

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Condensed Balance Sheets(Reviewed, Not Audited)
Six Months Ended June 30, 2016 and 2015

Unit : NT\$ Thousands

Assets	J u n e 3 0 , 2 0 1 6		D e c e m b e r 3 1 , 2 0 1 5		J u n e 3 0 , 2 0 1 5		
	Amount	%	Amount	%	Amount	%	
Current Assets							
1100	Cash and Cash Equivalents	\$ 709,362	7	\$ 701,797	7	\$ 692,939	7
1147	Current Investments in Debt Instrument						
	Without Active Market	10,000	-	20,000	-	-	-
1150	Notes Receivable	376,250	4	338,188	3	384,910	4
1160	Notes Receivable - Related Parties	196,683	2	167,119	2	176,622	2
1170	Accounts Receivable	1,059,711	11	1,064,551	11	979,846	9
1180	Accounts Receivable - Related Parties	70,421	1	67,118	1	58,999	-
1200	Other Receivables	76,122	1	28,724	-	67,668	1
1210	Other Receivables -Related Parties	165,871	2	164,305	2	166,893	2
1220	Current Income Tax Assets	18,512	-	3,714	-	-	-
130X	Inventories	1,426,081	14	1,485,334	15	1,576,315	15
1410	Prepayments	68,325	1	53,995	1	63,927	1
1460	Non-current classified as held for sale	-	-	-	-	202,746	2
1476	Other Financial Assets- Current	17,161	-	31,500	-	14,701	-
11XX	Total Current Assets	<u>4,194,499</u>	<u>43</u>	<u>4,126,345</u>	<u>42</u>	<u>4,385,566</u>	<u>43</u>
Non-Current assets							
1523	Available-for-sale Financial Assets-						
	Noncurrent	276,183	3	277,470	3	350,180	4
1543	Financial Assets at Cost - Noncurrent	30,710	-	30,710	-	15,710	-
1550	Long-term Investments at Equity	780,484	8	793,084	8	734,459	7
1600	Property, Plant and Equipment	4,244,260	43	4,265,256	43	4,286,936	42
1780	Investment Property	8,560	-	9,408	-	9,026	-
1840	Deferred Tax Assets	147,704	1	169,460	2	176,464	2
1900	Other Non-current Assets	168,134	2	241,172	2	226,050	2
15XX	Total Non-Current Assets	<u>5,656,035</u>	<u>57</u>	<u>5,786,560</u>	<u>58</u>	<u>5,798,825</u>	<u>57</u>
1XXX	Total Assets	<u>\$ 9,850,534</u>	<u>100</u>	<u>\$ 9,912,905</u>	<u>100</u>	<u>\$ 10,184,391</u>	<u>100</u>

(Continue)

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Condensed Balance Sheets(Reviewed, Not Audited)
Six Months Ended June 30, 2016 and 2015

Unit : NT\$ Thousands

Liabilities and Shareholders' Equity		June 30, 2016		December 31, 2015		June 30, 2015	
		Amount	%	Amount	%	Amount	%
Current Liabilities							
2100	Short-term Borrowings	\$ 1,105,766	11	\$ 1,045,407	11	\$ 1,313,744	13
2110	Short-Term Notes and Bills Payable	62,994	1	73,994	1	259,000	3
2150	Notes Payable	85,792	1	156,857	2	73,505	1
2170	Accounts Payable	580,139	6	573,830	6	532,284	5
2200	Other Payables	480,511	5	298,406	3	490,325	5
2230	Current Income Tax Liabilities	31,856	-	17,759	-	47,520	-
2250	Short-term Provisions	62,595	1	53,158	-	98,980	1
2300	Other Current Liabilities	122,246	1	52,871	-	50,168	-
21XX	Total Non-Current Liabilities	<u>2,531,899</u>	<u>26</u>	<u>2,272,282</u>	<u>23</u>	<u>2,865,526</u>	<u>28</u>
Non-Current Liabilities							
2540	Long-term Borrowings	1,485,000	15	1,599,000	16	1,365,000	14
2570	Deferred Income Tax Liabilities	128,331	1	129,095	2	131,724	1
2600	Other Non-Current Liabilities	221,166	2	423,071	4	405,042	4
25XX	Total Non-Current Liabilities	<u>1,834,497</u>	<u>18</u>	<u>2,151,166</u>	<u>22</u>	<u>1,901,766</u>	<u>19</u>
2XXX	Total Liabilities	<u>4,366,396</u>	<u>44</u>	<u>4,423,448</u>	<u>45</u>	<u>4,767,292</u>	<u>47</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	397,599	4	362,229	4	362,229	4
3320	Special Reserve	188,958	2	188,958	2	188,958	2
3350	Unappropriated Retained Earnings	1,160,758	12	1,161,478	12	1,033,696	10
Other Equity Interest							
3400	Other Interest	91,950	1	132,931	1	191,408	1
3500	Treasury Stock	(28,054)	-	(28,054)	-	(28,054)	-
31XX	Total Equity Attributable to Shareholders of the Parent	<u>5,434,662</u>	<u>55</u>	<u>5,440,993</u>	<u>55</u>	<u>5,371,332</u>	<u>53</u>
36XX	Noncontrolling Interests	<u>49,476</u>	<u>1</u>	<u>48,464</u>	<u>-</u>	<u>45,767</u>	<u>-</u>
3XXX	Total Shareholders' Equity	<u>5,484,138</u>	<u>56</u>	<u>5,489,457</u>	<u>55</u>	<u>5,417,099</u>	<u>53</u>
Significant Contingent Liability&Unrealized Contractual Arrangement							
3X2X	Total Liabilities & Shareholders' Equity	<u>\$ 9,850,534</u>	<u>100</u>	<u>\$ 9,912,905</u>	<u>100</u>	<u>\$ 10,184,391</u>	<u>100</u>

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statements Of Comprehensive Income(Reviewed, Not Audited)
Six months Ended June 30, 2016 and 2015

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

Item	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2016	%	2015	%	2016	%	2015	%
Operating Revenue	\$ 1,463,990	100	\$ 1,410,710	100	\$ 2,968,558	100	\$ 2,825,613	100
5000 Operating Costs	(1,030,635)	(70)	(994,641)	(71)	(2,087,779)	(70)	(1,976,333)	(70)
5950 Gross Profit from Operations	<u>433,355</u>	<u>30</u>	<u>416,069</u>	<u>29</u>	<u>880,779</u>	<u>30</u>	<u>849,280</u>	<u>30</u>
Operating Expenses								
6100 Selling Expenses	(210,819)	(15)	(202,661)	(14)	(432,033)	(15)	(425,776)	(15)
6200 Administrative Expenses	(45,465)	(3)	(39,906)	(3)	(89,618)	(3)	(89,910)	(3)
6300 Research and Development Expenses	(76,870)	(5)	(73,487)	(5)	(157,902)	(5)	(161,539)	(6)
6000 Total Operating Expenses	<u>(333,154)</u>	<u>(23)</u>	<u>(316,054)</u>	<u>(22)</u>	<u>(679,553)</u>	<u>(23)</u>	<u>(677,225)</u>	<u>(24)</u>
6900 Net Operating Income	<u>100,201</u>	<u>7</u>	<u>100,015</u>	<u>7</u>	<u>201,226</u>	<u>7</u>	<u>172,055</u>	<u>6</u>
Non- Operating Income and Expenses								
7010 Other Revenue	16,579	1	36,794	3	24,316	1	45,637	2
7020 Other Gains and Losses	5,682	-	(3,912)	-	8,734	-	(5,410)	-
7050 Finance Cost	(9,068)	(1)	(9,867)	(1)	(17,841)	(1)	(19,506)	(1)
7060 Share of Profit or Loss of Associates & Joint Ventures Accounted for Using Equity Method)	<u>21,345</u>	<u>2</u>	<u>17,252</u>	<u>1</u>	<u>46,197</u>	<u>2</u>	<u>69,956</u>	<u>2</u>
7000 Total Non-Operating Income and Expenses	<u>34,538</u>	<u>2</u>	<u>40,267</u>	<u>3</u>	<u>61,406</u>	<u>2</u>	<u>90,677</u>	<u>3</u>
7900 Income Before Income Tax	<u>134,739</u>	<u>9</u>	<u>140,282</u>	<u>10</u>	<u>262,632</u>	<u>9</u>	<u>262,732</u>	<u>9</u>
7950 Income Tax Expense	(23,259)	(1)	(38,986)	(3)	(43,792)	(2)	(55,379)	(2)
8200 Net Income	<u>\$ 111,480</u>	<u>8</u>	<u>\$ 101,296</u>	<u>7</u>	<u>\$ 218,840</u>	<u>7</u>	<u>\$ 207,353</u>	<u>7</u>
Other Comprehensive Income that will be Reclassified to Profit or Loss								
8361 Exchange Differences on Translation of Foreign Financial Statements	(\$ 30,039)	(2)	(\$ 17,648)	(1)	(\$ 45,872)	(1)	(\$ 30,435)	(1)
8362 Unrealised Gains (Losses) on Valuation of Available-for-sale Financial Assets	(2,094)	-	12,990	1	(1,286)	-	(85,602)	(3)
8370 Share of Other Comprehensive Income (Loss) of Subsidiaries and Associates Equity Method - Will be Reclassified to Profit	(1,121)	-	(1,279)	-	(1,621)	-	(1,323)	-
8399 Income Tax Relating to Components of Other Comprehensive Income	<u>5,106</u>	<u>-</u>	<u>3,000</u>	<u>-</u>	<u>7,798</u>	<u>-</u>	<u>5,174</u>	<u>-</u>
8360 Total Components of Other Comprehensive Income That Will be Reclassified to Profit or Loss	<u>(28,148)</u>	<u>(2)</u>	<u>(2,937)</u>	<u>-</u>	<u>(40,981)</u>	<u>(1)</u>	<u>(112,186)</u>	<u>(4)</u>
8300 Net Other Comprehensive Income and Loss After Tax	<u>(\$ 28,148)</u>	<u>(2)</u>	<u>(\$ 2,937)</u>	<u>-</u>	<u>(\$ 40,981)</u>	<u>(1)</u>	<u>(\$ 112,186)</u>	<u>(4)</u>
8500 Total Comprehensive Income	<u>\$ 83,332</u>	<u>6</u>	<u>\$ 98,359</u>	<u>7</u>	<u>\$ 177,859</u>	<u>6</u>	<u>\$ 95,167</u>	<u>3</u>
Net Income (Losses) Attributable to:								
8610 Shareholders of the Parent	<u>\$ 110,197</u>	<u>8</u>	<u>\$ 99,341</u>	<u>7</u>	<u>\$ 213,499</u>	<u>7</u>	<u>\$ 204,830</u>	<u>7</u>
8620 Non-controlling Interests	<u>\$ 1,283</u>	<u>-</u>	<u>\$ 1,955</u>	<u>-</u>	<u>\$ 5,341</u>	<u>-</u>	<u>\$ 2,523</u>	<u>-</u>
Comprehensive Income Attributable to:								
8710 Shareholders of the Parent	<u>\$ 82,049</u>	<u>6</u>	<u>\$ 96,404</u>	<u>7</u>	<u>\$ 172,518</u>	<u>6</u>	<u>\$ 92,644</u>	<u>3</u>
8720 Non-controlling Interests	<u>\$ 1,283</u>	<u>-</u>	<u>\$ 1,955</u>	<u>-</u>	<u>\$ 5,341</u>	<u>-</u>	<u>\$ 2,523</u>	<u>-</u>
Earnings per Share								
9750 Diluted Earnings Per Share	<u>\$</u>	<u>0.37</u>	<u>\$</u>	<u>0.33</u>	<u>\$</u>	<u>0.72</u>	<u>\$</u>	<u>0.69</u>

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statement of Changes in Equity(Reviewed, Not Audited)
Six months Ended June 30, 2016 and 2015

Unit : NT\$ Thousands

	T o t a l E q u i t y A t t r i b u t a b l e t o O w n e r s o f P a r e n t										Non-controlling Interests	Total 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		
<u>January 1st to June 30, 2015</u>												
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
Appropriation and Distribution of Retained Earnings of 2014												
Legal Reserve	-	-	-	34,772	-	(34,772)	-	-	-	-	-	-
Cash Dividends	-	-	-	-	-	(178,849)	-	-	-	(178,849)	-	(178,849)
Comprehensive Income (Loss)	-	-	-	-	-	204,830	-	-	-	204,830	2,523	207,353
Other Comprehensive Income (Loss)	-	-	-	-	-	-	(25,348)	(86,838)	-	(112,186)	-	(112,186)
Changes in Non-controlling Interests	-	-	-	-	-	-	-	-	-	-	17,229	17,229
Balance, June 30, 2015	\$ 2,980,811	\$ 578,416	\$ 63,868	\$ 362,229	\$ 188,958	\$ 1,033,696	\$ 37,997	\$ 153,411	(\$ 28,054)	\$ 5,371,332	\$ 45,767	\$ 5,417,099
<u>January 1st to June 30, 2016</u>												
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
Appropriation and Distribution of Retained Earnings of 2015												
Legal Reserve	-	-	-	35,370	-	(35,370)	-	-	-	-	-	-
Cash Dividends	-	-	-	-	-	(178,849)	-	-	-	(178,849)	-	(178,849)
Comprehensive Income (Loss)	-	-	-	-	-	213,499	-	-	-	213,499	5,341	218,840
Other Comprehensive Income (Loss)	-	-	-	-	-	-	(38,120)	(2,861)	-	(40,981)	-	(40,981)
Changes in Non-controlling Interests	-	-	-	-	-	-	-	-	-	-	(4,329)	(4,329)
Balance, June 30, 2016	\$ 2,980,811	\$ 578,416	\$ 64,224	\$ 397,599	\$ 188,958	\$ 1,160,758	\$ 13,587	\$ 78,363	(\$ 28,054)	\$ 5,434,662	\$ 49,476	\$ 5,484,138

China Chemical & Pharmaceutical Co., Ltd. And Subsidiaries
Consolidated Statements Of Cash Flows(Reviewed, Not Audited)
Six months Ended June 30, 2016 and 2015

Unit : NT\$ Thousands

For the Six Months Ended June 30
June 30, 2016 June 30, 2015

Cash Flows From (Used in) Operating Activities

Consolidated Profit (Loss) Before Tax	\$ 262,632	\$ 262,732
Adjustments		
Depreciation expense	124,584	119,710
Amortized Expense	858	874
Bad Debts Recognized Revenue	2,722	(580)
Decrease in Allowance for Sales Returns and Allowances	4,802	7,089
Interest Expense	17,841	19,506
Interest Revenue	(5,074)	(5,864)
Dividend Revenue	(9,091)	(11,013)
Share of gain (loss) of Associates and Joint Ventures Accounted for		
Using Equity Method	(46,197)	(69,956)
Gain on Disposal of Property, Plant and Equipment	(155)	-
Notes Receivable (Include Related Parties)	(70,173)	(59,211)
Accounts Receivable (Include Related Parties)	(6,292)	12,305
Other Receivable (Include Related Parties)	(18,985)	(25,288)
Inventories	43,810	(37,581)
Prepayments	(13,733)	(2,573)
Notes Payable	(67,046)	(13,028)
Accounts Payable	25,383	452
Other Payable	(2,754)	(24,412)
Short-term Provision	9,437	-
Other Current Liabilities	(30,716)	14,488
Other Non-Current Liabilities	(191,042)	(6,765)
Cash Inflow (Outflow) Generated from Operations	30,811	180,885
Interest Received	5,384	5,884
Cash Dividends Received	40,272	37,971
Interest Paid	(18,035)	(20,473)
Income Taxes Refund (Paid)	(16,418)	(54,643)
Net Cash Flows from (used in) Operating Activities	42,014	149,624

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Consolidated Statements Of Cash Flows(Reviewed, Not Audited)
Six months Ended June 30, 2016 and 2015

Unit : NT\$ Thousands

For the Six Months Ended June 30
June 30, 2016 June 30, 2015

Cash Flows From (Used in) Investing Activities

Disposal of Current Investments in Debt Instrument Without Active		
Market	\$ 10,000	\$ -
Decrease(Increase) in Financing Receivable	(1,723)	3,290
Decrease(Increase) in Pledged Deposit	14,339	3,021
Purchase of Property, Plant and Equipment	(64,331)	(120,873)
Disposal of Property, Plant and Equipment	1,226	22
Decrease(Increase) in Refundable Deposits	5,282	626
Decrease(Increase) in Prepaid Investment	-	30,000
Decrease(Increase) in Other Non-current Assets	9,111	(1,837)
Acquisition of Subsidiaries (Deduct Cash acquired)	(7,783)	-
Net Cash Flows From (Used in) Investing Activities	(33,879)	(85,751)

Cash flows from (used in) Financing Activities

Decrease(Increase) In Short-term Borrowings	60,359	(3,977)
Decrease(Increase) in Short-term Notes and Bills Payable	(11,000)	86,022
Proceeds from Long-term Borrowings	121,000	150,000
Repayment of Long-term Borrowings	(135,000)	(410,000)
Decrease(Increase) in Guarantee Deposits Received	(9,980)	2,464
Non-controlling Interests change	-	20,000
Net cash Flows From (Used in) Financing Activities	25,379	(155,491)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(25,949)	(11,350)
Net Increase (Decrease) In Cash and Cash Equivalents	7,565	(102,968)
Cash and Cash Equivalents at Beginning of Period	701,797	795,907
Cash and Cash Equivalents at End of Period	<u>\$ 709,362</u>	<u>\$ 692,939</u>