note 5: The ratios of investees' preferred stock A or B held by subsidiaries was calculated by dividing the number of held preferred shares by the number of preferred shares outstanding.

Note 6: The Bank formerly indirectly invested in Wuxi Paiho Testiles Co., Ltd. and Dongguan Paihong Corporation Ltd. through its subsidiary's investment in Paiho Shih Holdings Corporation. Because Paiho Shih Holdings Corporation has been listed on the Taiwan Stock Exchange on August 17, 2011, refer to its financial report for the information.

Note 7: The Bank formerly indirectly invested in Focal Tech System Co., Ltd. through its subsidiary's investment in Focal Tech Corporation Ltd. has been listed on the Taiwan Stock Exchange on November 8, 2013, refer to its financial report for the information

Note 8: The Bank formerly indirectly invested in Kunshan Xinkuangtai Photoelectric Technology Co., Ltd. and Taizhou Kuangli Photoelectric Technology Co., Ltd. through its subsidiary's investment in Kuangli Photoelectric Technology Co., Ltd. has been listed on the Taiwan Stock Exchange on October 31, 2014, refer to its financial report for the information.

Note 9: The Bank formerly indirectly invested in Yangzhou Enteres Auto Parts Manufacturing Co., Ltd., Yanghou Enteres Industrial Co., Ltd. Yangzhou Enterex Automotive Air-Conditioning Industrial Co., Ltd. and Yangzhou Enterex Auto Parts Distribution Co., Ltd. through its subsidiary investment in Enteres International Limited has been listed on the Taiwan Stock Exchange on October 16, 2014, refer to its financial report for the information.

Note 10: The Bank formerly indirectly invested in China Peptides (Wuhan) Co., Ltd. through its subsidiary's investment in JHL Biotech, Ltd., JHL Biotech, Ltd. proceed from new issue of China Peptides (Wuhan) Co., Ltd. on March 19, 2015 so the Bank recognized the remitted amount in accordance with proportion of investment rather than the actual remitted.

Note 11: The Bank formerly indirectly invested in Jinjiang Chandra Shoes Industry Co., Ltd. through its subsidiary's investment in Victory New Materials Limited Company. Because Victory New Materials Limited Company has been listed on the Taiwan Stock Exchange on January 14, 2014, refer to its financial report for the information.

(Concluded)

TABLE 8

CHINA DEVELOPMENT INDUSTRIAL BANK AND SUBSIDIARIES

BUSINESS RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2015
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Trader Company	Related Party	Flow of Transactions (Note 2)	Content of Transaction (Note 5)			
				Financial Statement Accounts	Amounts	Trading Terms	Transaction Amount/Total Consolidated Revenue or Total Consolidated Assets (Note 3)
0	The Bank	CDIB Strategic Ventures Fund Ltd.	a	Receivables, net	$ 1,000,000	Note 4	1.42
1	CDIB Strategic Ventures Fund Ltd.	The Bank	b	Payables	1,000,000	Note 4	1.42
0	The Bank	CDIB Strategic Venture Fund Ltd.	a	Receivables, net	500,000	Note 4	0.71
2	CDIB Strategic Venture Fund Ltd.	The Bank	b	Payables	500,000	Note 4	0.71
0	The Bank	CDIB Global Markets II Limited	a	Payables	210,344	Note 4	0.30
3	CDIB Global Markets II Limited	The Bank	b	Receivables, net	210,344	Note 4	0.30
0	The Bank	CDIB Global Markets I Limited	a	Payables	190,010	Note 4	0.27
4	CDIB Global Markets I Limited	The Bank	b	Receivables, net	190,010	Note 4	0.27
0	The Bank	CDIB Global Markets III Limited	a	Payables	125,518	Note 4	0.18
5	CDIB Global Markets III Limited	The Bank	b	Receivables, net	125,518	Note 4	0.18
6	CDIB Capital International Corporation	CDIB Capital International (Hong Kong) Corporation Limited	c	Other operating and administrative expenses	116,364	Note 4	2.87
7	CDIB Capital International (Hong Kong) Corporation Limited	CDIB Capital International Corporation	c	Administrative revenue	116,364	Note 4	2.87

Note 1: The consolidated entities are identified in the No. column as follows: Parent company - 0; subsidiaries - numbered from 1 by company.

Note 2: Transaction flows are as follows: (a) from parent to subsidiary; (b) from subsidiary to parent; and (c) between subsidiaries.

Note 3: The ratio is calculated as follows: For asset and liability accounts - transaction amount in the ending period/total consolidated assets; for income and expense accounts - transaction amount in the midterm/total consolidated net profit.

Note 4: The transaction criteria for related parties are similar to those for third parties.

Note 5: Transactions each amounted to at least NT$100 million.