Advanced Semiconductor Engineering, Inc. and Subsidiaries

Consolidated Financial Statements for the Nine months Ended September 30, 2015 and 2014 and Independent Accountants' Review Report

勤業眾信聯合會計師事務所
10596 台北市民生東路三段156號12樓

Deloitte & Touche
12th Floor, Hung Tai Financial Plaza
156 Min Sheng East Road, Sec. 3
Taipei 10596, Taiwan, R.O.C.

Tel : +886 (2) 2545-9988
Fax: +886 (2) 4051-6888
www.deloitte.com.tw

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Board of Directors and Shareholders
Advanced Semiconductor Engineering, Inc.

We have reviewed the accompanying consolidated balance sheets of Advanced Semiconductor Engineering, Inc. and its subsidiaries (collectively the "Group") as of September 30, 2015 and 2014, and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2015 and 2014, as well as changes in equity and cash flows for the nine months ended September 30, 2015 and 2014. These consolidated financial statements are the responsibility of the Group's management. Our responsibility is to issue a report on these consolidated financial statements based on our reviews.

We conducted our reviews in accordance with Statement of Auditing Standards No. 36, "Review of Financial Statements" issued by the Auditing Standards Committee of the Accounting Research and Development Foundation of the Republic of China. A review consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of China, the objective of which is the expression of an opinion regarding the consolidated financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the consolidated financial statements referred to above for them to be in conformity with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed by the Financial Supervisory Commission of the Republic of China ("FSC").

As discussed in Note 3 to the consolidated financial statements, the Group has applied 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 and Interpretations of IAS endorsed by the FSC from January 1, 2015. Therefore, the Group retrospectively applied the aforementioned regulations, standards and interpretations and adjusted the affected items in the consolidated financial statements of the preceding periods.

Deloitte & Touche

November 10, 2015

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, results of operations 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 review such consolidated financial statements are those generally accepted and applied in the Republic of China.

For the convenience of readers, the accountants' review 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 accountants' review report and consolidated financial statements shall prevail.

ADVANCED SEMICONDUCTOR ENGINEERING, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

ASSETS	September 30, 2015 (Reviewed) NT$	%	December 31, 2014 (Audited after Adjusted) NT$	%	September 30, 2014 (Reviewed after Adjusted) NT$	%	Janauary 1, 2014 (Audited after Adjusted) NT$	%
CURRENT ASSETS								
Cash and cash equivalents (Notes 4 and 6)	$ 42,409,714	12	$ 51,694,410	16	$ 32,968,043	11	$ 45,026,371	16
Financial assets at fair value through profit or loss - current (Notes 4, 5 and 7)	3,142,231	1	4,988,843	2	3,762,000	1	2,764,269	1
Available-for-sale financial assets - current (Notes 4 and 8)	15,506	-	1,533,265	-	54,595	-	2,376,970	1
Trade receivables, net (Notes 4 and 9)	53,156,487	14	52,920,810	16	48,495,218	16	43,235,573	15
Other receivables (Note 4)	551,249	-	537,122	-	1,369,443	1	422,345	-
Current tax assets (Note 4)	166,615	-	65,312	-	139,320	-	150,596	-
Inventories (Notes 4, 5 and 10)	27,591,187	7	20,163,093	6	20,430,962	7	16,281,236	6
Inventories related to real estate business (Notes 4, 5, 11, 22 and 32)	25,114,779	7	23,986,478	7	21,833,041	7	18,589,255	6
Other financial assets - current (Notes 4 and 32)	1,928,146	1	638,592	-	667,924	-	278,375	-
Other current assets	3,095,559	1	3,427,265	1	3,505,562	1	3,051,492	1
Total current assets	157,171,473	43	159,955,190	48	133,226,108	44	132,176,482	46
NON-CURRENT ASSETS								
Available-for-sale financial assets - non-current (Notes 4 and 8)	904,795	-	941,105	-	1,015,106	-	1,140,329	-
Investments accounted for using the equity method (Notes 4 and 12)	36,981,863	10	1,492,441	1	1,459,813	1	1,216,201	1
Property, plant and equipment (Notes 4, 5, 13, 22, 31 and 33)	152,981,113	42	151,587,115	45	148,997,645	49	131,497,331	46
Goodwill (Notes 4, 5 and 14)	10,509,270	3	10,445,415	3	10,380,215	3	10,347,820	4
Other intangible assets (Notes 4, 5, 15 and 22)	1,449,287	-	1,467,871	1	1,500,061	1	1,605,824	1
Deferred tax assets (Notes 4 and 5)	5,128,646	1	4,506,972	1	3,995,167	1	3,783,265	1
Other financial assets - non-current (Notes 4 and 32)	343,516	-	367,345	-	381,322	-	354,993	-
Long-term prepayments for lease (Note 16)	2,610,187	1	2,585,964	1	2,496,273	1	4,072,281	1
Other non-current assets	371,586	-	635,350	-	1,283,086	-	637,163	-
Total non-current assets	211,280,263	57	174,029,578	52	171,508,688	56	154,655,207	54
TOTAL	$ 368,451,736	100	$ 333,984,768	100	$ 304,734,796	100	$ 286,831,689	100

(Continued)

ADVANCED SEMICONDUCTOR ENGINEERING, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

LIABILITIES AND EQUITY	September 30, 2015 (Reviewed) NT$	%	December 31, 2014 (Audited after Adjusted) NT$	%	September 30, 2014 (Reviewed after Adjusted) NT$	%	Janauary 1, 2014 (Audited after Adjusted) NT$	%
CURRENT LIABILITIES								
Short-term borrowings (Note 17)	$ 45,746,588	12	$ 41,176,033	12	$ 38,672,277	11	$ 44,618,195	16
Financial liabilities at fair value through profit or loss - current (Notes 4, 5 and 7)	2,605,077	1	2,651,352	1	2,438,102	1	1,853,304	1
Derivative financial liabilities for hedging - current (Notes 4 and 5)	-	-	-	-	-	-	3,310	-
Trade payables	39,699,655	11	35,411,281	11	34,881,941	9	28,988,976	10
Other payables (Note 19)	18,396,751	5	22,364,516	7	22,366,457	11	14,758,553	5
Current tax liabilities (Note 4)	3,828,439	1	4,150,036	1	3,300,057	1	3,000,869	1
Advance real estate receipts	2,234,716	1	480,325	-	235,529	-	19,248	-
Current portion of bonds payable (Notes 4 and 18)	2,578,343	1	-	-	-	-	731,438	-
Current portion of long-term borrowings (Notes 17 and 32)	2,025,374	-	2,831,007	1	3,223,327	2	5,276,206	2
Other current liabilities	2,799,082	1	2,134,917	1	2,032,013	1	1,585,177	-
Total current liabilities	119,914,025	33	111,199,467	34	107,149,703	36	100,835,276	35
NON-CURRENT LIABILITIES								
Bonds payable (Notes 4 and 18)	35,804,305	10	31,270,131	10	30,194,100	7	20,582,567	7
Long-term borrowings (Notes 17 and 32)	38,386,055	10	24,104,424	7	22,823,238	10	29,580,659	11
Deferred tax liabilities (Notes 4 and 5)	4,833,071	1	3,932,819	1	3,348,641	1	2,663,767	1
Long-term payables	-	-	-	-	-	-	894,150	-
Net defined benefit liabilities (Notes 3, 4 and 5)	4,429,291	1	4,382,530	1	4,524,575	2	4,545,960	2
Other non-current liabilities	801,769	-	657,392	-	634,555	-	651,171	-
Total non-current liabilities	84,254,491	22	64,347,296	19	61,525,109	20	58,918,274	21
Total liabilities	204,168,516	55	175,546,763	53	168,674,812	56	159,753,550	56
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 4 and 21)								
Share capital								
Ordinary shares	78,931,576	21	78,525,378	24	78,242,200	26	77,560,040	27
Shares subscribed in advance	209,602	-	189,801	-	596,110	-	620,218	-
Total share capital	79,141,178	21	78,715,179	24	78,838,310	26	78,180,258	27
Capital surplus	24,157,701	7	16,013,058	5	8,761,874	3	7,920,220	3
Retained earnings								
Legal reserve	12,649,145	3	10,289,878	3	10,289,878	3	8,720,971	3
Special reserve	3,353,938	1	3,353,938	1	3,353,938	1	3,663,930	2
Unappropriated earnings	35,277,587	10	38,737,422	12	30,879,069	10	26,521,201	9
Total retained earnings	51,280,670	14	52,381,238	16	44,522,885	14	38,906,102	14
Accumulated other comprehensive income	6,242,036	2	5,068,539	1	1,284,182	-	(102,616)	-
Treasury shares	(7,292,513)	(2)	(1,959,107)	(1)	(1,959,107)	(1)	(1,959,107)	(1)
Equity attributable to owners of the Company	153,529,072	42	150,218,907	45	131,448,144	42	122,944,857	43
NON-CONTROLLING INTERESTS (Notes 4 and 21)	10,754,148	3	8,219,098	2	4,611,840	2	4,133,282	1
Total equity	164,283,220	45	158,438,005	47	136,059,984	44	127,078,139	44
TOTAL	$ 368,451,736	100	$ 333,984,768	100	$ 304,734,796	100	$ 286,831,689	100

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)
(With Deloitte & Touche review report dated November 10, 2015)

ADVANCED SEMICONDUCTOR ENGINEERING, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars Except Earnings Per Share)
(Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2015		2014 (Adjusted)		2015		2014 (Adjusted)	
	NT$	%	NT$	%	NT$	%	NT$	%
OPERATING REVENUES (Note 4)	$ 72,870,404	100	$ 66,631,897	100	$ 207,754,374	100	$ 179,946,732	100
OPERATING COSTS (Notes 10, 20 and 22)	59,882,751	82	52,423,933	79	170,888,018	82	142,769,146	79
GROSS PROFIT	12,987,653	18	14,207,964	21	36,866,356	18	37,177,586	21
OPERATING EXPENSES (Notes 20 and 22)								
Selling and marketing expenses	923,927	1	823,595	1	2,675,081	1	2,461,479	2
General and administrative expenses	2,837,288	4	2,734,852	4	7,983,571	4	7,395,702	4
Research and development expenses	2,844,445	4	2,550,364	4	8,124,096	4	7,521,084	4
Total operating expenses	6,605,660	9	6,108,811	9	18,782,748	9	17,378,265	10
PROFIT FROM OPERATIONS	6,381,993	9	8,099,153	12	18,083,608	9	19,799,321	11
NON-OPERATING INCOME AND EXPENSES								
Other income (Note 22)	127,357	-	209,129	1	425,648	-	465,649	-
Other gains (Note 22)	1,845,931	3	852,981	1	1,926,825	1	532,191	1
Finance costs (Note 22)	(574,414)	(1)	(569,663)	(1)	(1,698,197)	(1)	(1,746,022)	(1)
Share of the profit or loss of associates (Note 4)	29,322	-	13,436	-	(21,268)	-	(81,391)	-
Total non-operating income and expenses	1,428,196	2	505,883	1	633,008	-	(829,573)	-
PROFIT BEFORE INCOME TAX EXPENSE	7,810,189	11	8,605,036	13	18,716,616	9	18,969,748	11
INCOME TAX EXPENSE (Notes 4, 5 and 23)	1,127,308	2	1,240,325	2	3,579,664	2	2,791,744	2
NET PROFIT FOR THE PERIOD	6,682,881	9	7,364,711	11	15,136,952	7	16,178,004	9
OTHER COMPREHENSIVE INCOME (LOSS)								
Items that may be reclassified subsequently to profit or loss								
Exchange differences on translating foreign operations	4,553,560	6	1,437,910	2	1,369,632	1	1,309,349	1
Unrealized gain (loss) on available-for -sale financial assets	18,411	-	(58,068)	-	(22,413)	-	(54,657)	-
Cash flow hedges	-	-	-	-	-	-	3,279	-
Share of other comprehensive income (loss) of associates accounted for using the equity method	(145,624)	-	(77,286)	-	(62,823)	-	174,162	-
Other comprehensive income for the period, net of income tax	4,426,347	6	1,302,556	2	1,284,396	1	1,432,133	1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	$ 11,109,228	15	$ 8,667,267	13	$ 16,421,348	8	$ 17,610,137	10

(Continued)

ADVANCED SEMICONDUCTOR ENGINEERING, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars Except Earnings Per Share)
(Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2015		2014 (Adjusted)		2015		2014 (Adjusted)	
	NT$	%	NT$	%	NT$	%	NT$	%
NET PROFIT ATTRIBUTABLE TO:								
Owners of the Company	$ 6,368,622	9	$ 7,216,709	11	$ 14,489,257	7	$ 15,772,788	9
Non-controlling interests	314,259	-	148,002	-	647,695	-	405,216	-
	$ 6,682,881	9	$ 7,364,711	11	$ 15,136,952	7	$ 16,178,004	9
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Company	$ 10,528,507	14	$ 8,457,047	13	$ 15,662,754	8	$ 17,159,586	10
Non-controlling interests	580,721	1	210,220	-	758,594	-	450,551	-
	$ 11,109,228	15	$ 8,667,267	13	$ 16,421,348	8	$ 17,610,137	10
EARNINGS PER SHARE (Note 24)								
Basic	$ 0.83		$ 0.94		$ 1.89		$ 2.05	
Diluted	$ 0.69		$ 0.82		$ 1.76		$ 1.98	

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

(With Deloitte & Touche review report dated November 10, 2015)

ADVANCED SEMICONDUCTOR ENGINEERING, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Equity Attributable to Owners of the Company														
	Share Capital			Retained Earnings				Accumulated Other Comprehensive Income							
	Shares (In Thousands)	Amounts	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translating Foreign Operations	Unrealized Gain on Available-for-sale Financial Assets	Cash Flow Hedges	Total	Treasury Shares	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2014	7,787,827	$ 78,180,258	$ 7,908,870	$ 8,720,971	$ 3,663,930	$ 26,608,253	$ 38,993,154	$ (525,521)	$ 426,246	$ (3,279)	$ (102,554)	$ (1,959,107)	$ 123,020,621	$ 4,144,338	$ 127,164,959
Effect of retrospective application	-	-	11,350	-	-	(87,052)	(87,052)	(62)	-	-	(62)	-	(75,764)	(11,056)	(86,820)
ADJUSTED BALANCE AT JANUARY 1, 2014	7,787,827	78,180,258	7,920,220	8,720,971	3,663,930	26,521,201	38,906,102	(525,583)	426,246	(3,279)	(102,616)	(1,959,107)	122,944,857	4,133,282	127,078,139
Change in capital surplus from investments in associates accounted for using the equity method	-	-	26,884	-	-	-	-	-	-	-	-	-	26,884	-	26,884
Net profit for the nine months ended September 30, 2014 (After Adjusted)	-	-	-	-	-	15,772,788	15,772,788	-	-	-	-	-	15,772,788	405,216	16,178,004
Other comprehensive income for the nine months ended September 30, 2014, net of income tax (After Adjusted)	-	-	-	-	-	-	-	1,264,681	118,838	3,279	1,386,798	-	1,386,798	45,335	1,432,133
Total comprehensive income for the nine months ended September 30, 2014 (After Adjusted)	-	-	-	-	-	15,772,788	15,772,788	1,264,681	118,838	3,279	1,386,798	-	17,159,586	450,551	17,610,137
Appropriation of 2013 earnings															
Legal reserve	-	-	-	1,568,907	-	(1,568,907)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	(309,992)	309,992	-	-	-	-	-	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(10,156,005)	(10,156,005)	-	-	-	-	-	(10,156,005)	-	(10,156,005)
	-	-	-	1,568,907	(309,992)	(11,414,920)	(10,156,005)	-	-	-	-	-	(10,156,005)	-	(10,156,005)
Issue of dividends received by subsidiaries from the Company	-	-	188,790	-	-	-	-	-	-	-	-	-	188,790	-	188,790
Issue of ordinary shares under employee share options	65,213	658,052	625,980	-	-	-	-	-	-	-	-	-	1,284,032	-	1,284,032
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(85,766)	(85,766)
Additional non-controlling interest arising on issue of employee share options by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	113,773	113,773
ADJUSTED BALANCE AT SEPTEMBER 30, 2014	7,853,040	$ 78,838,310	$ 8,761,874	$ 10,289,878	$ 3,353,938	$ 30,879,069	$ 44,522,885	$ 739,098	$ 545,084	$ -	$ 1,284,182	$ (1,959,107)	$ 131,448,144	$ 4,611,840	$ 136,059,984
BALANCE AT JANUARY 1, 2015	7,861,725	$ 78,715,179	$ 15,995,671	$ 10,289,878	$ 3,353,938	$ 38,753,462	$ 52,397,278	$ 4,541,153	$ 526,778	$ -	$ 5,067,931	$ (1,959,107)	$ 150,216,952	$ 8,219,139	$ 158,436,091
Effect of retrospective application	-	-	17,387	-	-	(16,040)	(16,040)	608	-	-	608	-	1,955	(41)	1,914
ADJUSTED BALANCE AT JANUARY 1, 2015	7,861,725	78,715,179	16,013,058	10,289,878	3,353,938	38,737,422	52,381,238	4,541,761	526,778	-	5,068,539	(1,959,107)	150,218,907	8,219,098	158,438,005
Equity component of convertible bonds issued by the Company (Note 18)	-	-	214,022	-	-	-	-	-	-	-	-	-	214,022	-	214,022
Change in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	3,362	-	-	-	-	-	-	-	-	-	3,362	-	3,362
Net profit for the nine months ended September 30, 2015	-	-	-	-	-	14,489,257	14,489,257	-	-	-	-	-	14,489,257	647,695	15,136,952
Other comprehensive income (loss) for the nine months ended September 30, 2015, net of income tax	-	-	-	-	-	-	-	1,262,027	(88,530)	-	1,173,497	-	1,173,497	110,899	1,284,396
Total comprehensive income (loss) for the nine months ended September 30, 2015	-	-	-	-	-	14,489,257	14,489,257	1,262,027	(88,530)	-	1,173,497	-	15,662,754	758,594	16,421,348
Appropriation of 2014 earnings															
Legal reserve	-	-	-	2,359,267	-	(2,359,267)	-	-	-	-	-	-	-	-	-
Cash dividends declared by the Company	-	-	-	-	-	(15,589,825)	(15,589,825)	-	-	-	-	-	(15,589,825)	-	(15,589,825)
	-	-	-	2,359,267	-	(17,949,092)	(15,589,825)	-	-	-	-	-	(15,589,825)	-	(15,589,825)
Acquisition of treasury shares	-	-	-	-	-	-	-	-	-	-	-	(5,333,406)	(5,333,406)	-	(5,333,406)

(Continued)

ADVANCED SEMICONDUCTOR ENGINEERING, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	Equity Attributable to Owners of the Company														
								Accumulated Other Comprehensive Income							
	Share Capital			Retained Earnings											
	Shares (In Thousands)	Amounts	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translating Foreign Operations	Unrealized Gain on Available-for-sale Financial Assets	Cash Flow Hedges	Total	Treasury Shares	Total	Non-controlling Interests	Total Equity
Spin-off of subsidiaries	-	-	(3,500)	-	-	-	-	-	-	-	-	-	(3,500)	3,500	-
Issue of ordinary shares under employee share options	41,518	425,999	440,933	-	-	-	-	-	-	-	-	-	866,932	-	866,932
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(232,148)	(232,148)
Additional non0controlling interest arising on issue of employee share options by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	292,233	292,233
BALANCE SEPTEMBER 30, 2015	7,903,243	$ 79,141,178	$ 24,159,915	$ 12,649,145	$ 3,353,938	$ 33,556,889	$ 49,559,972	$ 5,802,887	$ 438,248	$ -	$ 6,241,135	($ (7,292,513)	$ 151,809,687	$ 10,738,994	$ 162,548,681
US DOLLARS (Note 4)															
BALANCE AT SEPTEMBER 30, 2015	-	$ 2,399,672	$ 732,563	$ 383,540	$ 101,696	$ 1,017,492	$ 1,502,728	$ 175,952	$ 13,288	$ -	$ 189,240	($ (221,119)	$ 4,603,084	$ 325,621	$ 4,928,705

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

(With Deloitte & Touche review report dated November 10, 2015)

ADVANCED SEMICONDUCTOR ENGINEERING, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2015	2014 (Adjusted)
	NT$	NT$
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	$ 18,716,616	$ 18,969,748
Adjustments for:		
Depreciation expense	21,750,748	18,917,510
Amortization expense	421,472	396,642
Net gain on fair value change of financial assets and liabilities at fair value through profit or loss	(3,196,273)	(667,028)
Interest expense	1,681,237	1,723,479
Interest income	(192,162)	(188,675)
Dividend income	(74,374)	(88,574)
Compensation cost of employee share options	35,919	83,817
Share of loss of associates	21,268	81,391
Impairment loss recognized on non-financial assets	154,815	812,003
Net loss on foreign currency exchange	1,383,924	509,107
Others	928,769	703,943
Changes in operating assets and liabilities		
Financial assets held for trading	3,025,524	359,875
Trade receivables	(257,928)	(5,259,976)
Other receivables	60,383	(804,691)
Inventories	(8,570,434)	(6,269,002)
Other current assets	150,732	(391,366)
Financial liabilities held for trading	(1,148,709)	(336,446)
Trade payables	4,288,374	5,892,965
Other payables	(1,942,685)	1,942,223
Other current liabilities	2,068,894	436,313
Other operating activities items	190,377	(588,529)
	39,496,487	36,234,729
Interest received	182,419	176,231
Dividend received	74,374	88,574
Interest paid	(1,713,548)	(1,505,070)
Income tax paid	(3,735,975)	(2,008,308)
Net cash generated from operating activities	34,303,757	32,986,156
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets designated as at fair value through profit or loss	(81,789,096)	(83,622,451)
Proceeds on sale of financial assets designated as at fair value through profit or loss	84,672,199	83,882,866
Purchase of available-for-sale financial assets	(469,291)	(2,065,428)
Proceeds on sale of available-for-sale financial assets	1,972,254	4,350,752

(Continued)

ADVANCED SEMICONDUCTOR ENGINEERING, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)
(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2015	2014 (Adjusted)
	NT$	NT$
Cash received from return of capital by available-for-sale financial assets	$ 30,545	$ 20,411
Acquisition of associates and joint ventures	(35,673,097)	(100,000)
Payments for property, plant and equipment	(24,695,271)	(31,962,979)
Proceeds from disposal of property, plant and equipment	213,284	269,208
Payments for intangible assets	(393,507)	(299,132)
Increase in other financial assets	(1,265,725)	(415,878)
Increase in other non-current assets	(294,186)	(393,429)
Net cash used in investing activities	(57,691,891)	(30,336,060)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from (repayment of) short-term borrowings	4,148,082	(6,440,272)
Proceeds from issue of bonds	6,136,425	8,888,562
Repayment of bonds payable	-	(729,790)
Proceeds from long-term borrowings	29,382,813	19,563,383
Repayment of long-term borrowings	(16,649,534)	(28,702,253)
Dividends paid	(15,297,474)	(9,967,215)
Proceeds from exercise of employee share options	854,609	1,313,988
Payments for acquisition of treasury shares	(5,333,406)	-
Proceeds from partial disposal of interests in subsidiaries	8,910,346	-
Incease (decrease) in non-controlling interests	36,517	(85,766)
Other financing activities items	(1,035)	(2,913)
Net cash generated from (used in) financing activities	12,187,343	(16,162,276)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS	1,916,095	1,453,852
NET DECREASE IN CASH AND CASH EQUIVALENTS	(9,284,696)	(12,058,328)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	51,694,410	45,026,371
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	$ 42,409,714	$ 32,968,043

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)
(With Deloitte & Touche review report dated November 10, 2015)

1. GENERAL INFORMATION

Advanced Semiconductor Engineering, Inc. (the "Company"), a corporation incorporated in Nantze Export Processing Zone under the laws of Republic of China (the "ROC"). In August 2004, the Company merged its subsidiaries, ASE (Chung Li) Inc. and ASE Material Inc., and established Chung-Li Branch. In August 2006, the Company spun-off and assigned its substrate production business to ASE Electronics Inc. In January 2011, the Company established Nan-Tou Branch. In May 2012, the Company merged its subsidiary, PowerASE Technology, Inc. In August 2013, the Company merged its subsidiary, Yang Ting Tech Co., Ltd. The Company and its subsidiaries (collectively referred to as the "Group") offer a comprehensive range of semiconductors packaging, testing, and electronic manufacturing services ("EMS").

Since July 1989, the Company's ordinary shares have been listed on the Taiwan Stock Exchange (the "TSE") under the symbol "2311". Since September 2000, the Company's ordinary shares of the Company have been traded on the New York Stock Exchange (the "NYSE") under the symbol "ASX" in the form of American Depositary Shares ("ADS"). The ordinary shares of its subsidiary, Universal Scientific Industrial (Shanghai) Co., Ltd. (the "USISH"), have been listed on the Shanghai Stock Exchange (the "SSE") under the symbol "601231" since February 2012.

The functional currency of the Company and the reporting currency of the consolidated financial statements are both New Taiwan dollar (NT$).

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were authorized for issue by board of directors on November 10, 2015.

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

a. Initial application of 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

   Rule No. 1030029342 and Rule No. 1030010325 issued by the FSC on April 3, 2014, stipulated that the Group should apply the 2013 version of IFRS, IAS, IFRIC and SIC (collectively, the "IFRSs") endorsed by the FSC and the related amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers starting January 1, 2015.

   Except for the following, whenever applied, the initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the 2013 version of IFRSs would not have any material impact on the Group's accounting policies:

1) 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.

2) 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 by the previous 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. Refer to Note 30 for related disclosures.

3) Amendments to IAS 1 "Presentation of Items of Other Comprehensive Income"

The amendments 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 Group retrospectively applied the above amendments starting in 2015. Items that will not be reclassified subsequently to profit or loss are remeasurements of the defined benefit plans and share of remeasurements of the defined benefit plans of associates accounted for using the equity method. Items that may be reclassified to profit or loss are the exchange differences on translating foreign operations, unrealized gain (loss) on available-for-sale financial assets, cash flow hedges, and share of the other comprehensive income (except the share of the remeasurements of the defined benefit plans) of associates accounted for using the equity method. However, the application of the above amendments will not have any impact on the net profit, other comprehensive income (net of income tax), and total comprehensive income for the period.

4) 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 eliminates the "corridor approach" permitted under current IAS 19 and accelerate the recognition of past service costs. The revision requires all remeasurements of the defined benefit plans 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. Remeasurement of the defined benefit plans is presented separately as other equity.

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, the changes in cumulative employee benefit costs as of January 1, 2014 resulting from the retrospective application are adjusted to net defined benefit liabilities, deferred tax assets, capital surplus, retained earnings, other equity and non-controlling interests; however, the carrying amount of inventory is not adjusted. In addition, in preparing the consolidated financial statements for the year ended December 31, 2015, the Group elects not to present 2014 comparative information about the sensitivity analysis of the defined benefit obligation.

The initial application of the revised IAS 19 has no material impact on the current period. The impact on the prior reporting periods is set out below:

	As Originally Stated	Adjustments Arising from Retrospective Application	Adjusted
Impact on Assets, Liabilities and Equity			
December 31, 2014			
Deferred tax assets	$ 4,493,664	$ 13,308	$ 4,506,972
Net defined benefit liabilities	4,371,136	11,394	4,382,530
Capital surplus	15,995,671	17,387	16,013,058
Retained earnings	52,397,278	(16,040)	52,381,238
Other equity	5,067,931	608	5,068,539
Non-controlling interests	8,219,139	(41)	8,219,098
September 30, 2014			
Deferred tax assets	3,987,046	8,121	3,995,167
Net defined benefit liabilities	4,465,529	59,046	4,524,575
Capital surplus	8,750,524	11,350	8,761,874
Retained earnings	44,574,096	(51,211)	44,522,885
Other equity	1,284,244	(62)	1,284,182
Non-controlling interests	4,622,842	(11,020)	4,611,840
January 1, 2014			
Deferred tax assets	3,765,482	17,783	3,783,265
Net defined benefit liabilities	4,441,357	104,603	4,545,960
Capital surplus	7,908,870	11,350	7,920,220
Retained earnings	38,993,154	(87,052)	38,906,102
Other equity	(102,554)	(62)	(102,616)
Non-controlling interests	4,144,338	(11,056)	4,133,282
Impact on Total Comprehensive Income			
For the three months ended September 30, 2014			
Operating cost	52,434,333	(10,400)	52,423,933
Operating expense	6,113,665	(4,854)	6,108,811
Income tax expense	1,237,088	3,237	1,240,325
Net profit for the period	7,352,694	12,017	7,364,711
Items that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations	1,439,183	(1,273)	1,437,910
Total comprehensive income for the period	8,656,523	10,744	8,667,267

(Continued)

	As Originally Stated	Adjustments Arising from Retrospective Application	Adjusted
Net profit attributable to:			
Owners of the Company	$ 7,204,710	$ 11,999	$ 7,216,709
Non-controlling interests	147,984	18	148,002
	$ 7,352,694	$ 12,017	$ 7,364,711
Total comprehensive income attributable to:			
Owners of the Company	$ 8,446,321	$ 10,726	$ 8,457,047
Non-controlling interests	210,202	18	210,220
	$ 8,656,523	$ 10,744	$ 8,667,267
For the nine months ended September, 2014			
Operating cost	$ 142,800,206	$ (31,060)	$ 142,769,146
Operating expense	17,392,762	(14,497)	17,378,265
Income tax expense	2,782,082	9,662	2,791,744
Net profit for the period	16,142,109	35,895	16,178,004
Items that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations	1,309,349	-	1,309,349
Total comprehensive income for the period	17,574,242	35,895	17,610,137
Net profit attributable to:			
Owners of the Company	$ 15,736,947	$ 35,841	$ 15,772,788
Non-controlling interests	405,162	54	405,216
	$ 16,142,109	$ 35,895	$ 16,178,004
Total comprehensive income attributable to:			
Owners of the Company	$ 17,123,745	$ 35,841	$ 17,159,586
Non-controlling interests	450,497	54	450,551
	$ 17,574,242	$ 35,895	$ 17,610,137

Impact on Earnings Per Share			
For the three months ended September 30, 2014			
Basic	$ 0.94	$ -	$ 0.94
Diluted	$ 0.82	$ -	$ 0.82

(Continued)

	As Originally Stated	Adjustments Arising from Retrospective Application	Adjusted
For the nine months ended September 30, 2014			
Basic	$ 2.05	$ -	$ 2.05
Diluted	$ 1.98	$ -	$ 1.98

(Concluded)

5) Annual Improvements to IFRSs: 2009-2011 Cycle

Several standards including IFRS 1 “First-time Adoption of International Financial Reporting Standards”, IAS 1 “Presentation of Financial Statements”, IAS 16 “Property, Plant and Equipment”, IAS 32 “Financial Instruments: Presentation” and IAS 34 “Interim Financial Reporting” were amended in this annual improvement.

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.

The initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the 2013 version of IFRSs in 2015 has material effect on the consolidated balance sheet as of January 1, 2014. In preparing the consolidated financial statements for the year ended December 31, 2015, the Group would present the consolidated balance sheet as of January 1, 2014 in accordance of the above amendments to IAS 1 and disclose related information in accordance with IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”, but the Group is not required to make disclosures about the line items of the balance sheet as of January 1, 2014.

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

The Group 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 or transactions on or after July 1, 2014
Annual Improvements to IFRSs 2011-2013 Cycle	July 1, 2014
Annual Improvements to IFRSs 2012-2014 Cycle	January 1, 2016 (Note 2)
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 3)

(Continued)

New IFRSs	Effective Date Announced by IASB (Note 1)
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, 2018
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

(Concluded)

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 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 3: Prospectively applicable to transactions occurring in annual periods beginning on or after January 1, 2016.

The initial application of the above New IFRSs, whenever applied, would not have any material impact on the Group's accounting policies, except for the following:

1) IFRS 9 "Financial Instruments"

Recognition and measurement of financial assets

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 Group's 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 the collecting of contractual cash flows and the selling of 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 Group 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. No subsequent impairment assessment is required, and the cumulative gain or loss previously recognized in other comprehensive income cannot be reclassified from equity to profit or loss.

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 and is not low. 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 Group 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.

Hedge accounting

The main changes in hedge accounting amended the application requirements for hedge accounting to better reflect the entity's risk management activities. Compared with IAS 39, the main changes include: (1) enhancing types of transactions eligible for hedge accounting, specifically broadening the risk eligible for hedge accounting of non-financial items; (2) changing the way hedging derivative instruments are accounted for to reduce profit or loss volatility; and (3) replacing retrospective effectiveness assessment with the principle of economic relationship between the hedging instrument and the hedged item.

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 Group 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) 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, the Group 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.

4) 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 Group sells or contributes assets that constitute a business (as defined in IFRS 3) to an associate or joint venture, the gain or loss resulting from the transaction is recognized in full. Also, when the Group 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 Group sells or contributes assets that do not constitute a business to an associate or joint venture, the gain or loss resulting from the transaction is recognized only to the extent of the unrelated investors' interest in the associate or joint venture, i.e. the entity's share of the gain or loss is eliminated. Also, when the Group 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 or joint venture, i.e. the entity's share of the gain or loss is eliminated.

5) 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 impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group's financial position and results of operations, and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of Compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 "Interim Financial Reporting" as endorsed by the FSC. Disclosure information included in these interim financial statements is less than the disclosure information required in a complete set of annual financial statements.

b. Basis of consolidation

Subsidiaries included in these interim consolidated financial statements were as follows:

Name of Investee	Main Businesses	Establishment and Operating Location	Percentage of Ownership (%) September 30, 2015	December 31, 2014	September 30, 2014
A.S.E. Holding Limited	Holding company	Bermuda	100.0	100.0	100.0
J & R Holding Limited ("J&R Holding")	Holding company	Bermuda	100.0	100.0	100.0
Innosource Limited	Holding company	British Virgin Islands	100.0	100.0	100.0
Omniquest Industrial Limited	Holding company	British Virgin Islands	100.0	100.0	100.0
ASE Marketing & Service Japan Co., Ltd.	Engaged in marketing and sales services	Japan	100.0	100.0	100.0
ASE Test, Inc.	Engaged in the testing of semiconductors	Kaohsiung, ROC	100.0	100.0	100.0
Universal Scientific Industrial Co., Ltd. ("USI")	Engaged in the manufacturing, processing and sale of computers, computer peripherals and related accessories	Nantou, ROC	99.0	99.2	99.2
USI Inc. ("USIINC")	Engaged in investing activity and established in April 2015	Nantou, ROC	99.2	-	-
Luchu Development Corporation	Engaged in the development of real estate properties	Taipei, ROC	86.1	86.1	86.1
Alto Enterprises Limited	Holding company	British Virgin Islands	100.0	100.0	100.0
Super Zone Holdings Limited	Holding company	Hong Kong	100.0	100.0	100.0
ASE (Kun Shan) Inc.	Engaged in the packaging and testing of semiconductors	Kun Shan, China	100.0	100.0	100.0
ASE Investment (Kun Shan) Limited	Holding company	Kun Shan, China	100.0	100.0	100.0
Advanced Semiconductor Engineering (China) Ltd.	Will engage in the packaging and testing of semiconductors	Shanghai, China	100.0	100.0	100.0
ASE Investment (Labuan) Inc.	Holding company	Malaysia	100.0	100.0	100.0
ASE Test Limited ("ASE Test")	Holding company	Singapore	100.0	100.0	100.0
ASE (Korea) Inc.	Engaged in the packaging and testing of semiconductors	Korea	100.0	100.0	100.0
J&R Industrial Inc.	Engaged in leasing equipment and investing activity	Kaohsiung, ROC	100.0	100.0	100.0
ASE Japan Co., Ltd.	Engaged in the packaging and testing of semiconductors	Japan	100.0	100.0	100.0
ASE (U.S.) Inc. ("ASE US")	After-sales service and sales support	U.S.A.	100.0	100.0	100.0
Global Advanced Packaging Technology Limited, Cayman Islands	Holding company	British Cayman Islands	100.0	100.0	100.0
ASE WeiHai Inc.	Engaged in the packaging and testing of semiconductors	Shandong, China	100.0	100.0	100.0
Suzhou ASEN Semiconductors Co., Ltd.	Engaged in the packaging and testing of semiconductors	Suzhou, China	60.0	60.0	60.0
Anstock Limited	Engaged in financing activity	British Cayman Islands	100.0	100.0	100.0
Anstock II Limited	Engaged in financing activity and established in July 2014	British Cayman Islands	100.0	100.0	100.0
ASE Module (Shanghai) Inc.	Will engage in the production and sale of electronic components and printed circuit boards	Shanghai, China	100.0	100.0	100.0
ASE (Shanghai) Inc.	Engaged in the production of substrates	Shanghai, China	100.0	100.0	100.0
ASE Corporation	Holding company	British Cayman Islands	100.0	100.0	100.0
ASE Mauritius Inc.	Holding company	Mauritius	100.0	100.0	100.0
ASE Labuan Inc.	Holding company	Malaysia	100.0	100.0	100.0

(Continued)

Name of Investee	Main Businesses	Establishment and Operating Location	Percentage of Ownership (%) September 30, 2015	December 31, 2014	September 30, 2014
Shanghai Ding Hui Real Estate Development Co., Ltd.	Engaged in the development, construction and sale of real estate properties	Shanghai, China	100.0	100.0	100.0
Shanghai Ding Qi Property Management Co., Ltd.	Engaged in the management of real estate properties and was established in January 2015	Shanghai, China	100.0	-	-
Advanced Semiconductor Engineering (HK) Limited	Engaged in the trading of substrates	Hong Kong	100.0	100.0	100.0
Shanghai Ding Wei Real Estate Development Co., Ltd. ("DW")	Engaged in the development, construction and leasing of real estate properties	Shanghai, China	100.0	100.0	100.0
Shanghai Ding Yu Real Estate Development Co., Ltd.	Engaged in the development, construction and leasing of real estate properties	Shanghai, China	100.0	100.0	100.0
Kun Shan Ding Yue Real Estate Development Co., Ltd.	Engaged in the development, construction and leasing of real estate properties	Kun Shan, China	100.0	100.0	100.0
Kun Shan Ding Hong Real Estate Development Co., Ltd.	Engaged in the development, construction and leasing of real estate properties	Kun Shan, China	100.0	100.0	100.0
ASE Electronics Inc.	Engaged in the production of substrates	Kaohsiung, ROC	100.0	100.0	100.0
ASE Test Holdings, Ltd.	Holding company	British Cayman Islands	100.0	100.0	100.0
ASE Holdings (Singapore) Pte. Ltd.	Holding company	Singapore	100.0	100.0	100.0
ASE Test Finance Limited	Liquidated in July 2015	Mauritius	-	100.0	100.0
ASE Singapore Pte. Ltd.	Engaged in the packaging and testing of semiconductors	Singapore	100.0	100.0	100.0
ISE Labs, Inc.	Engaged in the testing of semiconductors	U.S.A.	100.0	100.0	100.0
ASE Electronics (M) Sdn. Bhd.	Engaged in the packaging and testing of semiconductors	Malaysia	100.0	100.0	100.0
ASE Assembly & Test (Shanghai) Limited	Engaged in the packaging and testing of semiconductors	Shanghai, China	100.0	100.0	100.0
ASE Trading (Shanghai) Ltd.	Engaged in trading activity and was invested by ASE Assembly & Test (Shanghai) Limited in January 2015	Shanghai, China	100.0	-	-
Wuxi Tongzhi Microelectronics Co., Ltd.	Engaged in the packaging and testing of semiconductors	Wuxi, China	100.0	100.0	100.0
Huntington Holdings International Co., Ltd.	Holding company	British Virgin Islands	99.2	99.2	99.2
Senetex Investment Co., Ltd.	In the process of liquidation	Nantou, ROC	99.2	99.2	99.2
Unitech Holdings International Co., Ltd.	Holding company	British Virgin Islands	99.2	99.2	99.2
Real Tech Holdings Limited	Holding company	British Virgin Islands	99.2	99.2	99.2
Universal ABIT Holding Co., Ltd.	In the process of liquidation	British Cayman Islands	99.2	99.2	99.2
Rising Capital Investment Limited	Holding company	British Virgin Islands	99.2	99.2	99.2
Rise Accord Limited	Holding company	British Virgin Islands	99.2	99.2	99.2
Cubuy Corporation	Liquidated in July 2015	Shanghai, China	-	99.2	99.2
Universal Scientific Industrial (Kunshan) Co., Ltd.	Engaged in the manufacturing and sale of computer assistance system and related peripherals	Kun Shan, China	99.2	99.2	99.2
USI Enterprise Limited ("USIE")	Engaged in the services of investment advisory and warehousing management	Hong Kong	98.7	98.7	98.7
Universal Scientific Industrial (Shanghai) Co., Ltd. ("USISH")	Engaged in the designing, manufacturing and sale of electronic components	Shanghai, China	77.2	82.1	88.3
Universal Global Technology Co., Limited	Holding company	Hong Kong	77.2	82.1	88.3
Universal Global Technology (Kunshan) Co., Ltd.	Engaged in the designing and manufacturing of electronic components	Kun Shan, China	77.2	82.1	88.3
Universal Global Technology (Shanghai) Co., Ltd.	Engaged in the processing and sales of computer and communication peripherals as well as business in import and export of goods and technology	Shanghai, China	77.2	82.1	88.3

(Continued)

Name of Investee	Main Businesses	Establishment and Operating Location	Percentage of Ownership (%) September 30, 2015	December 31, 2014	September 30, 2014
Universal Global Electronics (Shanghai) Co., Ltd.	Engaged in the sale of electronic components and telecommunications equipment	Shanghai, China	77.2	82.1	88.3
Universal Global Industrial Co., Limited	Engaged in manufacturing, trading and investing activity	Hong Kong	77.2	82.1	88.3
Universal Global Scientific Industrial Co., Ltd.	Engaged in the manufacturing of components of telecomm and cars and provision of related R&D services	Nantou, ROC	77.2	82.1	88.3
USI America Inc.	Engaged in the manufacturing and processing of motherboards and wireless network communication and provision of related technical service. The name was changed from USI Manufacturing Service Inc. to USI America Inc. in May, 2015	U.S.A.	77.2	82.1	88.3
Universal Scientific Industrial De Mexico S.A. De C.V.	Engaged in the assembling of motherboards and computer components	Mexico	77.2	82.1	88.3
USI Japan Co., Ltd.	Engaged in the manufacturing and sale of computer peripherals, integrated chip and other related accessories	Japan	77.2	82.1	88.3
USI@Work, Inc.	Merged into USI America Inc. in August 2015	U.S.A.	-	82.1	88.3
USI Electronics (Shenzhen) Co., Ltd.	Engaged in the design, manufacturing and sale of motherboards and computer peripherals	Shenzhen, China	77.2	82.1	88.3

(Concluded)

1) To enhance operational flexibility via structural adjustments, the board of directors of the Company’s subsidiary, USI, approved in January 2015 the spin-off of its investment business as well as capital reduction of NT$16,012,966 thousand by reducing 1,601,297 thousand shares (a reduction ratio of 97.56%), and would transfer its investment business to USIINC, a newly established business entity. The record date of the spin-off was April 1, 2015. USI completed the registration process of capital reduction on April 17, 2015, and USIINC also completed the registration of the incorporation on the same date. Based on the consideration of the business value to be spun-off by USI, USIINC issued 1,000,000 thousand new ordinary shares to the shareholders of USI. Based on the shareholdings on the record date of the spin-off, the shareholders of USI received 609.27 shares of USIINC’s ordinary share in exchange of each 1,000 shares of USI’s ordinary share. After the spin-off, the Group has control over both USI and USIINC, and the spin-off did not have material impact on the financial position and business operation of the Group.

2) To consolidate the Group’s EMS upstream and downstream business resources, the board of directors approved in September 2015 the disposal of the Company’s 39,603 thousand shares in USI to the Company’s subsidiary, UGTW, at NT$20 per share. Total consideration is NT$792,064 thousand. The transaction price is based on the net value per share of USI's audited financial statement as of June 30, 2015. The proposed transaction is currently being reviewed by the Investment Commission of the ROC as of September 30, 2015.

c. Other significant accounting policies

The same accounting policies of these consolidated financial statements have been followed as were applied in the preparation of the Group’s consolidated financial statements for the year ended December 31, 2014, except for those described below:

1) Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Joint venture is a joint arrangement whereby the Group and other parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group uses the equity method to account for its investments in associates and joint ventures.

Under the equity method, investments in an associate and a joint venture are initially recognized at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate and joint venture. The Group also recognizes the changes in the Group's share of equity of associates and joint venture.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate or a joint venture at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment and is not amortized.

Gains and losses resulting from upstream, downstream and sidestream transactions between the Group (including its consolidated subsidiaries) and its associate and joint venture are recognized in the Group' consolidated financial statements only to the extent of unrelated the Group's interests in the associate and the joint venture.

2) Convertible bonds

a) Convertible bonds contain conversion option classified as an equity

The component parts of compound instruments (convertible bonds) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

On initial recognition, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or the instrument's maturity date. Any embedded derivative liability is measured at fair value.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to capital surplus - share premium. When the conversion option remains unexercised at maturity, the balance recognized in equity will be transferred to capital surplus - share premium.

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component.

b) Convertible bonds contain conversion option classified as a liability

The conversion options component of the convertible bonds issued by the Group that will be settled other than by the exchange of a fixed amount of cash or other financial asset for a fixed number of the Group's own equity instruments is classified as derivative financial liabilities.

On initial recognition, the derivative financial liabilities component of the convertible bonds is recognized at fair value, and the initial carrying amount of the component of non-derivative financial liabilities is determined by deducting the amount of derivative financial liabilities from the fair value of the hybrid instrument as a whole. In subsequent periods, the non-derivative financial liabilities component of the convertible bonds is measured at amortized cost using the effective interest method. The derivative financial liabilities component is measured at fair value and the changes in fair value are recognized in profit or loss.

Transaction costs that relate to the issue of the convertible bonds are allocated to the derivative financial liabilities component and the non-derivative financial liabilities component in proportion to their relative fair values. Transaction costs relating to the derivative financial liabilities component are recognized immediately in profit or loss. Transaction costs relating to the non-derivative financial liabilities component are included in the carrying amount of the liability component.

3) Retirement benefits

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 past 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 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 Group’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

4) Taxation

Income tax expense represents 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.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

	September 30, 2015	December 31, 2014	September 30, 2014
	NT$	NT$	NT$
Cash on hand	$ 8,828	$ 9,953	$ 10,140
Checking accounts and demand deposits	33,144,463	43,059,911	22,458,874
Cash equivalent	9,256,423	8,624,546	10,499,029
	$ 42,409,714	$ 51,694,410	$ 32,968,043

Cash equivalents include time deposits that are of a short maturity of three months or less from the date of acquisitions, and are highly liquid, readily convertible to known amounts in cash and the risk of changes in values is insignificant. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investments or other purposes.

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	September 30, 2015	December 31, 2014	September 30, 2014
	NT$	NT$	NT$
Financial assets designated as at FVTPL			
Private-placement convertible bonds	$ 100,500	$ 100,500	$ 100,500
Structured time deposits	-	2,376,050	2,284,213
	100,500	2,476,550	2,384,713
Financial assets held for trading			
Swap contracts	2,398,880	1,907,705	790,532
Open-end mutual funds	558,437	533,425	532,154
Quoted shares	43,225	43,352	34,565
Forward exchange contracts	41,189	27,811	20,036
	3,041,731	2,512,293	1,377,287
	$ 3,142,231	$ 4,988,843	$ 3,762,000
Financial liabilities held for trading			
Conversion option, redemption option and put option of convertible bonds (Note 18)	$ 2,049,773	$ 2,520,606	$ 2,240,129
Forward exchange contracts	298,988	31,581	77,938
Swap contracts	244,204	99,165	109,186
Foreign currency option contracts	12,112	-	10,849
	$ 2,605,077	$ 2,651,352	$ 2,438,102

The Group invested in structured time deposits and has investments in private-placement convertible bonds, and all included embedded derivative instruments which are not closely related to the host contracts. The Group designated the entire contracts as financial assets at FVTPL on initial recognition.

At each balance sheet date, the outstanding swap contracts not accounted for hedge accounting were as follows:

Currency	Maturity Period	Notional Amount (In Thousands)
September 30, 2015		
Sell JPY$/Buy US$	2015.10	JPY66,604/US$550
Sell NT$/Buy US$	2015.10-2016.09	NT$75,508,555/US$2,367,628
Sell US$/Buy CNY	2015.10-2016.01	US$460,287/CNY2,927,341
Sell US$/Buy JPY	2015.10-2015.11	US$69,190/JPY8,350,000
Sell US$/Buy KRW	2015.10	US$17,000/KRW19,903,600
Sell US$/Buy NT$	2015.10-2015.11	US$76,800/NT$2,503,231
December 31, 2014		
Sell NT$/Buy US$	2015.01-2015.12	NT$36,199,735/US$1,209,000
Sell US$/Buy NT$	2015.01-2015.02	US$132,100/NT$4,149,958
Sell US$/Buy JPY	2015.01	US$72,248/JPY8,450,000
Sell US$/Buy CNY	2015.01-2015.06	US$80,000/CNY503,452
Sell CNY/Buy US$	2015.03	CNY217,288/US$35,000
September 30, 2014		
Sell NT$/Buy US$	2014.10-2015.09	NT$40,213,391/US$1,353,000
Sell US$/Buy NT$	2014.10-2014.11	US$81,500/NT$2,448,688
Sell US$/Buy JPY	2014.10-2014.11	US$85,182/JPY9,060,000
Sell US$/Buy CNY	2014.12-2015.01	US$80,000/CNY502,580
Sell CNY/Buy US$	2015.03	CNY217,288/US$35,000
Sell US$/Buy KRW	2014.10	US$15,000/KRW15,648,000

At each balance sheet date, the outstanding forward exchange contracts not accounted for hedge accounting were as follow:

Currency	Maturity Period	Notional Amount (In Thousands)
September 30, 2015		
Sell US$/Buy CNY	2015.10-2015.12	US$105,408/CNY673,695
Sell US$/Buy JPY	2015.10	US$74/JPY8,840
Sell US$/Buy KRW	2015.10	US$11,000/KRW13,064,100
Sell US$/Buy MYR	2015.10-2015.11	US$13,000/MYR55,759
Sell US$/Buy NT$	2015.10-2015.12	US$615,000/NT$20,127,565
Sell US$/Buy SGD	2015.10-2015.12	US$12,400/SGD17,302
December 31, 2014		
Sell US$/Buy NT$	2015.01	US$14,000/NT$438,434
Sell US$/Buy CNY	2015.01-2015.03	US$127,000/CNY785,683
Sell US$/Buy MYR	2015.01-2015.02	US$6,000/MYR20,860
Sell US$/Buy SGD	2015.01-2015.02	US$11,700/SGD15,211
Sell US$/Buy JPY	2015.01-2015.04	US$18,385/JPY2,177,800

(Continued)

Currency	Maturity Period	Notional Amount (In Thousands)
September 30, 2014		
Sell US$/Buy NT$	2014.10-2014.11	US$160,000/NT$4,832,930
Sell US$/Buy CNY	2014.10-2014.12	US$125,000/CNY774,220
Sell US$/Buy MYR	2014.10-2014.11	US$8,000/MYR25,603
Sell US$/Buy SGD	2014.10-2014.12	US$13,000/SGD16,256
Sell US$/Buy JPY	2014.10-2014.11	US$43,751/JPY4,682,467
Sell NT$/Buy US$	2014.12	NT$149,200/US$5,000

(Concluded)

At each balance sheet date, the outstanding foreign currency option contracts not accounted for hedge accounting were as follows:

Currency	Maturity Period	Notional Amount (In Thousands)
September 30, 2015		
Buy US$ Call/NT$ Put	2016.08 (Note)	US$2,000/NT$68,200
Buy US$ Call/CNY Put	2017.08 (Note)	US$2,000/CNY13,800
Sell US$ Put/ NT$ Call	2016.08 (Note)	US$1,000/NT$34,100
Sell US$ Put/CNY Call	2017.08 (Note)	US$1,000/CNY6,900
September 30, 2014		
Buy US$ Put /NT$ Call	2016.08-2016.09 (Note)	US$6,000/NT$175,260
Buy US$ Call/NT$ Put	2016.08-2016.09 (Note)	US$3,000/NT$87,630

Note: The contracts will be settled once a month and the counterparty has the right to early terminate the contracts, or the contracts will be early terminated or both parties will have no obligation to settle the contracts when the specific criteria is met. The aforementioned outstanding contracts as of September 30, 2014 were all early terminated.

8. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	September 30, 2015	December 31, 2014	September 30, 2014
	NT$	NT$	NT$
Limited partnership	$ 501,168	$ 555,361	$ 575,677
Unquoted ordinary shares	230,792	211,726	246,093
Quoted ordinary shares	172,915	195,070	235,040
Unquoted preferred shares	15,426	11,779	12,891
Open-end mutual funds	-	1,500,434	-
	920,301	2,474,370	1,069,701
Current	15,506	1,533,265	54,595
Non-current	$ 904,795	$ 941,105	$ 1,015,106

9. TRADE RECEIVABLES, NET

	September 30, 2015	December 31, 2014	September 30, 2014
	NT$	NT$	NT$
Trade receivables	$ 53,262,675	$ 53,004,955	$ 48,561,867
Less: Allowance for doubtful debts	106,188	84,145	66,649
Trade receivables, net	$ 53,156,487	$ 52,920,810	$ 48,495,218

a. Trade receivables

The Group's average credit terms were 30 to 90 days. Allowance for doubtful debts is assessed by reference to the collectibility of receivables by evaluating the account aging, historical experience and current financial condition of customers.

As of September 30, 2015, December 31, 2014 and September 30, 2014, except that the Group's five largest customers accounted for 28%, 30% and 26% of accounts receivable, respectively, the concentration of credit risk is insignificant for the remaining accounts receivable.

Aging of receivables

	September 30, 2015	December 31, 2014	September 30, 2014
	NT$	NT$	NT$
Not past due	$ 48,266,342	$ 47,387,888	$ 44,263,254
1 to 30 days	3,935,421	5,222,943	3,748,903
31 to 90 days	842,340	306,052	465,412
More than 91 days	218,572	88,072	84,298
Total	$ 53,262,675	$ 53,004,955	$ 48,561,867

The above aging schedule was based on the past due date.

Aging of receivables that were past due but not impaired

	September 30, 2015	December 31, 2014	September 30, 2014
	NT$	NT$	NT$
1 to 30 days	$ 2,788,127	$ 5,191,521	$ 3,716,080
31 to 90 days	283,394	131,247	305,160
More than 91 days	3,357	1,407	2,964
Total	$ 3,074,878	$ 5,324,175	$ 4,024,204

The above aging schedule was based on the past due date.

Except for those impaired, the Group had not provided an allowance for doubtful debts on trade receivables at each balance sheet date since there has not been a significant change in credit quality and the amounts were still considered collectible. The Group did not hold any collateral or other credit enhancements over these balances nor did it have a legal right to offset against any amounts owed by the Group to counterparties.

Movement of the allowance for doubtful trade receivables

	Impaired Individually	Impaired Collectively	Total
	NT$	NT$	NT$
Balance at January 1, 2015	$ 28,305	$ 55,840	$ 84,145
Impairment losses recognized	20,411	2,888	23,299
Amount written off as uncollectible	-	(208)	(208)
Effect of foreign currency exchange differences	(177)	(871)	(1,048)
Balance at September 30, 2015	$ 48,539	$ 57,649	$ 106,188
Balance at January 1, 2014	$ 26,885	$ 41,235	$ 68,120
Impairment losses recognized (reversed)	(597)	1,960	1,363
Amount written off as uncollectible	(891)	(912)	(1,803)
Effect of foreign currency exchange differences	(1,068)	37	(1,031)
Balance at September 30, 2014	$ 24,329	$ 42,320	$ 66,649

b. Transfers of financial assets

Factored trade receivables of the Group were as follows:

Counterparties	Receivables Sold (In Thousands)	Amounts Collected (In Thousands)	Advances Received At Period-end (In Thousands)	Interest Rates on Advances Received (%)	Credit Line (In Thousands)
For the nine months ended September 30, 2015					
Citi bank	US$ 47,555	US$ -	US$ 47,555	1.03	US$92,000
For the nine months ended September 30, 2014					
Citi bank	US$103,744	US$ 49,147	US$ 54,597	0.93	US$ 92,000

Pursuant to the factoring agreement, losses from commercial disputes (such as sales returns and discounts) should be borne by the Group, while losses from credit risk should be borne by the banks. The Company also issued promissory notes to the banks for commercial disputes which remained undrawn since. The promissory notes all amounted to US$5,000 thousand as of September 30, 2015, December 31, 2014 and September 30, 2014. There were no significant losses from commercial disputes in the past and the Group does not expect any significant commercial dispute losses in the foreseeable future.

10. INVENTORIES

	September 30, 2015	December 31, 2014	September 30, 2014
	NT$	NT$	NT$
Finished goods	$ 9,369,678	$ 6,568,459	$ 5,078,031
Work in process	5,445,993	2,064,377	3,372,488
Raw materials	11,013,635	10,155,006	10,749,377
Supplies	873,379	797,353	864,546
Raw materials and supplies in transit	888,502	577,898	366,520
	$ 27,591,187	$ 20,163,093	$ 20,430,962

The cost of inventories recognized as operating costs for the three months and for the nine months ended September 30, 2015 and 2014 were NT$59,881,971 thousand, NT$52,423,793 thousand, NT$170,887,198 thousand and NT$142,724,669 thousand, respectively, which included write-down of inventories at NT$139,193 thousand, NT$186,651 thousand, NT$3,724 thousand and NT$517,410 thousand, respectively.

11. INVENTORIES RELATED TO REAL ESTATE BUSINESS

	September 30, 2015	December 31, 2014	September 30, 2014
	NT$	NT$	NT$
Land and buildings held for sale	$ 5,552	$ 5,558	$ 5,312
Construction in progress (Note 16)	23,357,798	22,242,065	20,134,966
Land held for construction	1,751,429	1,738,855	1,692,763
	$ 25,114,779	$ 23,986,478	$ 21,833,041

Land and buildings held for sale located in Shanghai Zhangjiang was subsequently completed and sold. Construction in progress is mainly located on Caobao Road and Hutai Road in Shanghai, China and Lidu Road and Xinhong Road in Kun Shan, China. The capitalized borrowing costs for the three months and for the nine months ended September 30, 2015 and 2014 are disclosed in Note 22.

As of September 30, 2015, December 31, 2014 and September 30, 2014, inventories related to real estate business of NT$24,762,819 thousand, NT$23,697,339 thousand and NT$21,827,729 thousand, respectively, are expected to be recovered longer than twelve months.

Refer to Note 32 for the carrying amount of inventories related to real estate business that had been pledged by the Group to secure bank borrowings.

12. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	September 30, 2015	December 31, 2014	September 30, 2014
	NT$	NT$	NT$
Investments in associates	$ 36,363,961	$ 1,492,441	$ 1,459,813
Investments in joint ventures	617,902	-	-
	$ 36,981,863	$ 1,492,441	$ 1,459,813

a. Investments in associates

1) Investments in associates accounted for using the equity method consisted of the following:

Name of Associate	Main Business	Operating Location	Carrying Amount September 30, 2015 NT$	Carrying Amount December 31, 2014 NT$	Carrying Amount September 30, 2014 NT$
Material associate					
Siliconware Precision Industries Co., Ltd.("SPIL")	Engaged in assembly, testing and turnkey services of integrated circuits	ROC	$ 35,055,000	$ -	$ -
Associates that are not individually material					
Hung Ching Development & Construction Co. ("HC")	Engaged in the development, construction and leasing of real estate properties	ROC	1,214,463	1,351,400	1,302,352
Hung Ching Kwan Co. ("HCK")	Engaged in the leasing of real estate properties	ROC	335,273	342,138	349,193
Advanced Microelectronic Products Inc. ("AMPI")	Engaged in integrated circuit	ROC	59,374	99,052	108,417
			36,664,110	1,792,590	1,759,962
	Less: Deferred gain on transfer of land		300,149	300,149	300,149
			$ 36,363,961	$ 1,492,441	$ 1,459,813

2) At each balance sheet date, the percentages of ownership held by the Group were as follows:

	September 30, 2015	December 31, 2014	September 30, 2014
SPIL	24.99%	-	-
HC	26.22%	26.22%	26.22%
AMPI	18.24%	18.24%	18.24%
HCK	27.31%	27.31%	27.31%

3) In September 2015, the Company acquired 725,749 thousand ordinary shares of SPIL and 10,650 thousand units of ADS (one ADS represents five ordinary shares) at NT$45 per ordinary share. The percentage of ownership was 24.99% and, as a result, the Company obtained significant influence over SPIL. As of September 30, 2015, the Company has not completed the calculation of the difference between the cost of the investment and the Company's share of the net fair value of SPIL's identifiable assets and liabilities

4) In January 2014, the Company acquired additional ordinary shares of AMPI in a private placement and, as a result, obtained significant influence over AMPI. The private-placement ordinary shares were restricted for disposal during a 3-year lock-up period.

5) Fair values (Level 1 inputs in terms of IFRS 13) of investments in associates with available published price quotation are summarized as follows:

	September 30, 2015 NT$	December 31, 2014 NT$	September 30, 2014 NT$
SPIL	$ 31,822,150	$ -	$ -
HC	$ 1,146,117	$ 1,427,499	$ 1,235,336
AMPI	$ 96,595	$ 184,862	$ 205,846

6) Summarized financial information in respect of the Group's material associate was as follows:

	September 30, 2015
	NT$
Current assets	$ 45,627,115
Non-current assets	74,074,787
Current liabilities	(27,698,354)
Non-current liabilities	(22,764,800)
	$ 69,238,748
Proportion of the Group's ownership (%)	24.99
Equity attributable to the Group	$ 17,302,763
The difference between investment cost and net equity	17,752,237
Carrying amount of the investment	$ 35,055,000

	For the Three Months Ended September 30, 2015	For the Nine Months Ended September 30, 2014
	NT$	NT$
Operating revenue	$ 20,029,703	$ 62,074,982
Net profit for the period	$ 2,682,304	$ 8,974,294
Other comprehensive loss	(1,365,674)	(2,492,836)
Total comprehensive income	$ 1,316,630	$ 6,481,458

7) Aggregate information of associates that are not individually material was summarized as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
	NT$	NT$	NT$	NT$
The Group's share of:				
Net profit for the period	$ 27,918	$ 247,220	$ 110,449	$ 188,955
Other comprehensive income (loss)	(145,624)	(77,286)	(62,823)	172,888
Total comprehensive income	$ (117,706)	$ 169,934	$ 47,626	$ 361,843

Investments in associates accounted for using the equity method and the share of profit and other comprehensive income (loss) of those investments were calculated based on the reviewed financial statements.

b. Investments in joint ventures

1) Investment in the joint venture that is not individually material and accounted for using the equity method consisted of the following:

Name of Joint Venture	Main Business	Operating Location	September 30, 2015 Percentages of Ownership	September 30, 2015 Carrying Amount NT$
ASE Embedded Electronics Inc. ("ASEEE")	Engaged in the production of embedded substrate	ROC	51.00%	$ 617,902

In May 2015, the Group and TDK Corporation ("TDK") entered into an agreement to establish a joint venture to invest in ASEEE. In August 2015, the Croup invested NT$618,097 thousand for 51.00% shareholding. According to the joint arrangement, the Group and TDK must act together to direct the relevant operating activities and, as a result, the Group does not control ASEEE. The investment in ASEEE is accounted for using the equity method.

2) Aggregate information of the joint venture that is not individually material was summarized as follows:

	For the Three Months Ended September 30, 2015
	NT$
The Group's share of:	
Net loss for the period	$ (195)
Other comprehensive income	-
Total comprehensive loss	$ (195)

13. PROPERTY, PLANT AND EQUIPMENT

The carrying amounts of each class of property, plant and equipment were as follows:

	September 30, 2015	December 31, 2014	September 30, 2014
	NT$	NT$	NT$
Land	$ 3,382,574	$ 3,348,018	$ 3,313,179
Buildings and improvements	59,514,294	56,395,710	51,714,193
Machinery and equipment	80,491,015	84,171,647	76,853,528
Other equipment	1,737,466	1,816,687	2,436,880
Construction in progress and machinery in transit	7,855,764	5,855,053	14,679,865
	$ 152,981,113	$ 151,587,115	$ 148,997,645

For the nine months ended September 30, 2015

	Land	Buildings and improvements	Machinery and equipment	Other equipment	Construction in progress and machinery in transit	Total
	NT$	NT$	NT$	NT$	NT$	NT$
Cost						
Balance at January 1, 2015	$ 3,348,018	$ 86,725,254	$233,669,627	$ 7,182,574	$ 5,862,217	$336,787,690
Additions	-	53,050	173,239	204,926	22,698,232	23,129,447
Disposals	-	(202,257)	(5,877,465)	(203,255)	(8,992)	(6,291,969)

(Continued)

	Land	Buildings and improvements	Machinery and equipment	Other equipment	Construction in progress and machinery in transit	Total
	NT$	NT$	NT$	NT$	NT$	NT$
Reclassification	$ -	$ 6,638,011	$ 14,094,445	$ 289,476	$ (20,893,867)	$ 128,065
Effect of foreign currency exchange differences	34,556	34,066	31,141	40,687	207,628	348,078
Balance at September 30, 2015	$ 3,382,574	$ 93,248,124	$242,090,987	$ 7,514,408	$ 7,865,218	$354,101,311
Accumulated depreciation and impairment						
Balance at January 1, 2015	$ -	$ 30,329,544	$149,497,980	$ 5,365,887	$ 7,164	$185,200,575
Depreciation expense	-	3,537,606	17,636,686	576,456	-	21,750,748
Impairment losses recognized	-	117,646	31,155	-	2,290	151,091
Disposals	-	(185,390)	(5,693,081)	(196,852)	-	(6,075,323)
Reclassification	-	322	601	(4,102)	-	(3,179)
Effect of foreign currency exchange differences	-	(65,898)	126,631	35,553	-	96,286
Balance at September 30, 2015	$ -	$ 33,733,830	$161,599,972	$ 5,776,942	$ 9,454	$201,120,198

(Concluded)

For the nine months ended September 30, 2014

	Land	Buildings and improvements	Machinery and equipment	Other equipment	Construction in progress and machinery in transit	Total
	NT$	NT$	NT$	NT$	NT$	NT$
Cost						
Balance at January 1, 2014	$ 3,295,758	$ 70,593,537	$208,351,905	$ 6,384,589	$ 7,009,702	$295,635,491
Additions	-	44,259	748,844	550,422	35,361,427	36,704,952
Disposals	-	(263,523)	(6,159,894)	(260,816)	(54,406)	(6,738,639)
Reclassification	-	9,612,540	16,592,031	640,944	(26,875,876)	(30,361)
Effect of foreign currency exchange differences	17,421	489,244	1,166,176	392,188	(754,864)	1,310,165
Balance at September 30, 2014	$ 3,313,179	$ 80,476,057	$220,699,062	$ 7,707,327	$ 14,685,983	$326,881,608
Accumulated depreciation and impairment						
Balance at January 1, 2014	$ -	$ 25,826,936	$133,266,723	$ 5,044,501	$ -	$164,138,160
Depreciation expense	-	2,904,630	15,553,926	458,954	-	18,917,510
Impairment losses recognized	-	74,271	214,204	-	6,118	294,593
Disposals	-	(213,680)	(5,867,287)	(248,546)	-	(6,329,513)
Reclassification	-	(150)	(251)	364	-	(37)
Effect of foreign currency exchange differences	-	169,857	678,219	15,174	-	863,250
Balance at September 30, 2014	$ -	$ 28,761,864	$143,845,534	$ 5,270,447	$ 6,118	$177,883,963

Due to the Group's operation plans and production demands, the Group believed that a portion of property, plant and equipment was not used and recognized an impairment loss of NT$134,890 thousand, NT$199,162 thousand, NT$151,091 thousand and NT$294,593 thousand under the line item of other gains and losses in the consolidated statements of comprehensive income for the three months and for the nine months ended September 30, 2015 and 2014, respectively. The recoverable amount of a portion of the impaired property, plant and equipment is determined by its fair value less costs of disposal, of which the fair value is based on the recent quoted prices of assets with similar age and obsolescence that provided by the vendors in secondary market. The recent quoted prices of assets are a Level 3 input in terms of IFRS 13 because the secondary market is not very active. The recoverable amount of the other portion of the impaired property, plant and equipment is determined on the basis of its value in use. The Group expects to derive zero future cash flows from these assets.

Each class of property, plant and equipment was depreciated on a straight-line basis over the following useful lives:

Buildings and improvements	
Main plant buildings	10-40 years
Cleanrooms	10-20 years
Others	3-20 years
Machinery and equipment	2-10 years
Other equipment	2-20 years

The capitalized borrowing costs for the three months and for the nine months ended September 30, 2015 and 2014 are disclosed in Note 22.

14. GOODWILL

	2015	2014
	NT$	NT$
Cost		
Balance at January 1	$ 12,434,411	$ 12,336,816
Effect of foreign currency exchange differences	63,855	32,395
Balance at September 30	$ 12,498,266	$ 12,369,211
Accumulated impairment		
Balance at January 1 and September 30	$ (1,988,996)	$ (1,988,996)

15. OTHER INTANGIBLE ASSETS

The carrying amounts of each class of other intangible assets were as follows:

	September 30, 2015	December 31, 2014	September 30, 2014
	NT$	NT$	NT$
Patents	$ 16,249	$ 15,768	$ 14,220
Acquired specific technology	-	5,116	26,005
Customer relationships	343,625	501,501	553,527
Computer software and others	1,089,413	945,486	906,309
	$ 1,449,287	$ 1,467,871	$ 1,500,061

For the nine months ended September 30, 2015

	Patents	Acquired Specific Technology	Customer Relationships	Computer Software and Others	Total
	NT$	NT$	NT$	NT$	NT$
Cost					
Balance at January 1, 2015	$ 1,025,191	$ 1,113,947	$ 1,579,015	$ 3,067,341	$ 6,785,494
Additions	209	-	-	393,298	393,507
Disposals or derecognization	(869,967)	(1,113,947)	-	(3,146)	(1,987,060)
Reclassification	-	-	-	15,034	15,034
Effect of foreign currency exchange differences	(17)	-	-	(15,475)	(15,492)
Balance at September 30, 2015	$ 155,416	$ -	$ 1,579,015	$ 3,457,052	$ 5,191,483

(Continued)

	Patents	Acquired Specific Technology	Customer Relationships	Computer Software and Others	Total
	NT$	NT$	NT$	NT$	NT$
Accumulated amortization					
Balance at January 1, 2015	$ 1,009,423	$ 1,108,831	$ 1,077,514	$ 2,121,855	$ 5,317,623
Amortization expense	3,266	5,116	157,876	255,214	421,472
Disposals or derecognization	(869,967)	(1,113,947)	-	(2,245)	(1,986,159)
Reclassification	-	-	-	3,160	3,160
Effect of foreign currency exchange differences	(3,555)	-	-	(10,345)	(13,900)
Balance at September 30, 2015	$ 139,167	$ -	$ 1,235,390	$ 2,367,639	$ 3,742,196

(Concluded)

For the nine months ended September 30, 2014

	Patents	Acquired Specific Technology	Customer Relationships	Computer Software and Others	Total
	NT$	NT$	NT$	NT$	NT$
Cost					
Balance at January 1, 2014	$ 1,021,750	$ 1,113,947	$ 1,579,015	$ 3,848,793	$ 7,563,505
Additions	-	-	-	299,132	299,132
Disposals	-	-	-	(138,556)	(138,556)
Reclassification	-	-	-	(188)	(188)
Effect of foreign currency exchange differences	686	-	-	15,881	16,567
Balance at September 30, 2014	$ 1,022,436	$ 1,113,947	$ 1,579,015	$ 4,025,062	$ 7,740,460
Accumulated amortization					
Balance at January 1, 2014	$ 985,999	$ 1,025,273	$ 924,194	$ 3,022,215	$ 5,957,681
Amortization expense	21,955	62,669	101,294	210,724	396,642
Disposals	-	-	-	(126,748)	(126,748)
Reclassification	-	-	-	2,516	2,516
Effect of foreign currency exchange differences	262	-	-	10,046	10,308
Balance at September 30, 2014	$ 1,008,216	$ 1,087,942	$ 1,025,488	$ 3,118,753	$ 6,240,399

Each class of other intangible assets, except a portion of customer relationships amortized based on the pattern in which the economic benefits are consumed, were amortized on the straight-line basis over the following useful lives:

Patents	5-15 years
Acquired specific technology	5 years
Customer relationships	11 years
Computer software and others	2-32 years

16. LONG-TERM PREPAYMENTS FOR LEASE

Long-term prepayments for lease mainly represent land use right located in China with periods for use from 50 to 70 years. As of September 30, 2015, December 31, 2014 and September 30, 2014, the carrying amount of the land use right which the Group was in the process of obtaining the certificates was nil , NT$17,594 thousand and NT$18,114 thousand, respectively. During January 1, 2014 to September 30, 2014, the land use right located in China which the Group obtained the certificates was reclassified from long-term prepayments for lease to construction in progress under inventories related to real estate business.

17. BORROWINGS

a. Short-term borrowings

Short-term borrowings mainly represented unsecured revolving bank loans with annual interest rates at 0.60%-5.78%, 0.81%-6.00% and 0.80%-6.00% as of September 30, 2015, December 31, 2014 and September 30, 2014, respectively.

b. Long-term borrowings

As of September 30, 2015, December 31, 2014 and September 30, 2014, the long-term borrowings with fixed interest rates were NT$378,005 thousand, NT$1,192,975 thousand and NT$720,122 thousand, respectively, with annual interest rates at 0.90%, 1.10%-6.15% and 2.50%-6.15%, respectively. The fixed interest rate long-term borrowings will be repayable through December 2016. As of September 30, 2015, December 31, 2014 and September 30, 2014, the current portion of long-term borrowings with fixed interest rates were nil, NT$116,876 thousand and NT$720,122 thousand, respectively. The others were floating interest rate borrowings and consisted of the followings:

	September 30, 2015	December 31, 2014	September 30, 2014
	NT$	NT$	NT$
Working capital bank loans			
Syndicated bank loans - repayable through October 2015 to July 2018, annual interest rates were 1.38%-1.88%, 0.90%-1.83% and 0.88%-1.83% as of September 30, 2015, December 31, 2014 and September 30, 2014, respectively	$ 12,509,007	$ 10,760,548	$ 8,647,537
Others - repayable through June 2016 to August 2019, annual interest rates were 0.90%-3.83%, 1.03%-3.74% and 1.14%-3.74% as of September 30, 2015, December 31, 2014 and September 30, 2014, respectively	24,590,640	12,479,650	15,579,033
Mortgage loans			
Repayable through July 2016 to June 2023, annual interest rates were 5.66%-5.71%, 6.77% and 7.20% as of September 30, 2015, December 31, 2014 and September 30, 2014, respectively	2,955,629	2,534,483	1,137,196
	40,055,276	25,774,681	25,363,766
Less: unamortized arrangement fee	21,852	32,225	37,323
	40,033,424	25,742,456	25,326,443
Less: current portion	2,025,374	2,714,131	2,503,205
Long-term borrowings	$ 38,008,050	$ 23,028,325	$ 22,823,238

Pursuant to the above syndicated bank loans agreements, the Company and some of its subsidiaries should maintain certain financial covenants including current ratio, leverage ratio, tangible net assets and interest coverage ratio. Such financial ratios are calculated based on the Group's annual audited consolidated financial statements or semi-annual reviewed consolidated financial statements or subsidiaries' annual audited financial statements under local GAAP. As of December 31, 2014, the

Group was in compliance with all of the loan covenants.

The Group had sufficient long term credit facility obtained before September 30, 2015 and September 30, 2014 to refinance a portion of the loans on a long-term basis. Therefore, NT$1,941,647 thousand and NT$3,135,943 thousand was not classified as current portion of long-term borrowings as of September 30, 2015 and 2014, respectively.

18. BONDS PAYABLE

	September 30, 2015	December 31, 2014	September 30, 2014
	NT$	NT$	NT$
Secured domestic bonds - secured by banks			
Repayable at maturity in August 2016 and interest due annually with annual interest rate 1.45%	$ 8,000,000	$ 8,000,000	$ 8,000,000
Unsecured convertible overseas bonds			
US$400,000 thousand	13,148,000	12,660,000	12,168,000
US$200,000 thousand (linked to New Taiwan dollar)	6,185,600	-	-
Secured overseas bonds - secured by the Company			
US$300,000 thousand, repayable at maturity in July 2017; interest due semi-annually with annual interest rate 2.125%	9,861,000	9,495,000	9,126,000
CNY500,000 thousand, repayable at maturity in September 2016 and interest due semi-annually with annual interest rate 4.25%	2,583,591	2,586,207	2,472,166
	39,778,191	32,741,207	31,766,166
Less: Discounts on bonds payable	1,395,543	1,471,076	1,572,066
	38,382,648	31,270,131	30,194,100
Less: Current portion	2,578,343	-	-
	$ 35,804,305	$ 31,270,131	$ 30,194,100

The Group had sufficient long term credit facility obtained before September 30, 2015 to refinance some portion of the bonds payable on a long-term basis. Therefore, NT$21,148,000 thousand were not classified as current portion of bonds payable as of September 30, 2015.

a. In September 2013, the Company offered the third unsecured convertible overseas bonds (the “Bonds”) in US$400,000 thousand. The Bonds is zero coupon bonds with the maturity of 5 years, in denominations of US$200 thousand or in any integral multiples thereof. Each holder of the Bonds has the right at any time on or after October 16, 2013 and up to (and including) August 26, 2018, except during legal lock-up period, to convert the Bonds into newly issued listed common shares at the conversion price NT$33.085, determined on the basis of a fixed exchange rate of US$1 to NT$29.956. The conversion price will be adjusted in accordance with the conversion provisions due to anti-dilution clause. As of September 30, 2015, December 31, 2014 and September 30, 2014, the conversion price was NT$30.28, NT$31.93 and NT$31.93, respectively.

   The Bonds may be redeemed at the option of the Company, in whole or in part, at any time on or after the third anniversary of the offering date provided that (1) the closing price, translated into U.S. dollars, of the common shares for a period of 20 consecutive trading days is at least 130% of the conversion price, (2) at least 90% in aggregate principal amount of the Bonds originally outstanding has been redeemed, repurchased and canceled or converted, or (3) the Company is required to pay additional taxes on the Bonds as a result of certain changes in tax laws in the ROC.

Each holder shall have the right to request the Company repurchase all or any portion of the principal amount thereof of a holder's Bonds (1) on or after the third anniversary of the offering date, (2) in the event of a change of control, or (3) in the event of delisting.

The Bonds contained a debt host contract, recognized as bonds payable, and the conversion option, redemption option and put option (collectively the "Bonds Options"), recognized as financial liabilities at FVTPL. The effective interest rate of the debt host contract was 3.16% and the aggregate fair value of the Bonds Options was NT$1,667,950 thousand on initial recognition.

b. In July 2015, the Company offered the forth unsecured convertible overseas bonds (the "Currency Linked Bonds") in US$200,000 thousand. The Currency Linked Bonds is zero coupon bonds with the maturity of 2.75 years, in denominations of US$200 thousand or in any integral multiples thereof. Repayment, redemption and put amount denominated in U.S. dollar will be converted into New Taiwan dollar amount using a fixed exchange rate of US$1 to NT$30.928 (the "Fixed Exchange Rate") and then converted back to U.S. dollar amount using the applicable prevailing rate at the time of repayment, redemption or put. Each holder of the Currency Linked Bonds has the right at any time on or after August 11, 2015 and up to (and including) March 17, 2018, except during legal lock-up period, to convert the Currency Linked Bonds into common shares at the conversion price NT$54.55, determined on the basis of the Fixed Exchange Rate. The Company's treasury shares will be available for delivery upon conversion of the Currency Linked Bonds. The conversion price will be adjusted in accordance with the conversion provisions due to anti-dilution clause. As of September 30, 2015, the conversion price was NT$51.73.

The Currency Linked Bonds may be redeemed at the option of the Company, in whole or in part, at any time on or after March 19, 2018 provided that (1) the closing price, translated into U.S. dollars, of the common shares for a period of 20 out of 30 consecutive trading days is at least 130% of the conversion price, (2) at least 90% in aggregate principal amount of the Currency Linked Bonds originally outstanding has been redeemed, repurchased and canceled or converted, or (3) the Company is required to pay additional taxes on the Currency Linked Bonds as a result of certain changes in tax laws in the ROC.

Each holder shall have the right to request the Company repurchase all or any portion of the principal amount thereof of a holder's Currency Linked Bonds (1) in the event of a change of control, or (2) in the event of delisting.

The Currency Linked Bonds contained a debt host contract, recognized as bonds payable, and the conversion option, recognized as capital surplus. The effective interest rate of the debt host contract was 1.58% and the fair value of the conversion option was NT$214,022 thousand on initial recognition.

c. To focus on corporate sustainability and to carry out the commitment to environmental protection and energy conservation, Anstock II Limited, a subsidiary the Company 100% owned, offered overseas bonds in US$300,000 thousand with the maturity of 3 years and annual interest rate of 2.125% (the "Green Bonds") in July 2014. The Green Bonds are unconditionally and irrevocably guaranteed by the Company and the proceeds will be used to fund certain eligible projects to promote the Group's transition to low-carbon and climate resilient growth.

19. OTHER PAYABLES

	September 30, 2015	December 31, 2014	September 30, 2014
	NT$	NT$	NT$
Payables for property, plant and equipment	$ 5,272,576	$ 7,097,129	$ 8,665,745
Accrued salary and bonus	5,295,141	5,550,040	4,856,893
Accrued bonus to employees and remuneration to directors and supervisors	1,703,539	2,602,796	1,774,964
Accrued employee insurance	633,550	572,259	554,811
Accrued utilities	480,628	495,404	539,019
Accrued legal settlement fee	-	814,185	346,590
Others	5,011,317	5,232,703	5,628,435
	$ 18,396,751	$ 22,364,516	$ 22,366,457

The Company and its subsidiary, ASE US, reached the final settlement agreement with Tessera Inc. ("Tessera") in October 2014 to resolve the patent infringement lawsuit, and Tessera has dismissed all claims against the Company and ASE US. The final settlement amount was NT$814,185 thousand (US$27,000 thousand as resolved in the final settlement agreement in October 2014) and paid in January 2015.

20. RETIREMENT BENEFIT PLANS

The Group's pension plans consisted of defined contribution retirement plan and defined benefit retirement plan. Employee benefit expenses in respect of the Group's defined benefit retirement plans were calculated using the projected pension cost stated in 2013 and 2014 actuarial reports and recognized in the following line items in respective periods:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014 (Adjusted)	2015	2014 (Adjusted)
	NT$	NT$	NT$	NT$
Operating cost	$ 78,107	$ 80,970	$ 238,824	$ 242,203
Selling and marketing expenses	2,485	2,497	7,598	7,262
General and administrative expenses	11,409	12,525	34,505	45,492
Research and development expenses	9,476	8,285	28,663	24,873
	$ 101,477	$ 104,277	$ 309,590	$ 319,830

21. EQUITY

a. Share capital

Ordinary shares

	September 30, 2015	December 31, 2014	September 30, 2014
Numbers of shares authorized (in thousands)	10,000,000	10,000,000	10,000,000

(Continued)

	September 30, 2015	December 31, 2014	September 30, 2014
Numbers of shares reserved (in thousands)			
Employee share options	800,000	800,000	800,000
Numbers of shares registered (in thousands)	7,893,158	7,852,538	7,824,220
Numbers of shares subscribed in advance (in thousands)	10,085	9,187	28,820
Number of shares issued and fully paid (in thousands)	7,903,243	7,861,725	7,853,040
Shares authorized	$ 100,000,000	$ 100,000,000	$ 100,000,000
Shares reserved			
Employee share options	$ 8,000,000	$ 8,000,000	$ 8,000,000

(Concluded)

The holders of issued ordinary shares with a par value at $10 per share are entitled the right to vote and receive dividends, except the shares held by the Group's subsidiaries which are not entitled the right to vote. As of September 30, 2015, December 31, 2014 and September 30, 2014, there were 500,000 thousand ordinary shares included in the authorized shares that were not yet required to complete the share registration process.

American Depositary Receipts

The Company issued ADSs and each ADS represents five ordinary shares. As of September 30, 2015, December 31, 2014 and September 30, 2014, 115,854 thousand, 125,731 thousand and 109,085 thousand ADSs were outstanding and represented approximately 579,271 thousand, 628,657 thousand and 545,426 thousand ordinary shares of the Company, respectively.

b. Capital surplus

	September 30, 2015 NT$	December 31, 2014 (Adjusted) NT$	September 30, 2014 (Adjusted) NT$
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital (1)			
Arising from issuance of ordinary shares	$ 5,888,441	$ 5,325,382	$ 4,927,632
Arising from treasury share transactions	717,355	425,004	425,004
Arising from the difference between consideration received and the carrying amount of the subsidiaries' net assets during actual disposal	7,197,510	-	-

(Continued)

	September 30, 2015 NT$	December 31, 2014 (Adjusted) NT$	September 30, 2014 (Adjusted) NT$
May be used to offset a deficit only			
Arising from changes in percentage of ownership interest in subsidiaries (2)	$ 9,050,793	$ 9,054,328	$ 2,177,229
May not be used for any purpose			
Arising from employee share options	1,056,084	1,178,210	1,201,875
Arising from equity component of convertible bonds	214,022	-	-
Arising from share of changes in capital surplus of associates	33,496	30,134	30,134
	$ 24,157,701	$ 16,013,058	$ 8,761,874

(Concluded)

1) Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's capital surplus and once a year).

2) Such capital surplus arises from the effect of changes in ownership interest in a subsidiary resulted from equity transactions other than actual disposal or acquisition, or from changes in capital surplus of subsidiaries accounted for by using equity method.

c. Retained earnings and dividend policy

The Articles of Incorporation of ASE Inc. (the "Articles") provides that annual net income shall be distributed in the following order:

1) Replenishment of deficits;

2) 10.0% as legal reserve;

3) Special reserve appropriated or reversed in accordance with laws or regulations set forth by the authorities concerned;

4) An amount equal to the excess of the income from investments accounted for using the equity method over cash dividends as special reserve;

5) Addition or deduction of realized gains or losses on equity instruments at fair value through other comprehensive income;

6) Not more than 1.0% of the remainder, from 1) to 5), as compensation to directors;

7) Between 7.0% to 11.0% of the remainder, from 1) to 5), as bonus to employees, of which 7.0% shall be distributed in accordance with the employee bonus plan and the excess shall be distributed to specified employees at the board of directors' discretion; and

8) Any remainder from above as dividends to shareholders.

Employees to whom referred in 7) above include employees of subsidiaries that meet certain conditions, which are to be determined by the board of directors.

The Company is currently in the mature growth stage. To meet the capital needs for business development now and in the future and satisfy the shareholders' demand for cash inflows, the Company shall use residual dividend policy to distribute dividends, of which the cash dividend is not lower than 30% of the total dividend distribution, with the remainder to be distributed in stock. A distribution plan is also to be made by the board of directors and passed for resolution in the shareholders' meeting.

In accordance with the amendments to the Company Act in May 2015, the recipients of dividends and bonuses are limited to shareholders and do not include employees. Accordingly, the Company expects to make amendments to the Company's Articles of Incorporation to be approved during the 2016 annual shareholders' meeting. For information about the accrual basis of the employee compensation and remuneration to directors and supervisors for the three months and for the nine months ended September 30, 2015 and 2014, and the actual appropriations for the years ended December 31, 2015 and 2014, please refer to employee benefits expense under profit before income tax in Note 22 (f).

Under Rule No. 1010012865 and Rule No. 1010047490 issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs", the Company should appropriate or reverse to a special reserve. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and thereafter distributed.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Company's capital surplus. Legal reserve may be used to offset deficits. If the Company has no deficit and the legal reserve has exceeded 25% of the Company's capital surplus, the excess may be transferred to capital or distributed in cash.

Except for non-ROC resident shareholders, all shareholders receiving the dividends are allowed a tax credit equal to their proportionate share of the income tax paid by the Company.

The appropriations of earnings for 2014 and 2013 resolved at the Company's annual shareholders' meetings in June 2015 and June 2014, respectively, were as follows:

	Appropriation of Earnings		**Dividends Per Share**	
	For Year 2014	**For Year 2013**	**For Year 2014**	**For Year 2013**
	NT$	**NT$**	**NT$ (in dollars)**	**NT$ (in dollars)**
Legal reserve	$ 2,359,267	$ 1,568,907		
Special reserve reversed	-	(309,992)		
Cash dividends	15,589,825	10,156,005	$ 2.00	$ 1.30
	$ 17,949,092	$ 11,414,920		

d. Accumulated other comprehensive income

1) Exchange differences on translating foreign operations

	2015	**2014 (Adjusted)**
	NT$	**NT$**
Balance at January 1	$ 4,541,761	$ (525,583)
Exchange differences arising on translating foreign operations	1,262,015	1,263,317

(Continued)

	2015	2014 (Adjusted)
	NT$	NT$
Share of exchange difference of associates or joint ventures accounted for using the equity method	$ 12	$ 1,364
Balance at September 30	$ 5,803,788	$ 739,098

(Concluded)

2) Unrealized gain on available-for-sale financial assets

	2015	2014
	NT$	NT$
Balance at January 1	$ 526,778	$ 426,246
Unrealized loss arising on revaluation of available-for-sale financial assets	(37,190)	(70,558)
Cumulative losses reclassified to profit or loss on disposal of available-for-sale financial assets	11,495	16,598
Share of unrealized gain (loss) on available-for-sale financial assets of associates or joint ventures accounted for using the equity method	(62,835)	172,798
Balance at September 30	$ 438,248	$ 545,084

3) Cash flow hedges

	2015	2014
	NT$	NT$
Balance at January 1	$ -	$ (3,279)
Gain arising on changes in fair value of hedging instruments - Interest rate swap contracts	-	795
Cumulative losses arising on changes in fair value of hedging instruments reclassified to profit or loss - Interest rate swap contracts	-	2,484
Balance at September 30	$ -	$ -

e. Treasury shares (in thousand shares)

	Beginning Balance	Addition	Retirement/ Decrease	Ending Balance
For the nine months ended September 30, 2015				
Shares held by subsidiaries	145,883	-	-	145,883
Shares reserved for bonds conversion	-	120,000	-	120,000
	145,883	120,000	-	265,883

(Continued)

	Beginning Balance	Addition	Retirement/ Decrease	Ending Balance
For the nine months ended September 30, 2014				
Shares held by subsidiaries	145,883	-	-	145,883

(Concluded)

In February 2015, the board of directors approved to repurchase up to 120,000 thousand of the Company's ordinary shares which will be used for equity conversion of convertible overseas bonds to be issued in the future. The Company has completed the repurchase during March 2015 and the shares repurchased accounted for 1.53% of the Company's total issued shares. The average repurchase price was NT$44.45 per share.

The Company's shares held by its subsidiaries at each balance sheet date were as follows:

	Shares Held By Subsidiaries (in thousand shares)	Carrying amount NT$	Fair Value NT$
September 30, 2015			
ASE Test	88,200	$ 1,380,721	$ 3,113,476
J&R Holding	46,704	381,709	1,648,643
ASE Test, Inc.	10,979	196,677	387,551
	145,883	$ 1,959,107	$ 5,149,670
December 31, 2014			
ASE Test	88,200	$ 1,380,721	$ 3,360,438
J&R Holding	46,704	381,709	1,779,413
ASE Test, Inc.	10,979	196,677	418,291
	145,883	$ 1,959,107	$ 5,558,142
September 30, 2014			
ASE Test	88,200	$ 1,380,721	$ 3,122,297
J&R Holding	46,704	381,709	1,653,313
ASE Test, Inc.	10,979	196,677	388,649
	145,883	$ 1,959,107	$ 5,164,259

Fair values of the Company's shares held by subsidiaries are based on the closing price from an available published price quotation, which is a Level 1 input in terms of IFRS 13, at the balance sheet dates.

The Company issued ordinary shares in connection with its merger with its subsidiaries. The shares held by its subsidiaries were reclassified from investments accounted for using the equity method to treasury shares on the proportion owned by the Company.

Under the Securities and Exchange Act in the ROC, the Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as rights to dividends and voting. The subsidiaries holding treasury shares, however, retain shareholders' rights except the rights to participate in any share issuance for cash and voting.

f. Non-controlling interests

	2015	2014 (Adjusted)
	NT$	NT$
Balance at January 1	$ 8,219,098	$ 4,133,282
Attributable to non-controlling interests:		
Share of profit for the period	647,695	405,216
Exchange difference on translating foreign operations	107,617	46,032
Unrealized gains (losses) on available-for-sale financial assets	3,282	(697)
Partial disposal of interests in subsidiaries (Notes 26)	1,712,836	-
Spin-off of subsidiaries	3,535	-
Non-controlling interest relating to issue of ordinary shares under employee share options	292,233	113,773
Cash dividends to non-controlling interests	(232,148)	(85,766)
Balance at September 30	$ 10,754,148	$ 4,611,840

22. PROFIT BEFORE INCOME TAX

a. Other income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
	NT$	NT$	NT$	NT$
Interest income	$ 75,885	$ 59,386	$ 192,162	$ 188,675
Government subsidy	34,814	65,012	114,333	142,583
Rental income	15,004	14,605	44,779	45,817
Dividends income	1,654	70,126	74,374	88,574
	$ 127,357	$ 209,129	$ 425,648	$ 465,649

b. Other gains

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
	NT$	NT$	NT$	NT$
Net gains arising on financial instruments held for trading	$ 4,006,972	$ 1,183,574	$ 2,452,527	$ 380,791
Net gains on financial assets designated as at FVTPL	491,548	109,754	743,746	286,237
Foreign exchange losses, net	(2,520,549)	(214,477)	(1,141,608)	(171,280)
Others	(132,040)	(225,870)	(127,840)	36,443
	$ 1,845,931	$ 852,981	$ 1,926,825	$ 532,191

c. Finance costs

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
	NT$	NT$	NT$	NT$
Total interest expense for financial liabilities measured at amortized cost	$ 630,581	$ 645,489	$ 1,865,132	$ 1,883,390
Less: Amounts included in the cost of qualifying assets				
Inventories related to real estate business	(49,148)	(27,137)	(146,084)	(59,610)
Property, plant and equipment	(13,646)	(55,212)	(37,811)	(102,785)
	567,787	563,140	1,681,237	1,720,995
Loss arising on derivatives as designated hedging instruments in cash flow hedge accounting relationship reclassified from equity to profit or loss	-	-	-	2,484
Other finance costs	6,627	6,523	16,960	22,543
	$ 574,414	$ 569,663	$ 1,698,197	$ 1,746,022

Information relating to the capitalized borrowing costs was as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
	NT$	NT$	NT$	NT$
Annual interest capitalization rates				
Inventories related to real estate business (%)	4.85-6.49	6.00-7.21	4.85-6.77	6.00-7.21
Property, plant and equipment (%)	0.76-4.13	0.92-6.15	0.76-6.15	0.88-6.15

d. Depreciation and amortization

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
	NT$	NT$	NT$	NT$
Property, plant and equipment	$ 7,270,814	$ 6,399,686	$ 21,750,748	$ 18,917,510
Intangible assets	149,096	127,098	421,472	396,642
Total	$ 7,419,910	$ 6,526,784	$ 22,172,220	$ 19,314,152

(Continued)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
	NT$	NT$	NT$	NT$
Summary of depreciation by function				
Operating costs	$ 6,792,220	$ 5,972,385	$ 20,334,199	$ 17,602,657
Operating expenses	478,594	427,301	1,416,549	1,314,853
	$ 7,270,814	$ 6,399,686	$ 21,750,748	$ 18,917,510
Summary of amortization by function				
Operating costs	$ 31,751	$ 40,617	$ 90,135	$ 137,453
Operating expenses	117,345	86,481	331,337	259,189
	$ 149,096	$ 127,098	$ 421,472	$ 396,642

(Concluded)

e. Employee benefits expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014 (Adjusted)	2015	2014 (Adjusted)
	NT$	NT$	NT$	NT$
Post-employment benefits				
Defined contribution plans	$ 425,121	$ 407,510	$ 1,258,304	$ 1,163,248
Defined benefit plans	101,477	104,277	309,590	319,830
	526,598	511,787	1,567,894	1,483,078
Equity-settled share-based payments	16,564	22,969	35,919	83,817
Salary, incentives and bonus	10,689,401	10,672,471	31,491,527	29,539,326
Other employee benefits	1,671,839	1,521,617	4,928,015	4,394,684
	$ 12,904,402	$ 12,728,844	$ 38,023,355	$ 35,500,905
Summary of employee benefits expense by function				
Operating costs	$ 8,741,553	$ 8,722,683	$ 26,092,702	$ 24,321,346
Operating expenses	4,162,849	4,006,161	11,930,653	11,179,559
	$ 12,904,402	$ 12,728,844	$ 38,023,355	$ 35,500,905

Under the Company Act as amended in May 2015, the Company's Articles of Incorporation should stipulate a fixed amount or ratio of annual profit to be distributed as employees' compensation. For the three months and for the nine months ended September 30, 2015, the employees' compensation and remuneration to directors and supervisors represented certain percentage of net profit before income tax, employees' compensation, and remuneration to directors and supervisors and were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
	NT$	NT$	NT$	NT$
Compensation/bonus to employees	$ 686,655	$ 720,600	$ 1,533,299	$ 1,591,823
Remuneration to directors and supervisors	52,346	65,509	129,314	144,711

Material differences between such estimated amounts and the amounts proposed by the board of directors on or before the annual consolidated financial statements are authorized for issue are adjusted in the year the compensation and remuneration were recognized. If there is a change in the proposed amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in accounting estimate.

The bonus to employees and the remuneration to directors and supervisors for 2014 and 2013 resolved at the Company's annual shareholders' meetings in June 2015 and June 2014, respectively, were as follows:

	For Year 2014	For Year 2013
	NT$	NT$
Bonus to employees	$ 2,335,600	$ 1,587,300
Remuneration to directors and supervisors	211,200	144,000

The differences between the resolved amounts of the bonus to employees and remuneration to directors and supervisors and the accrued amounts reflected in the consolidated financial statements for the year ended December 31, 2014 and 2013 was deemed changes in estimates. The difference was NT$1,330 thousand and NT$385 thousand and had been adjusted in earnings for the nine months ended September 30, 2015 and 2014, respectively.

Information regarding the bonus to employees and the remuneration to directors and supervisors resolved by the shareholders' meeting is available on the Market Observation Post System website of the TSE.

23. INCOME TAX

a. Income tax expense recognized in profit or loss

The major components of income tax expense were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014 (Adjusted)	2015	2014 (Adjusted)
	NT$	NT$	NT$	NT$
Current income tax				
In respect of the current period	$ 1,320,237	$ 1,042,221	$ 2,740,629	$ 1,770,461
Income tax on unappropriated earnings	-	-	610,556	453,152

(Continued)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014 (Adjusted)	2015	2014 (Adjusted)
	NT$	NT$	NT$	NT$
Adjustments for prior periods	$ 7,797	$ (896)	$ (38,109)	$ 13,114
	1,328,034	1,041,325	3,313,076	2,236,727
Deferred income tax				
In respect of the current period	(279,365)	199,251	278,578	535,067
Effect of foreign currency exchange differences	78,639	(251)	(11,990)	19,950
	(200,726)	199,000	266,588	555,017
Income tax expense recognized in profit or loss	$ 1,127,308	$ 1,240,325	$ 3,579,664	$ 2,791,744

(Concluded)

b. Integrated income tax

As of September 30, 2015, December 31, 2014 and September 30, 2014, unappropriated earnings were all generated on and after January 1, 1998. As of September 30, 2015, December 31, 2014 and September 30, 2014, the balance of the Imputation Credit Account ("ICA") was NT$1,430,460 thousand, NT$934,038 thousand and NT$927,583 thousand, respectively.

The creditable ratio for the distribution of earnings of 2014 and 2013 was 6.88% (estimated) and 6.10% (actual), respectively.

c. Income tax assessments

Income tax returns of ASE Inc. and its ROC subsidiaries have been examined by authorities through 2012 and through 2010, 2011, 2012 or 2013, respectively. ASE Inc. and some of its ROC subsidiaries disagreed with the result of examinations relating to its income tax returns for 2004 through 2008 and 2010 through 2012 and appealed to the tax authorities. A settlement was reached in June 2015. The related income tax expenses in the years resulting from the examinations have been accrued in respective tax years or in the year of the settlement.

24. EARNINGS PER SHARE

The earnings and weighted average number of ordinary shares outstanding in the computation of earnings per share were as follows:

Net profit for the period

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014 (Adjusted)	2015	2014 (Adjusted)
	NT$	NT$	NT$	NT$
Net profit for the period attributable to owners of the Company	$ 6,368,622	$7,216,709	$ 14,489,257	$ 15,772,788

(Continued)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014 (Adjusted)	2015	2014 (Adjusted)
	NT$	NT$	NT$	NT$
Effect of potentially dilutive ordinary shares:				
Employee share options issued by subsidiaries	$ (49,096)	$ (47,750)	$ (154,682)	$ (148,298)
Convertible bonds	(619,223)	(461,681)	174,970	625,573
Earnings used in the computation of diluted earnings per share	$ 5,700,303	$ 6,707,278	$ 14,509,545	$ 16,250,063

(Concluded)

Weighted average number of ordinary shares outstanding (in thousand shares):

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
	NT$	NT$	NT$	NT$
Weighted average number of ordinary shares in computation of basic earnings per share	7,635,675	7,704,480	7,656,395	7,679,614
Effect of potentially dilutive ordinary shares:				
Convertible bonds	513,995	375,271	435,578	375,271
Employee share options	71,028	103,273	90,537	100,757
Bonus to employees	10,225	11,393	58,454	53,524
Weighted average number of ordinary shares in computation of diluted earnings per share	8,230,923	8,194,417	8,240,964	8,209,166

The Group is able to settle the bonus to employees or employee remuneration by cash or shares. The Group presumed that the entire amount of the bonus or employee remuneration would be settled in shares and the resulting potential shares were included in the weighted average number of ordinary shares outstanding used in the computation of diluted earnings per share if the effect is dilutive. Such dilutive effect of the potential shares was included in the computation of diluted earnings per share until the shareholders approve the number of shares to be distributed to employees at their meeting in the following year.

25. SHARE-BASED PAYMENT ARRANGEMENTS

Employee share option plans of the Company and its subsidiaries

In order to attract, retain and reward employees, ASE Inc. has five employee share option plans for full-time employees of the Group, including 100,000 thousand share options approved to be granted in April 2015. Each share option represents the right to purchase one ordinary share of ASE Inc. when exercised. Under the terms of the plans, share options are granted at an exercise price equal to or not less than the closing price of the ordinary shares listed on the TSE at the grant date. The option rights of these plans are valid for 10 years, non-transferable and exercisable at certain percentages subsequent to the second anniversary of the grant date. For any subsequent changes in the Company's capital structure, the exercise price is accordingly adjusted.

a. ASE Inc. Option Plans

Information about share options was as follows:

	For the Nine Months Ended September 30			
	2015		2014	
	Number of Options (In Thousands)	Weighted Average Exercise Price Per Share (NT$)	Number of Options (In Thousands)	Weighted Average Exercise Price Per Share (NT$)
Balance at January 1	209,745	$20.7	285,480	$20.5
Options granted	94,270	36.5	-	-
Options forfeited	(859)	24.4	(1,204)	20.5
Options expired	(730)	11.1	(322)	13.5
Options exercised	(41,518)	20.6	(65,213)	19.6
Balance at September 30	260,908	26.5	218,741	20.7
Options exercisable, end of period	164,046	20.8	181,191	20.7

The weighted average share prices at the dates of exercise of share options for the nine months ended September 30, 2015 and 2014 was NT$39.6 and NT$34.4, respectively.

Information about the Company's outstanding share options at each balance sheet date was as follows:

	Range of Exercise Price Per Share (NT$)	Weighted Average Remaining Contractual Life (Years)
September 30, 2015	$ 20.4-22.6	3.7
	36.5	9.9
December 31, 2014	11.1-13.5	0.4
	20.4-22.6	4.4
September 30, 2014	11.1-13.5	0.6
	20.4-22.6	4.7

b. ASE Mauritius Inc. Option Plan

ASE Mauritius Inc. has an employee share option plan for full-time employees of the Group which granted 30,000 thousand units in December 2007. Under the terms of the plan, each unit represents the right to purchase one ordinary share of ASE Mauritius Inc. when exercised. The option rights of the plan are valid for 10 years, non-transferable and exercisable at certain percentages subsequent to the second anniversary of the grant date.

Information about share options was as follows:

	For the Nine Months Ended September 30			
	2015		2014	
	Number of Options (In Thousands)	Exercise Price Per Share (US$)	Number of Options (In Thousands)	Exercise Price Per Share (US$)
Balance at January 1	28,545	$ 1.7	28,545	$ 1.7
Options forfeited	(75)	1.7	-	-
Balance at September 30	28,470	1.7	28,545	1.7
Options exercisable, end of period	28,470	1.7	28,545	1.7

As of September 30, 2015, December 31, 2014 and September 30, 2014, the remaining contractual life was 2.3 years, 3 years and 3.3 years, respectively.

c. USIE Option Plans

The terms of the plans issued by USIE were the same with those of the Company's option plans. USIE modified its option plan granted in 2007 by extending the contractual life to 12 years. The incremental fair value was all recognized as employee benefits expense in the years of modifications since the options were all vested.

Information about share options was as follows:

	For the Nine Months Ended September 30			
	2015		2014	
	Number of Options (In Thousands)	Weighted Average Exercise Price Per Share (US$)	Number of Options (In Thousands)	Weighted Average Exercise Price Per Share (US$)
Balance at January 1	34,159	$ 2.1	34,939	$ 2.1
Options forfeited	(84)	2.8	-	-
Options exercised	(4,380)	1.9	(780)	1.5
Balance at September 30	29,695	2.1	34,159	2.1
Options exercisable, end of period	28,106	2.1	29,221	2.0

Information about USIE's outstanding share options at each balance sheet date was as follows:

	Range of Exercise Price Per Share (US$)	Weighted Average Remaining Contractual Life (Years)
September 30, 2015	$ 1.5	4.2
	2.4-2.9	5.1

(Continued)

	Range of Exercise Price Per Share (US$)	Weighted Average Remaining Contractual Life (Years)
December 31, 2014	$ 1.5	5.0
	2.4-2.9	5.8
September 30, 2014	1.5	4.2
	2.4-2.9	6.1

(Concluded)

Fair value of share options

Share options granted by the Group were measured using the Black-Scholes Option Pricing Model or the Hull & White Model (2004) incorporated with Ritchken's Trinomial Tree Model (1995), and the inputs to the models were as follows:

	ASE Inc.	ASE Mauritius Inc.	USIE
Share price/market price at the grant date	NT$28.60-36.50	US$1.7	US$1.53-2.62
Exercise prices	NT$28.60-36.50	US$1.7	US$1.53-2.94
Expected volatility	27.02%-40.82%	47.21%	32.48%-42.58%
Expected lives	10 years	10 years	10-12 years
Expected dividend yield	3.00%-4.00%	-	-
Risk free interest rates	1.34%-2.51%	3.87%-3.90%	1.63%-4.02%

Expected volatility was based on the historical share price volatility over the past 10 years of ASE Inc. and the comparable companies of ASE Mauritius Inc. and USIE, respectively. Under the Hull & White Model (2004) incorporated with Ritchken's Trinomial Tree Model (1995), the Group assumed that employees would exercise the options after vesting date when the share price was 1.58-1.88 times the exercise price to allow for the effects of early exercise.

26. EQUITY TRANSACTION WITH NON-CONTROLLING INTERESTS

In November 2014, USISH completed its cash capital increase of CNY2,017,690 thousand and the Group's shareholdings of USISH decreased from 88.6% to 82.1% since the Group did not subscribe for additional new shares. The transaction was accounted for as an equity transaction since the Group did not cease to have control over USISH and, as a result, in the fourth quarter of 2014, capital surplus was increased by NT$6,877,101 thousand (after adjusted).

In April 2015, USIE sold its shareholdings of 54,000 thousand ordinary shares of USISH amounting to CNY1,992,060 thousand and, as a result, the Group's shareholdings of USISH decreased from 82.1% to 77.2%. The transaction was accounted for as an equity transaction since the Group did not cease to have control over USISH. and, as a result, capital surplus was increased by NT$7,197,510 thousand in the second quarter of 2015.

27. NON-CASH TRANSACTIONS

For the nine months ended September 30, 2015 and 2014, the Group entered into the following non-cash investing activities which were not reflected in the consolidated statements of cash flows:

	For the Nine Months Ended September 30	
	2015	2014
	NT$	NT$
Payments for property, plant and equipment		
Purchase of property, plant and equipment	$ 23,129,447	$ 36,704,952
Increase (decrease) in prepayments for property, plant and equipment (recorded under the line item of other non-current assets)	(220,918)	617,954
Decrease (increase) in payables for property, plant and equipment	1,824,553	(5,257,142)
Capitalized borrowing costs	(37,811)	(102,785)
	$ 24,695,271	$ 31,962,979
Proceeds from disposal of property, plant and equipment		
Consideration from disposal of property, plant and equipment	$ 175,106	$ 344,267
Decrease (increase) in other receivables	38,178	(75,059)
	$ 213,284	$ 269,208

28. OPERATING LEASE ARRANGEMENTS

Except those discussed in Note 16, the Company and its subsidiary, ASE Test, Inc., lease the land on which their buildings are located under various operating lease agreements with the ROC government expiring through June 2035. The agreements grant these entities the option to renew the leases and reserve the right for the lessor to adjust the lease payments upon an increase in the assessed value of the land and to terminate the leases under certain conditions. In addition, the Group leases buildings, machinery and equipment under operating leases.

The subsidiaries' offices located in U.S.A. and Japan, etc. are leased from other parties and the lease term will expire through 2015 to 2023 with the option to renew the leases upon expiration.

The Group recognized rental expense of NT$343,584 thousand, NT$393,082 thousand, NT$1,057,269 thousand and NT$1,063,766 thousand for the three months and for the nine months ended September 30, 2015 and 2014, respectively.

29. CAPITAL MANAGEMENT

The capital structure of the Group consists of debt and equity. The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance. Key management personnel of the Group periodically reviews the cost of capital and the risks associated with each class of capital. In order to balance the overall capital structure, the Group may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and the amount of new debt issued or existing debt redeemed.

The Group is not subject to any externally imposed capital requirements except those discussed in Note 17.

30. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

1) Fair value of financial instruments not measured at fair value but for which fair value is disclosed

Except bonds payable measured at amortized cost, the management considers that the carrying amounts of financial assets and financial liabilities not measured at fair value approximate their fair values.

The carrying amounts and fair value of bonds payable as of September 30, 2015, December 31, 2014 and September 30, 2014, respectively, were as follows:

	Carrying Amount NT$	Fair Value NT$
September 30, 2015	$ 38,382,648	$ 38,292,845
December 31, 2014	31,270,131	31,702,988
September 30, 2014	30,194,100	30,711,714

2) Fair value hierarchy

The aforementioned fair value hierarchy of bonds payable was Level 3 which was determined based on discounted cash flow analysis with the applicable yield curve for the duration or the last trading prices.

b. Fair value of financial instruments that are measured at fair value on a recurring basis

1) Fair value hierarchy

	Level 1 NT$	Level 2 NT$	Level 3 NT$	Total NT$
September 30, 2015				
Financial assets at FVTPL				
Financial assets designated as at FVTPL				
Private-placement convertible bonds	$ -	$ 100,500	$ -	$ 100,500
Derivative financial assets				
Swap contracts	-	2,398,880	-	2,398,880
Forward exchange contracts	-	41,189	-	41,189
Non-derivative financial assets held for trading				
Open-end mutual funds	558,437	-	-	558,437
Quoted shares	43,225	-	-	43,225
	$ 601,662	$ 2,540,569	$ -	$ 3,142,231

(Continued)

	Level 1	Level 2	Level 3	Total
	NT$	NT$	NT$	NT$
Available-for-sale financial assets				
Limited Partnership	$ -	$ -	$ 501,168	$ 501,168
Quoted shares	172,915	-	-	172,915
Unquoted shares	-	-	246,218	246,218
	$ 172,915	$ -	$ 747,386	$ 920,301
Financial liabilities at FVTPL				
Derivative financial liabilities				
Conversion option, redemption option and put option of convertible bonds	$ -	$ 2,049,773	$ -	$ 2,049,773
Forward exchange contracts	-	298,988	-	298,988
Swap contracts	-	244,204	-	244,204
Foreign currency option contracts	-	12,112	-	12,112
	$ -	$ 2,605,077	$ -	$ 2,605,077
December 31, 2014				
Financial assets at FVTPL				
Financial assets designated as at FVTPL				
Structured time deposits	$ -	$ 2,376,050	$ -	$ 2,376,050
Private-placement convertible bonds	-	100,500	-	100,500
Derivative financial assets				
Swap contracts	-	1,907,705	-	1,907,705
Forward exchange contracts	-	27,811	-	27,811
Non-derivative financial assets held for trading				
Open-end mutual funds	533,425	-	-	533,425
Quoted shares	43,352	-	-	43,352
	$ 576,777	$ 4,412,066	$ -	$ 4,988,843
Available-for-sale financial assets				
Open-end mutual funds	$ 1,500,434	$ -	$ -	$ 1,500,434
Limited Partnership	-	-	555,361	555,361
Unquoted shares	-	$ -	223,505	223,505
Quoted shares	195,070	-	-	195,070
	$ 1,695,504	$ -	$ 778,866	$ 2,474,370

(Continued)

	Level 1 NT$	Level 2 NT$	Level 3 NT$	Total NT$
Financial liabilities at FVTPL				
Derivative financial liabilities				
Conversion option, redemption option and put option of convertible bonds	$ -	$ 2,520,606	$ -	$ 2,520,606
Swap contracts	-	99,165	-	99,165
Forward exchange contracts	-	31,581	-	31,581
	$ -	$ 2,651,352	$ -	$ 2,651,352
September 30, 2014				
Financial assets at FVTPL				
Financial assets designated as at FVTPL				
Structured time deposits	$ -	$ 2,284,213	$ -	$ 2,284,213
Private-placement convertible bonds	-	100,500	-	100,500
Derivative financial assets				
Swap contracts	-	790,532	-	790,532
Forward exchange contracts	-	20,036	-	20,036
Non-derivative financial assets held for trading				
Open-end mutual funds	532,154	-	-	532,154
Quoted shares	34,565	-	-	34,565
	$ 566,719	$ 3,195,281	$ -	$ 3,762,000
Available-for-sale financial assets				
Limited Partnership	$ -	$ -	$ 575,677	$ 575,677
Unquoted shares	-	-	258,984	258,984
Quoted shares	235,040	-	-	235,040
	$ 235,040	$ -	$ 834,661	$ 1,069,701
Financial liabilities at FVTPL				
Derivative financial liabilities				
Conversion option, redemption option and put option of convertible bonds	$ -	$ 2,240,129	$ -	$ 2,240,129
Swap contracts	-	109,186	-	109,186
Forward exchange contracts	-	77,938	-	77,938
Foreign currency option contracts	-	10,849	-	10,849
	$ -	$ 2,438,102	$ -	$ 2,438,102

(Concluded)

For assets and liabilities held for the nine months ended September 30, 2015 and 2014 that were measured at fair value on a recurring basis, there were no transfers between Level 1 and Level 2 of the fair value hierarchy.

2) Reconciliation of Level 3 fair value measurements of financial assets

The financial assets measured at Level 3 fair value were equity investments with no quoted prices classified as available-for-sale financial assets - non-current. Reconciliations for the nine months ended September 30, 2015 and 2014 were as follows:

	2015	2014
	NT$	NT$
Balance at January 1	$ 778,866	$ 797,162
Purchase	13,791	38,793
Disposals	(42,902)	(20,411)
Total gains or losses		
In profit or loss	(15,891)	-
In other comprehensive income	13,522	19,117
Balance at September 30	$ 747,386	$ 834,661

As of September 30, 2015 and 2014, unrealized loss of NT$16,633 thousand and unrealized gain of NT$33,732 thousand, recorded in other comprehensive income under the heading of unrealized gain (loss) on available-for-sale financial assets, were included in the carrying amount of the financial assets at fair value on Level 3 fair value measurement.

3) Valuation techniques and assumptions applied for the purpose of measuring fair value

a) Valuation techniques and inputs applied for the purpose of measuring Level 2 fair value measurement

Financial Instruments	Valuation Techniques and Inputs
Derivatives - swap contracts, forward exchange contracts and foreign currency option contracts	Discounted cash flows - Future cash flows are estimated based on observable forward exchange rates at balance sheet dates and contract forward rates, discounted at rates that reflected the credit risk of various counterparties.
Derivatives - conversion option, redemption option and put option of convertible bonds	Option pricing model - Incorporation of present value techniques and reflect both the time value and the intrinsic value of options
Structured time deposits and private-placement convertible bonds	Discounted cash flows - Future cash flows are estimated based on observable forward exchange rates or stock prices at balance sheet dates and contract interest rate ranges or conversion prices, discounted at rates that reflected the credit risk of various counterparties.

b) Valuation techniques and inputs applied for the purpose of measuring Level 3 fair value measurement

The fair value of the Group’s investments in unquoted shares on Level 3 fair value measurement were measured using market approach based on investees’ recent financing activities, technical development, valuation of investees comparable companies, market conditions and other economic indicators.

The fair values of investments in limited partnership are measured using discounted cash flow technique and a comparable multiple technique. The significant unobservable inputs used in the discounted cash flow technique were discount rates of 9.10% to 12.98% and the terminal growth rates of 2.00% to 2.50%. Any significant increase in discount rates or any significant decrease in terminal growth rates would result in a decrease in the fair value of the investments in limited partnership. The significant unobservable input used in the comparable multiple technique was EBITDA multiples of 9.00 to 9.36. Any significant decrease in multiples would result in a decrease in the fair value of the investments in limited partnership.

c. Categories of financial instruments

	September 30, 2015	December 31, 2014	September 30, 2014
	NT$	NT$	NT$
Financial assets			
FVTPL			
Designated as at FVTPL	$ 100,500	$ 2,476,550	$ 2,384,713
Held for trading	3,041,731	2,512,293	1,377,287
Available-for-sale financial assets	920,301	2,474,370	1,069,701
Loans and receivables (Note 1)	98,389,112	106,158,279	83,881,950
Financial liabilities			
FVTPL			
Held for trading	2,605,077	2,651,352	2,438,102
Measured at amortized cost (Note 2)	182,637,071	157,157,392	152,161,340

Note 1: The balances included loans and receivables measured at amortized cost which comprise cash and cash equivalents, trade and other receivables and other financial assets.

Note 2: The balances included financial liabilities measured at amortized cost which comprise short-term and long-term borrowings, trade and other payables, bonds payable and long-term payables.

d. Financial risk management objectives and policies

The derivative instruments used by the Group are to mitigate risks arising from ordinary business operations. All derivative transactions entered into by the Group are designated as either hedging or trading. Derivative transactions entered into for hedging purposes must hedge risk against fluctuations in foreign exchange rates and interest rates arising from operating activities. The currencies and the amount of derivative instruments held by the Group must match its hedged assets and liabilities denominated in foreign currencies.

The Group's risk management department monitors risks to mitigate risk exposures, reports unsettled position, transaction balances and related gains or losses to the Group’s chief financial officer on monthly basis.

1) Market risk

The Group’s activities exposed it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. Gains or losses arising from fluctuations in foreign currency exchange rates of a variety of derivative financial instruments were approximately offset by those of hedged items. Interest rate risk was not significant due to the cost of capital was expected to be fixed.

There had been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency exchange rate risk

The Group had sales and purchases as well as financing activities denominated in foreign currency which exposed the Group to foreign currency exchange rate risk. The Group entered into a variety of derivative financial instruments to hedge foreign currency exchange rate risk to minimize the fluctuations of assets and liabilities denominated in foreign currencies.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities (including those eliminated upon consolidation) as well as derivative instruments which exposed the Group to foreign currency exchange rate risk at each balance sheet date are presented in Note 35.

The Group was principally subject to the impact to exchange rate fluctuation in U.S. dollars and Japanese yen against NT$ or Chinese Yuan Renminbi (“CNY”). 1% is the sensitivity rate used when reporting foreign currency exchange rate risk internally to key management personnel and represents management’s assessment of the reasonably possible change in foreign currency exchange rates. The sensitivity analysis included financial assets and liabilities and inter-company receivables and payables within the Group. The changes in profit before income tax due to a 1% change in U.S. dollars and Japanese yen both against NT$ and CNY would be NT$56,000 thousand and NT$41,000 thousand for the nine months ended September 30, 2015 and 2014, respectively. Hedging contracts and hedged items have been taken into account while measuring the changes in profit before income tax. The abovementioned sensitivity analysis mainly focused on the foreign currency monetary items at the end of the reporting period. As the period-end exposure did not reflect the exposure for the nine months ended September 30, 2015 and 2014, the abovementioned sensitivity analysis was unrepresentative of those periods.

b) Interest rate risk

Except a portion of long-term borrowings and bonds payable at fixed interest rates, the Group was exposed to interest rate risk because group entities borrowed funds at floating interest rates. Changes in market interest rates will lead to variances in effective interest rates of borrowings from which the future cash flow fluctuations arise.

The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at each balance sheet date were as follows:

	September 30, 2015	**December 31, 2014**	**September 30, 2014**
	NT$	**NT$**	**NT$**
Fair value interest rate risk			
Financial liabilities	$ 29,772,311	$ 34,003,038	$ 31,946,211
Cash flow interest rate risk			
Financial assets	39,098,465	51,603,455	34,199,978
Financial liabilities	60,468,199	65,149,698	61,238,411

For assets and liabilities with floating interest rates, a 100 basis point increase or decrease was used when reporting interest rate risk internally to key management personnel. If interest rates had been 100 basis points (1%) higher or lower and all other variables held constant, the Group's profit before income tax for the nine months ended September 30, 2015 and 2014 would have decreased or increased approximately by NT$161,000 thousand and NT$203,000 thousand, respectively.

c) Other price risk

The Group was exposed to equity or debt price risk through its investments in financial assets at FVTPL, including private-placement convertible bonds, quoted shares, and open-end mutual funds, and available-for-sale financial assets. If equity or debt prices were 1% higher or lower, profit before income tax for the nine months ended September 30, 2015 and 2014 would have increased or decreased approximately by NT$7,000 thousand and NT$6,700 thousand, respectively, and other comprehensive income before income tax for the nine months ended September 30, 2015 and 2014 would have increased or decreased approximately by NT$9,000 thousand and NT$11,000 thousand, respectively.

In addition, the Group was also exposed to the Company's ordinary share price risk through Bonds Options recognized as financial liabilities held for trading. 7% is the sensitivity rate used when reporting price risk internally to key management personnel. If the Company's ordinary share price increased or decreased by 7%, profit before income tax for the nine months ended September 30, 2015 and 2014 would have decreased approximately by NT$586,000 thousand and NT$614,000 thousand, respectively, or increased approximately by NT$488,000 thousand and NT$551,000 thousand, respectively.

2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's credit risk arises from cash and cash equivalents, receivables and other financial assets. The Group's maximum exposure to credit risk was the carrying amounts of financial assets in the consolidated balance sheets.

The Group dealt with counterparties creditworthy and has a credit policy and trade receivable management procedures to ensure recovery and evaluation of trade receivables. The Group's counterparties consisted of a large number of customers and banks and there was no significant concentration of credit risk exposure.

3) Liquidity risk

The Group manages liquidity risk by maintaining adequate working capital and banking facilities to fulfill the demand for cash flow used in the Group's operation and capital expenditure. The Group also monitors its compliance with all the loan covenants. Liquidity risk is not considered to be significant.

In the table below, financial liabilities with a repayment on demand clause were included in the earliest time band regardless of the probability of counter-parties choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities were based on the agreed repayment dates.

To the extent that interest flows are floating rate, the undiscounted amounts were derived from the interest rates at each balance sheet date.

	On Demand or Less than 1 Month	1 to 3 Months	3 Months to 1 Year	1 to 5 Years	More than 5 Years
	NT$	NT$	NT$	NT$	NT$
September 30, 2015					
Non-derivative financial liabilities					
Non-interest bearing	$ 21,938,820	$ 20,993,569	$ 8,516,979	$ 1,938	$ 194,612
Floating interest rate liabilities	7,883,885	4,458,392	13,030,379	36,033,593	1,091,712
Fixed interest rate liabilities	17,939,675	6,174,920	12,277,466	29,786,331	-
	$ 47,762,380	$ 31,626,881	$ 33,824,824	$ 65,821,862	$ 1,286,324
December 31, 2014					
Non-derivative financial liabilities					
Non-interest bearing	$ 23,660,711	$ 21,370,876	$ 4,606,064	$ 155,599	$ 29,139
Floating interest rate liabilities	21,534,220	9,003,403	12,364,453	23,870,629	175,302
Fixed interest rate liabilities	684,039	838,234	846,899	34,458,859	-
	$	$	$	$	$
September 30, 2014					
Non-derivative financial liabilities					
Non-interest bearing	$ 26,450,313	$ 19,744,191	$ 4,514,414	$ 103,630	$ 28,007
Floating interest rate liabilities	12,309,895	15,801,166	14,183,255	20,239,981	-
Fixed interest rate liabilities	2,249,574	4,963	1,699,720	32,377,859	-
	$ 41,009,782	$ 35,550,320	$ 20,397,389	$ 5,2721,470	$ 28,007

The amounts included above for floating interest rate instruments for non-derivative financial liabilities was subject to change if changes in floating interest rates differ from those estimates of interest rates determined at each balance sheet date.

The following table detailed the Group's liquidity analysis for its derivative financial instruments. The table was based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross cash inflows and outflows on those derivatives that require gross settlement. When the amounts payable or receivable are not fixed, the amounts disclosed have been determined by reference to the projected interest rates as illustrated by the yield curves at each balance sheet date.

	On Demand or Less than 1 Month	1 to 3 Months	3 Months to 1 Year
	NT$	NT$	NT$
September 30, 2015			
Net settled			
Forward exchange contracts	$ (21,905)	$ (65,580)	$ -
Gross settled			
Forward exchange contracts			
Inflows	3,405,810	1,257,026	-
Outflows	(3,414,596)	(1,249,060)	-
	(8,786)	7,966	-
Swap contracts			
Inflows	19,580,602	40,269,898	38,880,941
Outflows	(19,146,168)	(38,601,435)	(37,542,335)
	434,434	1,668,463	1,338,606

(Continued)

	On Demand or Less than 1 Month	1 to 3 Months	3 Months to 1 Year
	NT$	NT$	NT$
Foreign currency option contracts			
Inflows	$ 69,759	$ -	$ -
Outflows	(65,745)	-	-
	4,014	-	-
	$ 429,662	$ 1,676,429	$ 1,338,606
December 31, 2014			
Gross settled			
Forward exchange contracts			
Inflows	$ 3,662,813	$ 1,959,573	$ 9,241
Outflows	(3,655,279)	(1,940,145)	(9,331)
	7,534	19,428	(90)
Swap contracts			
Inflows	10,342,259	4,621,200	33,399,031
Outflows	(10,215,834)	(4,461,118)	(31,646,310)
	126,425	160,082	1,752,721
	$ 133,959	$ 179,510	$ 1,752,631
September 30, 2014			
Net settled			
Forward exchange contracts	$ (27,370)	$ (6,900)	$ -
Foreign currency option contracts	3,630	-	-
	$ (23,740)	$ (6,900)	$ -
Gross settled			
Forward exchange contracts			
Inflows	$ 4,238,908	$ 1,516,636	$ -
Outflows	(4,258,702)	(1,513,532)	-
	(19,794)	3,104	-
Swap contracts			
Inflows	12,593,036	7,242,156	30,291,693
Outflows	(12,530,504)	(7,052,651)	(29,664,678)
	62,532	189,505	627,015
	$ 42,738	$ 192,609	$ 627,015

(Concluded)

31. RELATED PARTY TRANSACTIONS

Balances and transactions within the Group had been eliminated upon consolidation. Details of transactions between the Group and other related parties were disclosed as follows:

a. The Company contributed each NT$100,000 thousand to ASE Cultural and Educational Foundation (the "ASE Foundation") during the first quarter in 2015 and the third quarter in 2014, respectively, for environmental charity in promoting the related domestic environmental protection and public service activities (Note 33).

b. The Company acquired real estate from associate during the second quarter in 2015 and the third quarter in 2014 at NT$2,466,000 thousand and NT$4,540,086 thousand, respectively, which was primarily based on independent professional appraisal reports and was fully paid.

c. The Company contracted with associate to construct a foreign labor dormitory on current lease property and NT$172,400 thousand had been paid for the nine months ended September 30, 2015. In addition, during January 1, 2014 to September 30, 2014, the construction of buildings with green design concept and other projects on current leased property for which the Company contracted with associate has been completed with a total consideration of NT$313,526 thousand, which was primarily based on independent professional appraisal reports as well as request for quotation and price negotiation, and the payment schedule was based on the agreed acceptance progress.

d. During the third quarter in 2014, the Company donated NT$15,000 thousand to Social Affairs Bureau of the Kaohsiung City Government through ASE Foundation to help the Kaohsiung City Government rebuild the damaged area and settle the residents who suffered or needed to be evacuated from home due to the gas explosion accident in the Qianzhen District of the Kaohsiung City.

e. Compensation to key management personnel

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
	NT$	NT$	NT$	NT$
Short-term employee benefits	$ 273,263	$ 221,976	$ 775,997	$ 625,703
Post-employment benefits	780	1,301	2,368	4,059
Share-based payments	7,568	6,932	16,412	25,296
	$ 281,611	$ 230,209	$ 794,777	$ 655,058

The compensation to the Company's key management personnel is according to personal performance and market trends.

32. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

In addition to Note 9, the following assets were provided as collateral for bank borrowings and the tariff guarantees of imported raw materials:

	September 30, 2015	December 31, 2014	September 30, 2014
	NT$	NT$	NT$
Inventories related to real estate business	$ 11,599,303	$ 15,164,858	$ 13,590,420
Other financial assets (including current and non-current)	247,639	268,562	265,564
	$ 11,846,942	$ 15,433,420	$ 13,855,984

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of each balance sheet date were as follows:

a. Significant commitments

1) As of September 30, 2015, December 31, 2014 and September 30, 2014, unused letters of credit of the Group were approximately NT$38,000 thousand, NT$137,000 thousand and NT$215,000 thousand, respectively.

2) As of September 30, 2015, December 31, 2014 and September 30, 2014, the amounts that the Group has committed to purchase property, plant and equipment were approximately NT$8,395,000 thousand, NT$17,498,000 thousand and NT$12,683,000 thousand, respectively, of which NT$1,887,845 thousand, NT$1,516,396 thousand and NT$3,607,411 thousand had been prepaid, respectively.

3) In consideration of corporate social responsibility for environmental protection, the Company's board of directors, in December 2013, approved contributions to be made in the next 30 years, at a total amount of NT$3,000,000 thousand, at the minimum, to environmental protection efforts in Taiwan.

b. Non-cancellable operating lease commitments

	September 30, 2015
	NT$
Less than 1 year	$ 210,833
1-5 years	362,490
More than 5 years	472,858
	$ 1,046,181

34. SIGNIFICANT EVENTS AFTER REPORTING PERIOD

In November, 2015, the Company received a legal brief made by SPIL in connection with a lawsuit brought by SPIL against the Company which was filed with Kaohsiung District Court. SPIL sought to confirm that the Company does not have the right to request SPIL to register it as a shareholder in SPIL's shareholder register. To protect the Company's interest, the Company has engaged an attorney to defend this case and to submit the defense brief to the court. The Company expects there is no material impact on the financial position and business operation.

35. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the group entities and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

	Foreign Currencies (In Thousand)	Exchange Rate	Carrying Amount (In Thousand)
September 30, 2015			
Monetary financial assets			
US$	$ 3,630,216	US$1=NT$32.87	$ 119,352,202
US$	1,099,391	US$1=CNY6.3613	36,136,970
JPY	314,430	JPY1=NT$0.2739	86,122
JPY	9,025,321	JPY1=US$0.0083	2,472,035
Monetary financial liabilities			
US$	3,708,393	US$1=NT$32.87	121,894,878
US$	1,156,520	US$1=CNY6.3613	38,014,804
JPY	4,493,549	JPY1=NT$0.2739	1,230,783
JPY	9,277,840	JPY1=US$0.0083	2,541,200
December 31, 2014			
Monetary financial assets			
US$	3,086,749	US$1=NT$31.65	97,695,606
US$	649,271	US$1=CNY6.119	20,549,427
JPY	3,354,008	JPY1=NT$0.2646	887,471
JPY	8,787,236	JPY1=US$0.0084	2,325,103
Monetary financial liabilities			
US$	2,896,001	US$1=NT$31.65	91,658,432
US$	976,913	US$1=CNY6.119	30,919,296
JPY	3,159,712	JPY1=NT$0.2646	836,060
JPY	8,903,753	JPY1=US$0.0084	2,355,933
September 30, 2014			
Monetary financial assets			
US$	2,957,843	US$1=NT$30.42	89,977,573
US$	678,103	US$1=CNY6.1525	20,627,894
JPY	5,899,075	JPY1=NT$0.2780	1,639,943
JPY	8,577,360	JPY1=US$0.0091	2,384,506
Monetary financial liabilities			
US$	2,706,136	US$1=NT$30.42	82,320,659
US$	1,077,306	US$1=CNY6.1525	32,771,640
JPY	4,864,434	JPY1=NT$0.2780	1,352,313
JPY	8,698,527	JPY1=US$0.0091	2,418,190

The significant realized and unrealized foreign exchange gains (losses) were as follows:

	For the Three Months Ended September 30, 2015		For the Three Months Ended September 30, 2014	
Foreign Currencies	**Exchange Rate**	**Net Foreign Exchange Gain (Loss)**	**Exchange Rate**	**Net Foreign Exchange Gain (Loss)**
		NT$		**NT$**
US$	US$1=NT$32.87	$ (113,471)	US$1=NT$30.42	$ 170,829
NT$		(2,223,718)		(426,516)

(Continued)

Foreign Currencies	For the Three Months Ended September 30, 2015 Exchange Rate	Net Foreign Exchange Gain (Loss) NT$	For the Three Months Ended September 30, 2014 Exchange Rate	Net Foreign Exchange Gain (Loss) NT$
CNY	CNY1=NT$5.1672	$ (269,976)	CNY1=NT$4.9443	$ 30,210
		$(2,607,165)		$ (225,477)
US$	US$1=NT$32.87	$ 124,356	US$1=NT$30.42	$ 222,354
NT$		(1,095,340)		(376,872)
CNY	CNY1=NT$5.1672	(298,002)	CNY1=NT$4.9443	(12,514)
		$(1,268,986)		$ (167,032)

(Concluded)

36. OTHERS

On December 20, 2013, the Kaohsiung Environmental Protection Bureau ("KEPB") issued an official letter No. Kao-Shih-Huan-Chu-Tu-Tzu 10243758100 and an administrative sanction letter No. Kao-Shih-Huan-Chu-Shui-Chu-Tzu 30-102-120022 ("the Administrative Decision"). The Administrative Decision was to impose a fine of NT$110,065 thousand which has been recorded under the line item of other losses for the year ended December 31, 2013. On April 7, 2014, the amount of the fine was amended to NT$109,359 thousand by the KEPB. On September 4, 2015, the amount of the fine was further amended to NT$102,014 thousand by the KEPB. On January 17, 2014, the Company retained lawyers to file an administrative appeal to nullify the Administrative Decision with the Kaohsiung City Government, but the administrative appeal was dismissed. The Company next retained lawyers to file an administrative complaint to revoke the part of the Administrative Decision pertaining to the fine, and the case is being heard by the Kaohsiung High Administrative Court. Meanwhile, owing to the event above, on January 3, 2014, the Kaohsiung District Prosecutors Office charged the Company with violation of the Waste Disposal Act. The Kaohsiung District Court handed down the judgment on October 20, 2014 and the Company was fined NT$3,000 thousand for violation of Article 47 of the Waste Disposal Act and has been recorded under the line item of other gains and losses for the year ended December 31, 2014. Then the Company appealed against the judgment to the Kaohsiung Branch of Taiwan High Court. On September 29, 2015, the Kaohsiung Branch of Taiwan High Court rendered a final judgment of finding the Company not guilty of the criminal charge.

37. OPERATING SEGMENTS INFORMATION

The Group has the following reportable segments: Packaging, Testing and EMS. The Group packages bare semiconductors into finished semiconductors with enhanced electrical and thermal characteristics; provides testing services, including front-end engineering testing, wafer probing and final testing services; provides electronics manufacturing services. Information about other business activities and operating segments that are not reportable are combined and disclosed in "Others." The Group engages in other activities such as substrate production and real estate business.

The accounting policies for segments are the same as those described in Note 4. The measurement basis for resources allocation and performance evaluation is based on profit before income tax.

Segment information for the nine months ended September 30, 2015 and 2014 was as follows:

Segment revenues and results

	Packaging NT$	Testing NT$	EMS NT$	Others NT$	Adjustment and Elimination NT$	Total NT$
For the nine months ended September 30, 2015						
Revenue from external customers	$ 87,513,840	$ 18,836,024	$ 98,941,313	$ 2,463,197	$ -	$ 207,754,374
Inter-segment revenues (Note)	$ 7,338,347	$ 139,156	$ 41,930,125	$ 5,784,586	$ (55,192,214)	$ -
Segment profit before income tax	$ 11,934,222	$ 4,634,291	$ 1,922,964	$ 225,139	$ -	$ 18,716,616
September 30, 2015						
Segment assets	$ 194,463,369	$ 40,780,791	$ 88,452,992	$ 44,754,584	$ -	$ 368,451,736
For the nine months ended September 30, 2014						
Revenue from external customers	$ 89,394,071	$ 19,211,905	$ 68,606,539	$ 2,734,217	$ -	$ 179,946,732
Inter-segment revenues (Note)	$ 4,886,857	$ 115,324	$ 35,139,997	$ 6,409,674	$ (46,551,852)	$ -
Segment profit before income tax	$ 11,036,680	$ 4,857,456	$ 2,551,878	$ 523,734	$ -	$ 18,969,748
September 30, 2014						
Segment assets	$ 159,526,677	$ 42,231,111	$ 62,164,607	$ 40,812,401	$ -	$ 304,734,796

Note: Inter-segment revenues were eliminated upon consolidation.