

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Condensed Balance Sheets(Reviewed, Not Audited)
Three Months Ended March 31, 2016 and 2015

Unit : NT\$ Thousands

Assets		March 31, 2016		December 31, 2015		March 31, 2015	
		Amount	%	Amount	%	Amount	%
Current Assets							
1100	Cash and Cash Equivalents	\$ 736,332	7	\$ 701,797	7	\$ 682,285	7
1147	Current Investments in Debt Instrument Without						
	Active Market	20,000	-	20,000	-	-	-
1150	Notes Receivable	392,939	4	338,188	3	373,746	4
1160	Notes Receivable - Related Parties	183,392	2	167,119	2	185,975	2
1170	Accounts Receivable	1,097,912	11	1,064,551	11	1,020,414	10
1180	Accounts Receivable - Related Parties	81,468	1	67,118	1	55,904	-
1200	Other Receivables	43,854	-	28,724	-	58,883	1
1210	Other Receivables -Related Parties	166,586	2	164,305	2	157,625	1
1220	Current Income Tax Assets	3,685	-	3,714	-	-	-
130X	Inventories	1,358,602	14	1,485,334	15	1,541,182	15
1410	Prepayments	65,994	1	53,995	1	88,239	1
1460	Non-current classified as held for sale	-	-	-	-	202,746	2
1476	Other Financial Assets- Current	22,630	-	31,500	-	9,274	-
11XX	Total Current Assets	4,173,394	42	4,126,345	42	4,376,273	43
Non-Current assets							
1523	Available-for-sale Financial Assets- Noncurrent	278,278	3	277,470	3	337,190	3
1543	Financial Assets at Cost - Noncurrent	30,710	-	30,710	-	15,710	-
1550	Long-term Investments at Equity	817,437	8	793,084	8	754,110	8
1600	Property, Plant and Equipment	4,210,534	43	4,265,256	43	4,304,062	42
1780	Investment Property	8,928	-	9,408	-	9,477	-
1840	Deferred Tax Assets	156,388	2	169,460	2	174,109	2
1900	Other Non-current Assets	242,766	2	241,172	2	223,880	2
15XX	Total Non-Current Assets	5,745,041	58	5,786,560	58	5,818,538	57
1XXX	Total Assets	\$ 9,918,435	100	\$ 9,912,905	100	\$ 10,194,811	100

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Liabilities and Shareholders' Equity		March 31, 2016		December 31, 2015		March 31, 2015	
		Amount	%	Amount	%	Amount	%
Current Liabilities							
2100	Short-term Borrowings	\$ 1,155,421	12	\$ 1,045,407	11	\$ 1,162,226	11
2110	Short-Term Notes and Bills Payable	73,994	1	73,994	1	122,978	1
2150	Notes Payable	113,137	1	156,857	2	46,741	-
2170	Accounts Payable	584,861	6	573,830	6	568,434	6
2200	Other Payables	262,745	3	298,406	3	296,046	3
2230	Current Income Tax Liabilities	19,898	-	17,759	-	64,703	1
2250	Short-term Provisions	59,296	-	53,158	-	98,980	1
2300	Other Current Liabilities	222,291	2	52,871	-	54,229	1
21XX	Total Non-Current Liabilities	<u>2,491,643</u>	<u>25</u>	<u>2,272,282</u>	<u>23</u>	<u>2,414,337</u>	<u>24</u>
Non-Current Liabilities							
2540	Long-term Borrowings	1,485,000	15	1,599,000	16	1,745,000	17
2570	Deferred Income Tax Liabilities	128,489	1	129,095	2	130,354	1
2600	Other Non-Current Liabilities	229,319	3	423,071	4	404,760	4
25XX	Total Non-Current Liabilities	<u>1,842,808</u>	<u>19</u>	<u>2,151,166</u>	<u>22</u>	<u>2,280,114</u>	<u>22</u>
2XXX	Total Liabilities	<u>4,334,451</u>	<u>44</u>	<u>4,423,448</u>	<u>45</u>	<u>4,694,451</u>	<u>46</u>
Equity Attributable to Owners of Parent							
Share Capital							
3110	Ordinary Share	2,980,811	30	2,980,811	30	2,980,811	29
Capital Surplus							
3200	Capital Surplus	642,640	6	642,640	6	642,284	7
Retained Earnings							
3310	Legal Reserve	362,229	4	362,229	4	327,457	3
3320	Special Reserve	188,958	2	188,958	2	188,958	2
3350	Unappropriated Retained Earnings	1,264,780	13	1,161,478	12	1,147,976	11
Other Equity Interest							
3400	Other Interest	120,098	1	132,931	1	194,345	2
3500	Treasury Stock	(28,054)	-	(28,054)	-	(28,054)	-
31XX	Total Equity Attributable to Shareholders of the Parent	<u>5,531,462</u>	<u>56</u>	<u>5,440,993</u>	<u>55</u>	<u>5,453,777</u>	<u>54</u>
36XX	Noncontrolling Interests	<u>52,522</u>	<u>-</u>	<u>48,464</u>	<u>-</u>	<u>46,583</u>	<u>-</u>
3XXX	Total Shareholders' Equity	<u>5,583,984</u>	<u>56</u>	<u>5,489,457</u>	<u>55</u>	<u>5,500,360</u>	<u>54</u>
Significant Contingent Liability&Unrealized Contractual Arrangement							
3X2X	Total Liabilities & Shareholders' Equity		10				
		<u>\$ 9,918,435</u>	<u>0</u>	<u>\$ 9,912,905</u>	<u>100</u>	<u>\$ 10,194,811</u>	<u>100</u>

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statements Of Comprehensive Income (Reviewed, Not Audited)
Three months Ended March 31, 2016 and 2015

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

Item	M a r c h 3 1 , 2 0 1 6		M a r c h 3 1 , 2 0 1 5	
	Amount	%	Amount	%
4000 Operating Revenue	\$ 1,504,568	100	\$ 1,414,903	100
5000 Operating Costs	(1,057,144)	(71)	(981,692)	(69)
5950 Gross Profit from Operations	<u>447,424</u>	<u>29</u>	<u>433,211</u>	<u>31</u>
Operating Expenses				
6100 Selling Expenses	(221,214)	(15)	(223,115)	(16)
6200 Administrative Expenses	(44,153)	(3)	(50,004)	(4)
6300 Research and Development Expenses	(81,032)	(5)	(88,052)	(6)
6000 Total Operating Expenses	<u>(346,399)</u>	<u>(23)</u>	<u>(361,171)</u>	<u>(26)</u>
6900 Net Operating Income	<u>101,025</u>	<u>6</u>	<u>72,040</u>	<u>5</u>
Non- Operating Income and Expenses				
7010 Other Revenue	7,737	1	8,843	1
7020 Other Gains and Losses	3,052	-	(1,498)	-
7050 Finance Cost	(8,773)	(1)	(9,639)	(1)
7060 Share of Profit or Loss of Associates & Joint Ventures Accounted for Using Equity Method)	<u>24,852</u>	<u>2</u>	<u>52,704</u>	<u>4</u>
7000 Total Non-Operating Income and Expenses	<u>26,868</u>	<u>2</u>	<u>50,410</u>	<u>4</u>
7900 Income Before Income Tax	<u>127,893</u>	<u>8</u>	<u>122,450</u>	<u>9</u>
7950 Income Tax Expense	(20,533)	(1)	(16,393)	(1)
8200 Net Income	<u>\$ 107,360</u>	<u>7</u>	<u>\$ 106,057</u>	<u>8</u>
Other Comprehensive Income that will be Reclassified to Profit or Loss				
8361 Exchange Differences on Translation of Foreign Financial Statements	(\$ 15,833)	(1)	(\$ 12,787)	(1)
8362 Unrealised Gains (Losses) on Valuation of Available-for-sale Financial Assets	808	-	(98,592)	(7)
8370 Share of Other Comprehensive Income (Loss) of Subsidiaries and Associates Accounted for Using Equity Method - Will be Reclassified to Profit	(500)	-	(44)	-
8399 Income Tax Relating to Components of Other Comprehensive Income	<u>2,692</u>	<u>-</u>	<u>2,174</u>	<u>-</u>
8360 Total Components of Other Comprehensive Income That Will be Reclassified to Profit or Loss After Tax	<u>(12,833)</u>	<u>(1)</u>	<u>(109,249)</u>	<u>(8)</u>
8300 Total Other Comprehensive Income and Loss	<u>(\$ 12,833)</u>	<u>(1)</u>	<u>(\$ 109,249)</u>	<u>(8)</u>
8500 Total Comprehensive Income	<u>\$ 94,527</u>	<u>6</u>	<u>(\$ 3,192)</u>	<u>-</u>
Net Income (Losses) Attributable to:				
8610 Shareholders of the Parent	<u>\$ 103,302</u>	<u>7</u>	<u>\$ 105,489</u>	<u>8</u>
8620 Non-controlling Interests	<u>\$ 4,058</u>	<u>-</u>	<u>\$ 568</u>	<u>-</u>
Comprehensive Income Attributable to:				
8710 Shareholders of the Parent	<u>\$ 90,469</u>	<u>6</u>	<u>(\$ 3,760)</u>	<u>-</u>
8720 Non-controlling Interests	<u>\$ 4,058</u>	<u>-</u>	<u>\$ 568</u>	<u>-</u>
Earnings per Share				
9750 Diluted Earnings Per Share	<u>\$ 0.35</u>	<u>0.35</u>	<u>\$ 0.35</u>	<u>0.35</u>

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statement of Changes in Equity (Reviewed, Not Audited)
Three months Ended March 31, 2016 and 2015

Unit : NT\$ Thousands

	Total	Equity	Attributable	to	Owners	of	Parent					
	Capital	Surplus	Retained	Earnings	Other	Equity						
	Ordinary Share	Additional Paid-In Capital	Treasury Stock Transactions	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation	Unrealized Gains(Losses) on Available-for-sale Financial Assets	Treasury Stock	Total	Non-controlling Interests	Total Equity
January 1st to March 31, 2015												
Equity at Beginning Of Period	\$2,980,811	\$ 578,416	\$ 63,868	\$ 327,457	\$ 188,958	\$1,042,487	\$ 63,345	\$ 240,249	(\$ 28,054)	\$5,457,537	\$ 26,015	\$5,483,552
Consolidated Profit for The Year Ended March 31, 2015	-	-	-	-	-	105,489	-	-	-	105,489	568	106,057
Other Comprehensive Income	-	-	-	-	-	-	(10,657)	(98,592)	-	(109,249)	-	(109,249)
Changes in Non-controlling interests	-	-	-	-	-	-	-	-	-	-	20,000	20,000
Balance, March 31, 2015	<u>\$2,980,811</u>	<u>\$ 578,416</u>	<u>\$ 63,868</u>	<u>\$ 327,457</u>	<u>\$ 188,958</u>	<u>\$1,147,976</u>	<u>\$ 52,688</u>	<u>\$ 141,657</u>	<u>(\$ 28,054)</u>	<u>\$5,453,777</u>	<u>\$ 46,583</u>	<u>\$5,500,360</u>
January 1st to March 31, 2016												
Equity at Beginning Of Period	\$2,980,811	\$ 578,416	\$ 64,224	\$ 362,229	\$ 188,958	\$1,161,478	\$ 51,707	\$ 81,224	(\$ 28,054)	\$5,440,993	\$ 48,464	\$5,489,457
Consolidated Profit for The Year Ended March 31, 2016	-	-	-	-	-	103,302	-	-	-	103,302	4,058	107,360
Other Comprehensive Income	-	-	-	-	-	-	(13,190)	357	-	(12,833)	-	(12,833)
Balance, March 31, 2016	<u>\$2,980,811</u>	<u>\$ 578,416</u>	<u>\$ 64,224</u>	<u>\$ 362,229</u>	<u>\$ 188,958</u>	<u>\$1,264,780</u>	<u>\$ 38,517</u>	<u>\$ 81,581</u>	<u>(\$ 28,054)</u>	<u>\$5,531,462</u>	<u>\$ 52,522</u>	<u>\$5,583,984</u>

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statements Of Cash Flows(Reviewed, Not Audited)
Three months Ended March 31, 2016 and 2015

Unit : NT\$ Thousands

For the Three Months Ended March 31

	<u>March 31, 2016</u>	<u>March 31, 2015</u>
<u>Cash Flows From (Used in) Operating Activities</u>		
Consolidated Profit (Loss) Before Tax	\$ 127,893	\$ 122,450
Adjustments		
Depreciation expense	62,681	59,824
Amortized Expense	495	423
Bad Debts Recognized Revenue	2,794	(1,569)
Decrease in Allowance for Sales Returns and Allowances	351	1,396
Interest Expense	8,773	9,639
Interest Revenue	(1,697)	(3,140)
Share of gain (loss) of Associates and Joint Ventures Accounted for Using Equity Method	(24,852)	(52,704)
Gain on Disposal of Property, Plant and Equipment	(142)	-
Notes Receivable (Include Related Parties)	(73,990)	(56,305)
Accounts Receivable (Include Related Parties)	(51,915)	(16,155)
Other Receivable (Include Related Parties)	(19,729)	(14,668)
Inventories	121,001	3,112
Prepayments	(12,231)	(26,532)
Notes Payable	(42,032)	(41,000)
Accounts Payable	15,998	32,920
Other Payable	(33,514)	(34,353)
Short-term Provision	6,138	-
Other Current Liabilities	(30,476)	18,358
Other Non-Current Liabilities	(191,175)	(2,957)
Cash Inflow (Outflow) Generated from Operations	(135,629)	(1,261)
Interest Received	1,995	3,162
Income Taxes Refund (Paid)	(1,815)	(1,858)
Interest Paid	(8,752)	(9,990)
Net Cash Flows from (used in) Operating Activities	(144,201)	(9,947)

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Consolidated Statements Of Cash Flows(Reviewed, Not Audited)
Three months Ended March 31, 2016 and 2015

Unit : NT\$ Thousands

For the Three Months Ended March 31

	<u>March 31, 2016</u>	<u>March 31, 2015</u>
<u>Cash Flows From (Used in) Investing Activities</u>		
Decrease(Increase) in Financing Receivable	\$ 2,067	\$ 2,234
Decrease(Increase) in Pledged Deposit	8,870	8,448
Purchase of Property, Plant and Equipment	(25,886)	(70,560)
Disposal of Property, Plant and Equipment	1,197	10
Decrease(Increase) in Refundable Deposits	137	534
Decrease(Increase) in Prepaid Investment	-	30,000
Decrease(Increase) in Other Non-current Assets	5,383	(270)
Net Cash Flows From (Used in) Investing Activities	(8,232)	(29,604)
<u>Cash flows from (used in) Financing Activities</u>		
Decrease(Increase) In Short-term Borrowings	110,014	(206,527)
Decrease(Increase) in Short-term Notes and Bills Payable	-	(1,146)
Proceeds from Long-term Borrowings	121,000	150,000
Repayment of Long-term Borrowings	(35,000)	(30,000)
Decrease(Increase) in Guarantee Deposits Received	(2,296)	(1,936)
Non-controlling Interests change	-	20,000
Net cash Flows From (Used in) Financing Activities	193,718	(69,609)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(6,750)	(4,462)
Net Increase (Decrease) In Cash and Cash Equivalents	34,535	(113,622)
Cash and Cash Equivalents at Beginning of Period	701,797	795,907
Cash and Cash Equivalents at End of Period	\$ 736,332	\$ 682,285