ECLAT TEXTILE CO., LTD. AND SUBSIDIARIES

Interim Consolidated Financial Statements

March 31, 2016 and 2015
(With Auditors' Review Report Thereon)

KPMG

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Independent Auditors' Report

To the Board of Directors of
Eclat Textile Co., Ltd.

We have reviewed the accompanying consolidated balance sheets of Eclat Textile Co., Ltd. and its subsidiaries (the Group) as of March 31, 2016 and 2015, and the related consolidated statements of comprehensive income for the three-month periods ended March 31, 2016 and 2015, changes in equity, and cash flows for the three-month periods ended March 31, 2016 and 2015. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these consolidated financial statements based on our reviews.

Except for the matters described in the third paragraph, we conducted our reviews in accordance with Statement of Auditing Standards No. 36 "Engagements to Review 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 of making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the 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.

The financial statements of the partial subsidiaries were consolidated based on their unreviewed financial statements. The total assets of the aforementioned subsidiaries were NT$1,875,966 thousand and NT$1,676,757 thousand, constituting 9.27% and 10.61% of the consolidated total assets as of March 31, 2016 and 2015, respectively. The total liabilities of the aforementioned subsidiaries were NT$581,794 thousand and NT$610,752 thousand, constituting 10.94% and 10.80% of the consolidated total liabilities as of March 31, 2016 and 2015, respectively. The total comprehensive loss of these subsidiaries amounted to NT$377,030 thousand and NT$287,990 thousand, constituting (63.83)% and (43.09)% of the total consolidated comprehensive income for the three-month periods ended March 31, 2016 and 2015, respectively.

Based on our reviews, except for the effects of any adjustments that might have been determined to be necessary had the interim consolidated financial statements of the investees referred to in the third paragraph been reviewed, we are not aware of any material modifications that should be made to the interim 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 Standards No. 34 "Interim Financial Reporting" endorsed by the Financial Supervisory Commission of the Republic of China.

KPMG

Taipei, Taiwan (the Republic of China)
May 5, 2016

<u>Notes to Readers</u>

The accompanying interim consolidated financial statements are intended only to present the financial position, results of operations and cash flows in accordance with the International Accounting Standards endorsed by Financial Supervisory Commission, R.O.C. and not those of any other jurisdictions. The standards, procedures and practices to review such financial statements are those generally accepted and applied in the Republic of China.

This document is an English translation of a report originally issued in Chinese. In the event of a conflict between the English translation and the original Chinese version, the Chinese-language accountants' report and financial statements shall prevail.

Interim consolidated financial statements as of March 31, 2016 and 2015 are reviewed only, not audited in accordance with generally accepted auditing standards

ECLAT TEXTILE CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

March 31, 2016, December 31, 2015 and March 31, 2015
(Expressed in thousands of New Taiwan Dollars)

Assets	2016.03.31 Amount	%	2015.12.31 Amount	%	2015.03.31 Amount	%
Current Assets:						
Cash and cash equivalents (Notes 6(a)(o))	$ 7,333,923	36	3,661,074	21	2,546,716	16
Notes receivable, net (Notes 6(b)(o))	3,666	-	2,023	-	2,285	-
Accounts receivable, net (Notes 6(b)(o))	2,227,398	11	3,056,073	17	2,319,584	15
Other receivables(Note 6(b))	36,287	-	50,672	-	32,477	-
Inventories, net (Note 6(c))	3,418,698	17	3,563,259	20	3,726,001	24
Other current assets (Note 6(e))	364,354	2	338,593	2	400,270	2
Total current assets	13,384,326	66	10,671,694	60	9,027,333	57
Noncurrent assets:						
Investments accounted for using equity method	15,433	-	13,861	-	13,904	-
Property, plant, and equipment (Notes 6(d) ,7and 8)	6,416,789	32	6,591,047	38	6,475,278	41
Intangible assets	16,947	-	22,084	-	20,850	-
Deferred income tax assets	35,851	-	35,851	-	41,888	-
Other noncurrent assets (Note6(e))	371,569	2	347,631	2	224,055	2
Total noncurrent assets	6,856,589	34	7,010,474	40	6,775,975	43
Total Assets	$ 20,240,915	100	17,682,168	100	15,803,308	100

Liabilities and Equity	2016.03.31 Amount	%	2015.12.31 Amount	%	2015.03.31 Amount	%
Current Liabilities:						
Short-term loans (Notes 6(f)(o)and 8)	$ 1,900,170	9	2,227,209	13	2,281,301	14
Notes payable(Note 6 (o))	282,217	1	324,391	2	268,768	2
Accounts payable(Note 6 (o))	1,247,618	6	1,213,573	7	1,468,880	9
Other payables	585,061	3	994,641	6	528,126	4
Current income tax liabilities	750,830	4	604,167	3	604,191	4
Current portion of long-term liabilities (due in 1 year) (Notes 6(g) (o)and 8)	46,025	-	46,940	-	34,941	-
Other current liabilities-others	118,427	1	83,276	-	120,582	1
Total current liabilities	4,930,348	24	5,494,197	31	5,306,789	34
Noncurrent liabilities:						
Long-term loans (Notes 6(g)(o)and 8)	74,347	1	88,824	1	58,333	1
Deferred income tax liabilities	50,499	-	50,499	-	36,619	-
Net defined benefit liability	188,581	1	189,026	1	213,142	1
Guarantee deposits received	72,101	-	85,293	-	42,418	-
Total noncurrent liabilities	385,528	2	413,642	2	350,512	2
Total liabilities	5,315,876	26	5,907,839	33	5,657,301	36
Equity Attributable to Owners of Parent (Note 6(j))						
Common Stock	2,689,874	13	2,609,874	15	2,609,874	16
Capital surplus	3,769,437	19	1,289,437	7	1,152,238	7
Retained earnings:						
Legal reserve	1,230,078	6	1,230,078	7	929,726	6
Unappropriated retained earnings(Note 6(i))	7,085,620	35	6,432,490	37	5,351,842	34
Total retained earnings	8,315,698	41	7,662,568	44	6,281,568	40
Other stockholder's equity-others	150,030	1	212,450	1	102,327	1
Total Equity	14,925,039	74	11,774,329	67	10,146,007	64
Total Liabilities and Equity	$ 20,240,915	100	17,682,168	100	15,803,308	100

See accompanying notes to interim consolidated financial statements.

Reviewed only, not audited in accordance with generally accepted auditing standards

ECLAT TEXTILE CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the Three-Month Periods Ended March 31, 2016 and 2015
(Expressed in thousands of New Taiwan Dollars, except for earnings per share)

	For the three-month periods ended March 31			
	2016		2015	
	Amount	%	Amount	%
Net Operating revenues (Notes 6(l) and 14)	$ 5,590,471	100	4,928,213	100
Operating costs (Notes 6(c)(h) and 12)	4,097,528	73	3,569,665	72
Operating profit	1,492,943	27	1,358,548	28
Operating expenses (Notes 6(h) and 12)				
Selling expenses	300,075	5	255,608	5
Administrative and general expenses	224,872	4	200,605	4
Research and development expenses	33,717	1	29,175	1
Total operating expenses	558,664	10	485,388	10
Operating income	934,279	17	873,160	18
Non-operating income and expenses (Note 6(n)):				
Other income	3,579	-	1,504	-
Other gains and losses	(130,237)	(3)	(7,262)	-
Financial costs	(7,998)	-	(9,232)	-
Recognized share of profit of associates accounted for using equity method, net	1,572	-	872	-
Total non-operating income and expenses	(133,084)	(3)	(14,118)	-
Income before income tax	801,195	14	859,042	18
Less:Income tax (Note 6(i))	(148,065)	(2)	(160,892)	(4)
Net income	653,130	12	698,150	14
Other comprehensive income：				
Items that will subsequently be reclassified to profit or loss				
Exchange difference on translation for foreign financial statements of foreign operation	(62,420)	(1)	(29,834)	-
Income tax expense related to items that may be reclassified subsequently	-	-	-	-
Total other comprehensive income, net of income tax	(62,420)	(1)	(29,834)	-
Total comprehensive income for the period	$ 590,710	11	668,316	14
Basic earnings per share (in dollars) (Note 6(k))	$ 2.47		2.68	

See accompanying notes to interim consolidated financial statements.

Reviewed only, not audited in accordance with generally accepted auditing standards

ECLAT TEXTILE CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the Three-Month Periods Ended March 31, 2016 and 2015
(Expressed in thousands of New Taiwan Dollars)

	Equity attributable to shareholders of the parent						
			Retained earnings			Other adjustments to equity	
	Common stock	Capital surplus	Legal reserve	Unappropriated retained earnings	Total	Exchange difference on Translation of Foreign financial Statements	Total equity
Balance, January 1, 2015	$ 2,609,874	1,152,238	929,726	4,653,692	5,583,418	132,161	9,477,691
Net income for the period	-	-	-	698,150	698,150	-	698,150
Other comprehensive income for the period	-	-	-	-	-	(29,834)	(29,834)
Total comprehensive income for the period	-	-	-	698,150	698,150	(29,834)	668,316
Balance, March 31, 2015	$ 2,609,874	1,152,238	929,726	5,351,842	6,281,568	102,327	10,146,007
Balance, January 1, 2016	$ 2,609,874	1,289,437	1,230,078	6,432,490	7,662,568	212,450	11,774,329
Net income for the period	-	-	-	653,130	653,130	-	653,130
Other comprehensive income for the period	-	-	-	-	-	(62,420)	(62,420)
Total comprehensive income for the period	-	-	-	653,130	653,130	(62,420)	590,710
Cash capital increase	80,000	2,480,000	-	-	-	-	2,560,000
Balance, March 31, 2016	$ 2,689,874	3,769,437	1,230,078	7,085,620	8,315,698	150,030	14,925,039

See accompanying notes to interim consolidated financial statements.

Reviewed only, not audited in accordance with generally accepted auditing standards

ECLAT TEXTILE CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the Three-Month Periods Ended March 31, 2016 and 2015
(Expressed in thousands of New Taiwan Dollars)

	For the three-month periods ended March 31	
	2016	2015
Cash flows from operating activities:		
Net income before tax	$ 801,195	859,042
Adjustments		
Income(loss) not impact cash flow:		
Depreciation and amortization	208,408	176,116
Reversal of bad debts	-	(15,000)
Net gain of financial assets and liabilities reported at fair value through profit or loss	-	(3,023)
Interest expense	7,998	9,232
Interest revenue	(2,919)	(844)
Shares of income from subsidiaries, affiliates and joint ventures under equity method	(1,572)	(872)
Loss on disposal of property, plant and equipment	8,423	1,254
Total Income(loss) not impact cash flow	220,338	166,863
Changes in assets or liabilities relating to operating activities:		
Net changes in assets relating to operating activities		
Decrease in notes and accounts receivable	827,032	468,231
Decrease (Increase) in inventories	144,689	(626,639)
Increase in other current assets	(25,761)	(66,721)
Decrease (Increase) in other financial assets	14,385	(19,342)
Increase in other operating assets	(25,289)	(1,294)
Total net changes in assets relating to operating activities	935,056	(245,765)
Net changes in liabilities relating to operating activities		
(Decrease) increase in notes and accounts payable	(8,129)	269,192
Decrease in other payables	(409,580)	(263,640)
Increase in other current liabilities	35,151	15,853
(Decrease) increase in net defined benefit liabilities	(445)	1,831
Total net changes in liabilities relating to operating activities	(383,003)	23,236
Total net changes in assets or liabilities relating to operating activities	552,053	(222,529)
Total adjustments	772,391	(55,666)
Cash inflows from operating activities:	1,573,586	803,376
Interest received	2,919	844
Interest paid	(7,998)	(9,232)
Income taxes paid	(1,402)	(927)
Net Cash inflows from operating activities	1,567,105	794,061
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(107,962)	(139,850)
Proceeds from sales of property, plant and equipment	1,397	14,133
Increase in refundable deposits	(1,930)	(2,181)
Acquisition of intangible assets	(748)	(1,421)
Increase in prepayments for equipment	(28,266)	(11,486)
Net cash outflow from investing activities	(137,509)	(140,805)
Cash flows from financing activities:		
(Decrease) increase in short-term loans	(327,039)	52,437
Decrease in long-term loans	(15,392)	(1,043)
Decrease in financial liabilities reported at fair value through profit or loss	-	(11,627)
Decrease in guaranteed deposits received	(13,192)	(9,635)
Cash capital increase	2,560,000	-
Net cash inflow from financing activities	2,204,377	30,132
Impact of changes of exchange rates on cash and cash equivalents	38,876	13,457
Increase in cash and cash equivalents	3,672,849	696,845
Cash and cash equivalents, beginning of period	3,661,074	1,849,871
Cash and cash equivalents, end of period	$ 7,333,923	2,546,716

See accompanying notes to interim consolidated financial statements.

ECLAT TEXTILE CO., LTD. AND SUBSIDIARIES

Notes To Consolidated Financial Statements

March 31, 2016 and 2015
(Expressed in thousands of New Taiwan dollars unless otherwise specified)

1. Organization and Business

Eclat Textile Co., Ltd. (the Company) was incorporated in November 1977. The Company has established the Tashan Plant, Miao-li Plant and Hsichou Plant in Miao-li, and Dayuan Plant in Taoyuan. It has mainly been involved in the manufacturing and marketing of knitwear. The Consolidated financial statements on March 31, 2016 consist of the Company and its subsidiaries (the "Group"). Please refer to note4(b) for more details about the operation of the Group.

2. Approval date and procedures of the consolidated financial statements

On May 5, 2016, the board of directors approved and noted the interim consolidated financial statements as of and for the three-month periods ended March 31.

3. Adoption of New Standards and Interpretations

The following summarizes new standards and amendments that may impact the Group issued by the International Accounting Standards Board (IASB) but not yet endorsed by the FSC until the reporting date:

Newly Issued/Revised Standards, Amendments, and Interpretations	Effective date Announced by IASB
Amendment to IFRS 15 "Clarification of IFRS 15"	January 1, 2018

The Group is evaluating the impact on its financial position and financial performance of the initial adoption of above mentioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

Except for those stated above, the evaluation of the new and revised standards and interpretations not yet adopted are the same as that of the consolidated financial statements as of and for the year ended December 31, 2015.

4. Significant Accounting Policies

(a) Statement of compliance

The accompanying interim consolidated financial statements have been prepared in accordance with the Guidelines Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as the Guidelines) and IAS 34 "Interim Financial Reporting" endorsed by the FSC. These interim financial statements do not include all disclosures required for annual financial statements under the Guidelines and IFRSs, IASs, IFRIC Interpretations and SIC Interpretations as endorsed by the FSC (hereinafter referred to as IFRS as endorsed by the FSC).

Except as described below, the significant accounting policies adopted in the accompanying interim consolidated financial statements are the same as those adopted in the consolidated financial statements for the year ended December 31, 2015. Please refer to Note 4 of the consolidated financial statements for the year ended December 31, 2015 for related information.

(b) Basis of Consolidation

Principles used in preparing the consolidated financial statements are the same as those used for the consolidated financial statements for the year ended December 31, 2015. Please refer to Note 4(c) of the consolidated financial statements for the year ended December 31, 2015, for complete disclosures of significant accounting policies.

(1) The subsidiaries included in the consolidated financial statements include:

Investor	The name of subsidiaries	Business activity	March 31, 2016	December 31, 2015	March 31, 2015
The Company	Grand Elite	Investments in securities, real estate, and manufacturing industry	100%	100%	100%
The Company	Eclat Cayman	Investments in securities, real estate, and manufacturing industry	100%	100%	100%
Grand Elite	Aegis	Garment merchandise and manufacture	100%	100%	100%
Grand Elite	Miaw Shun (Cambodia)	Design, manufacture, processing and sale of clothing	100%	100%	100%
Grand Elite	Eclat Textile (Cambodia)	Design, manufacture, processing and sale of clothing	100%	100%	100%
Grand Elite	Antares(Note)	Design clothing	-%	-%	100%
Eclat Cayman	Unison(Note1)	Design, manufacture, processing and sale of clothing	100%	100%	56%
Eclat Cayman	E-TOP	Investments in securities, real estate, and manufacturing industry	100%	100%	100%
Eclat Cayman	Eclat Vietnam	Design, manufacture, processing and sale of clothing	100%	100%	100%
Eclat Cayman	Fabrics	Fabric Mills and Finishing of Textiles	100%	100%	100%
Eclat Cayman	E-TOP (VN)	Design, manufacture, processing and sale of clothing	100%	100%	100%
Eclat Cayman	Colltex	Design, manufacture, processing and sale of clothing	100%	100%	100%
Eclat Cayman	Eclat Enterprise	Investments in securities, real estate, and manufacturing industry	100%	100%	100%
Eclat Cayman	TAI-YUAN(VN)	Design, manufacture, processing and sale of clothing	100%	100%	100%
E-TOP	Unison(Note1)	Design, manufacture, processing and sale of clothing	-%	-%	44%

Note: The Antares lost its edge due to the fierce competition of raw materials, raising wages and inflation of price in China. The board of directors approved to close and liquidate Antares on November 7, 2014, and acquired the notification of registration cancellation from Shanghai Administration for Industry & Commerce on June 2015. All the remaining dividends were remitted to Grand Elite in April, 2015.

Note1: After being approved and noted by the board of directors on July 8, 2015, the group transferred 44% ownership of Unison to Eclat Cayman. The application process of transferring ownership was completed on July 31, 2015.

(2) The subsidiaries not included in the consolidated financial statements: None

(Continued)

(c) Income taxes

The Group evaluates and discloses interim period income tax expense in accordance with paragraph B12 of IAS 34 "Interim Financial Reporting".

Income tax expense is best estimated by multiplying the pretax income for the interim reporting period by the effective annual tax rate as forecasted by the management. All income tax expense should be recognized as current tax expense.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled and recognized directly in equity or other comprehensive income as tax expense.

(d) Employee benefits

The 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 curtailments, settlements, or other significant one-time events.

5. Critical Accounting Judgments and Key Sources of Estimation Uncertainly

The interim consolidated financial statements are prepared in conformity with IAS 34 "Interim Financial Reporting" as endorsed by the FSC, under which, management make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In these interim consolidated financial statements, judgments and key sources of estimation uncertainty used by management in the application of critical accounting policies are expected to be consistent with those in Note 5 of the consolidated financial statements for the year ended December 31, 2015.

6. Description of Significant Accounts

Except as described below, the description of significant accounts in the accompanying interim financial statements is not materially different from those in the consolidated financial statements for the year ended December 31, 2015. Please refer to Note 6 of the consolidated financial statements for the year ended December 31, 2015, for more details.

(Continued)

(a) Cash and cash equivalents

	2016.03.31	2015.12.31	2015.03.31
Cash	$ 11,461	11,218	8,623
Bank deposits	3,614,155	1,516,231	1,129,593
Term deposits	3,708,307	2,133,625	1,408,500
Cash and cash equivalents	$ 7,333,923	3,661,074	2,546,716

(b) Notes receivable, accounts receivable and other receivables

	2016.03.31	2015.12.31	2015.03.31
Notes receivable - operating activities	$ 3,666	2,023	2,285
Accounts receivable	2,251,484	3,080,159	2,343,670
Other receivables	36,817	51,202	41,257
Less: allowance for doubtful accounts	(24,616)	(24,616)	(32,866)
Total	$ 2,267,351	3,108,768	2,354,346

Overdue but unimpaired aging of notes receivable, accounts receivable and other receivables of the Group are as follows:

	2016.03.31	2015.12.31	2015.03.31
Overdue less than 30days	$ 221,800	332,311	160,291
Overdue from 31days to 120days	20,482	21,488	16,011
Overdue from121days to 300days	-	62	194
Total	$ 242,282	353,861	176,496

The changes in allowance for doubtful accounts of notes receivable, accounts receivable and other receivables of the group during 2016 and 2015 are as followed:

	Impairment loss of separate assessment	Impairment loss of combined assessment	Total
Beginning balance as of January 1,2016	$ 13,332	11,284	24,616
Recognized impairment loss	2,485	-	2,485
Reversal of impairment loss	-	(2,485)	(2,485)
Ending balance as of March 31, 2016	$ 15,817	8,799	24,616

(Continued)

	Impairment loss of separate assessment	Impairment loss of combined assessment	Total
Beginning balance as of January 1,2015	$ 37,186	10,680	47,866
Reversal of impairment loss	(13,328)	(1,672)	(15,000)
Ending balance as of March 31, 2015	$ 23,858	9,008	32,866

None of accounts receivable and notes receivable held by the Group were pledged or collateralized and discounts as of March 31, 2016, December 31, 2015 and March 31, 2015.

Accounts receivable of the Group have been insured accounts receivable credit risk. The insured amounts are $114,434 thousand, $108,014 thousand and $251,716 thousand as of March 31, 2016, December 31, 2015 and March 31, 2015. Guaranteed fraction is 90% of reviewed credit of policyholder; the recoverable amount of the insurance is considered when deciding impairment amount of accounts receivable.

(c) Inventories

	2016.03.31	2015.12.31	2015.03.31
Work in progress - Raw materials	$ 10,476	18,201	21,341
Raw materials	1,740,276	1,852,666	1,951,533
Supplies	506,567	493,058	535,472
Work in progress	999,588	1,012,714	1,142,037
Finished goods	161,791	186,620	75,618
	$ 3,418,698	3,563,259	3,726,001

As the net realizable value of inventories has increased due to the recovery of the inventory devaluation in the prior period. The Group recognized a gain from recovery in the value of inventories for the three-month periods ended March 31, 2016 and 2015, which were credited to cost of goods sold as follows:

	For the three-month periods ended March 31	
	2016	2015
Gain from recovery in the value of inventories	$ 2,141	1,351

None of inventories held by the Group were pledged as of March 31, 2016, December 31, 2015 and March 31, 2015.

(Continued)

ECLAT TEXTILE CO., LTD. AND SUBSIDIARY

Notes to interim consolidated financial statements

(d) property, plant and equipment

The cost, depreciation and impairment loss of the property, plant and equipment of the Group are as follows:

		Land	Buildings	Machinery equipment	Transportation equipment	Office assets	Other assets	Construction in progress	Total
Cost:									
Balance at January 1, 2016	$	1,188,443	3,642,566	4,012,028	91,854	212,374	965,414	172,791	10,285,470
Additions		-	1,349	22,413	1,259	90	11,251	71,600	107,962
Reclassification		-	5,501	30,711	3,972	280	12,638	(48,986)	4,116
Disposals		-	(18,931)	(9,187)	(950)	(2,921)	(383)	-	(32,372)
Effect of exchange rates changes		(578)	(45,535)	(46,896)	(1,172)	(1,842)	(14,645)	(4,023)	(114,691)
Balance as of March 31, 2016	$	1,187,865	3,584,950	4,009,069	94,963	207,981	974,275	191,382	10,250,485
Balance at January 1, 2015	$	1,187,382	3,093,478	3,608,328	88,125	201,467	627,837	722,248	9,528,865
Additions		-	1,492	19,633	-	1,944	12,132	104,649	139,850
Reclassification		-	220,532	101,294	1,979	2,920	94,768	(419,571)	1,922
Disposals		-	-	(23,530)	-	-	(6,862)	-	(30,392)
Effect of exchange rates changes		(316)	(22,509)	(23,718)	1,068	(689)	(6,089)	(5,759)	(58,012)
Balance as of March 31, 2015	$	1,187,066	3,292,993	3,682,007	91,172	205,642	721,786	401,567	9,582,233
Depreciation and impairment loss:									
Balance at January 1, 2016	$	-	836,236	2,222,937	47,520	143,376	444,354	-	3,694,423
Depreciation for the year		-	39,447	116,909	3,129	5,318	37,325	-	202,128
Disposals		-	(12,466)	(7,266)	(950)	(1,769)	(101)	-	(22,552)
Effect of exchange rates changes		-	(7,918)	(23,773)	(531)	(1,092)	(6,989)	-	(40,303)
Balance as of March 31, 2016	$	-	855,299	2,308,807	49,168	145,833	474,589	-	3,833,696
Balance at January 1, 2015	$	-	673,691	1,812,023	43,744	124,221	311,741	-	2,965,420
Depreciation for the year		-	34,298	102,834	2,670	4,899	28,441	-	173,142
Reclassification		-	1,342	9,097	279	818	963	-	12,499
Disposals		-	-	(10,066)	-	-	(4,939)	-	(15,005)
Effect of exchange rates changes		-	(4,867)	(18,880)	(524)	(1,381)	(3,449)	-	(29,101)
Balance as of March 31, 2015	$	-	704,464	1,895,008	46,169	128,557	332,757	-	3,106,955
Carrying amounts:									
Balance at January 1, 2016	$	1,188,443	2,806,330	1,789,091	44,334	68,998	521,060	172,791	6,591,047
Balance as of March 31, 2016	$	1,187,865	2,729,651	1,700,262	45,795	62,148	499,686	191,382	6,416,789
Balance at January 1, 2015	$	1,187,382	2,419,787	1,796,305	44,381	77,246	316,096	722,248	6,563,445
Balance as of March 31, 2015	$	1,187,066	2,588,529	1,786,999	45,003	77,085	389,029	401,567	6,475,278

The property, plant and equipment are not pledged as collateral for loans as of March 31, 2016 and December 31, 2015. Please refer to note 8 for assets pledged as collateral for loans as of March 31, 2015.

(e) Other current or noncurrent assets

Current:

	2016.03.31	2015.12.31	2015.03.31
Tax refund receivables	$ 68,447	76,179	73,861
Advance of Payment	74,908	57,492	65,002
Prepaid expense	22,670	31,557	29,274
Prepaid sales tax	167,571	138,389	201,864
Others	30,758	34,976	30,269
	$ 364,354	338,593	400,270

Noncurrent:

	2016.03.31	2015.12.31	2015.03.31
Prepayments for equipment	$ 111,834	115,115	10,671
Long-term Prepaid rents	251,828	225,863	208,632
Refundable deposits	7,907	5,977	4,367
Others	-	676	385
	$ 371,569	347,631	224,055

Long-term Prepaid rents is the contract for right of use of land for constructing factories and dorms. This contract was signed among the Group, bureau of state land and resources of China and local authorities of Vietnam.

(f) Short-term loans

Details of short-term loans of the Group are as follows:

	2016.03.31	2015.12.31	2015.03.31
Unsecured bank loans	$ 1,900,170	2,227,209	1,386,121
Secured bank loans	-	-	895,180
Total	$ 1,900,170	2,227,209	2,281,301
Unused quota	$ 4,408,706	3,925,909	3,387,099
Range of interest rates	1.10%~1.67%	1.10%~1.99%	1.10%~2.18%

(1) The issuance and repayment of loans

The issuance amounts of short-term loans for the three-month periods ended March 31, 2016 and 2015, were $1,812,981 thousand and $1,711,171 thousand, respectively; the interest rates range from 1.10% to 1.67% and 1.18% to 2.01%, respectively; the maturity date were March 2017 and March 2016, respectively; and the repayment amounts of loans were $2,096,595 thousand and $1,634,173 thousand, respectively.

(2) Collaterals for bank loans

Please refer to note8 for assets pledged by the Group for its bank loans.

(g) Long-term loans

Details of long-term loans of the Group are as follows:

		2016.03.31	2015.12.31	2015.03.31
Unsecured bank loans	$	120,372	135,764	93,274
Less: Maturing within one year		(46,025)	(46,940)	(34,941)
Total	$	74,347	88,824	58,333
Unused quota	$	121,016	110,423	-
Range of interest rates		2.00%	2.00%	2.00%~2.18%

(1) Issuance and repayment of loans

There was no significant addition of issuance, repurchase, or repayment of any of the Group's loans. For interest expense please see note6(n), for relevant information for the three-month periods ended March 31, 2016 and 2015, please see note6(g) of the Consolidated financial statement for the year ended December 31, 2015.

(2) Collaterals for bank loans

Please refer to note8 for assets pledged by the Group for its bank loans.

(h) Employee Benefits

(1) Defined benefit plan

Subsequent to December 31, 2015, there was no apparent evidence of any material market volatility, material curtailment, reimbursement and settlement, or other material one-time events. Therefore, pension cost in the interim consolidated financial statements is measured and disclosed according to the respective actuarial report for the years ended December 31, 2015 and 2014.

(Continued)

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The pension costs of the defined benefit plans recognized in profit or loss were as follows:

	For the three-month periods ended March 31	
	2016	**2015**
Operating costs	$ 488	674
Selling expenses	424	528
Administrative and general expenses	390	470
R&D expenses	50	68
Total	$ 1,352	1,740

(2) Defined contribution plan

The pension costs that were contributed to Bureau of Labor Insurance were as follows:

	For the three-month periods ended March 31	
	2016	**2015**
Operating costs	$ 15,105	13,316
Selling expenses	4,133	3,442
Administrative and general expenses	3,223	3,321
R&D expenses	302	181
Total	$ 22,763	20,260

(i) Income Tax

(1) The details of income tax expense were as follows:

	For the three-month periods ended March 31	
	2016	**2015**
Current income tax expense	$ 148,065	160,892

(2) The Company's income tax returns through 2014 have been examined by the R.O.C. tax authority.

(Continued)

(3) Information related to the unappropriated earnings and tax deduction ratio was summarized below:

	2016.03.31	2015.12.31	2015.03.31
Unappropriated earnings of 1997 and before	$ 430	430	430
Unappropriated earnings of 1998 and after	7,085,190	6,432,060	5,351,412
	$ 7,085,620	6,432,490	5,351,842
Balance of deductible tax account	$ 855,622	855,622	642,914

	2015 (Estimated)	2014 (Actual)
Tax deduction ratio for earnings distribution to R.O.C. residents	22.67%	23.38%

The aforementioned information of credit tax imputations was prepared in accordance with Ruling No.10204562810 issued by the Ministry of Finance, R.O.C. on October 17, 2013.

The Legislative Yuan of the Republic of China approved the amendment of Income Tax Law on May 16, 2014, and the Ministry of Finance announced the amendment of Income Tax Law revises Article 66-6 on June 4, 2014. Commencing from January 1, 2015, the tax deduction ratio for individual shareholders residing in the Republic of China will be half of the original tax deduction ratio. The tax deduction ratio for earnings distribution to R.O.C residents in 2015 and 2014 were adjusted to 11.34% (estimated) and 11.69% (actual) in 2016 and 2015, respectively.

(j) Stockholders' equity

Except for those described below, there was no material change in equity for the three-month periods ended March 31, 2016 and 2015. Please refer to Note 6(j) of the consolidated financial statements for the year ended December 31, 2015 for other relevant disclosures of equity.

(1) Common Stock

On November 5, 2015, the board of directors of the Company approved a resolution to issue 8,000 thousand shares' common stocks by cash, with the par value $10 per share, and on December 29, 2015, the board of directors of the Company approved the issuance price of $320 per share. The date of the capital increase was February 25, 2016. The issuance was according to Article 1040046754 approved by FSC respectively on November 27, 2015. All issued shares were paid up upon issuance and reported under equity.

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(2) Capital Surplus

The balances of additional paid-in capital were as follows:

	2016.03.31	2015.12.31	2015.03.31
Paid-in capital in excess of par value	$ 3,550,000	1,070,000	1,070,000
Treasury stock transactions	396	396	396
Unpaid compensation to directors and supervisors	1,377	1,377	1,377
Net assets from merger with Everbright Garment	15,866	15,866	15,866
Unpaid dividend payables	3	3	3
Employee stock options	201,795	201,795	64,596
	$ 3,769,437	1,289,437	1,152,238

(3) Retained earnings

According to the Company's articles of incorporation, 10% of annual net earnings (net of income taxes), after deducting accumulated deficits, must be set aside as legal reserve. The remaining portion is to be distributed upon a proposal by the board of directors and approval in an annual stockholders' meeting, with employees' bonus of not less than 0.1%.

The Company is now in the growth stage and has a plan to expand the product line. Due to the need for capital to fulfill the plan, the policy for dividend distribution should reflect factors such as investment planning, financial structure, future fund requirements, and status of earnings. The board of directors shall make the distribution proposal, and it is then approved at the shareholders' meeting. The ratio for distributing cash dividends shall not be lower than 20% of the total distribution.

According to the amendments of Company Law in May 2015, Employees' bonuses and directors' compensation are no longer subject to earning appropriation and distribution. The board of director approved the amendment of Company's articles of incorporation on December 29, 2015, and reported to shareholders' meeting before the due date set by the authority.

(i) Earnings appropriation and distribution

For the three-month periods ended March 31, 2015, the employee bonuses and directors' compensation were estimated according to the previous Company Act, which was before May 2015. According to the Company's articles of incorporation, the Company should appropriate 0.1% of its net income as employee bonuses. We did not estimate the liabilities, due to the minor estimated expense for the three-month periods ended March 31, 2015. Please refer to Note 6(m) of the consolidated financial statements based on amendment of Company Law in May 2015 for the related detail disclosures of the estimated employees' profit sharing bonus for the three-month periods ended March 31, 2016.

(Continued)

For the years ended December 31, 2014, the estimated employees' bonus amounted to $2,090 thousand. The amount is identical to the actual distributions.

The appropriations of earnings of 2015 were approved in the board of directors' meeting on March 17, 2016, and the appropriations of 2014 earnings were approved in the stockholders' meeting on June 24, 2015, respectively. The amounts of appropriation of dividends per share were as follows:

	2015		2014	
	rates(dollars)	amount	rates(dollars)	amount
Cash dividends	$ 10.50	2,824,367	8.00	2,087,899

As mentioned above, please browse through the relative information approved during the board of directors' and shareholder's meeting on M.O.P.S. website.

(4) Other equity (net of tax)

	Financial statements translation differences from foreign operations
Balance, January 1, 2016	$ 212,450
Financial statements translation differences from foreign operations	(62,420)
Balance, March 31, 2016	$ 150,030
Balance, January 1, 2015	$ 132,161
Financial statements translation differences from foreign operations	(29,834)
Balance, March 31, 2015	$ 102,327

(k) Earnings per share

The basic earnings per share were calculated as follows:

	For the three-month periods ended March 31	
	2016	2015
Basic earnings per share		
Net income attributable to common stock holders	$ 653,130	698,150
Weighted average number of ordinary shares outstanding (thousand shares)	264,152	260,987
Basic earnings per share (dollars ; the same as diluted earnings per share)	$ 2.47	2.68

(Continued)

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(l) Operating Revenues

The details of the revenue for 2016 and 2015 were as follows:

	For the three-month periods ended March 31	
	2016	**2015**
Sales of merchandise	$ 5,590,471	4,928,213

(m) Employees' profit sharing bonus

According to the Company's articles of incorporation approved by the board of directors on December 29, 2015, which has yet to be approved at shareholder's meeting, after deducting the accumulated deficits, the remaining portion, if any, is to be distributed upon a proposal by the board of directors, which is then approved at the shareholders' meeting, with employee bonuses of not less than 0.1%. Qualified employees are entitled to stock and cash distribution of the Company.

For the three-month periods ended March 31, 2016, the employees' profit sharing bonus were calculated based on the Company's income(excluding tax and employee and directors' compensation) and earnings allocation percentage as stated under the amended Company's articles of incorporation. We did not estimate the liabilities, due to the minor estimated expense for the three-month periods ended March 31, 2016. If there is the change after released financial reporting date, the difference is treated as a change in accounting estimate, and is charged to profit or loss for the next year.

The Company recognized its employees' profit sharing bonus amounting to $6,000 thousand for the year ended December 31, 2015. Additional related information can be obtained from the Market Observation Post System Website. The differences between the amounts distributed and estimated arising from the inconsistency between the two articles approved by the shareholders and the board of directors, if any, are accounted for as changes in accounting estimates and recognized as profit or loss in 2016.

(n) Non-operating income and expenses

(1) Other incomes

The Group's other income for 2016 and 2015 were as follows:

	For the three-month periods ended March 31	
	2016	**2015**
Interest income-bank deposit	$ 2,919	844
Other	660	660
	$ 3,579	1,504

(Continued)

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(2) Other Gains and Losses, net

The Group's other gains and losses for 2016 and 2015 were as follows:

	For the three-month periods ended March 31	
	2016	**2015**
Foreign exchange loss	$ (120,406)	(28,278)
Loss on transaction for property	(8,423)	(1,254)
Net gains for financial liabilities measured at fair value through income or loss	-	3,023
Gain on reversal of impairment loss	-	15,000
Others	(1,408)	4,247
	$ (130,237)	(7,262)

(3) Financial costs

The Group's finance costs for 2016 and 2015 were as follows:

	For the three-month periods ended March 31	
	2016	**2015**
Bank loans	$ 7,958	9,074
Others	40	158
	$ 7,998	9,232

(o) Financial Instruments

Except for the following, there were no significant changes in the fair value of the Consolidated Company's financial instruments and the exposure to credit risks and liquidity risks. Please refer to Note 6(p) of the consolidated financial statement for the year ended December 31, 2015.

(1) Market risk

(i) Exposure to exchange rate risk

The Group's significant exposure to foreign currency risk was as follows:

	2016.03.31			**2015.12.31**			**2015.03.31**		
	Foreign currency	**Exchange rate**	**NTD**	**Foreign currency**	**Exchange rate**	**NTD**	**Foreign currency**	**Exchange rate**	**NTD**
Financial assets									
Monetary items									
USD	$ 237,478	32.185	7,643,229	200,085	32.825	6,567,790	147,565	31.30	4,618,785
Financial liabilities									
Monetary items									
USD	87,136	32.185	2,804,472	90,621	32.825	2,974,634	89,982	31.30	2,816,437

(Continued)

(ii) Sensitivity analysis

The Group's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents, accounts receivable, loans, accounts payable and other payables. A 1% depreciation or appreciation of the TWD against the USD as of March 31, 2016 and 2015 would have increased or decreased the net income after tax by $48,388 thousand and $18,023 thousand respectively. The analysis is based on the same basis.

(iii) Foreign currency gain or loss on monetary item

The realized and unrealized exchange loss amounted to $120,406 thousand and $28,278 thousand, at the average rates of 33.143 and 31.52 for the three-month periods ended March 31, 2016 and 2015, respectively.

(iv) Interest rate risk

For floating rate liabilities, the analysis assumes that the balances of outstanding liabilities on the reporting date have been outstanding for the whole period, and their rational change intervals are being estimated. If the interest rate increases/decreases by 1%, representing the reasonable interest rates changes made by management.

If the interest rate increases/decreases by 1 basis point, the Group's net income will increase/decrease by $19,002 thousand and $23,746 thousand for the three-month periods ended March 31, 2016 and 2015, respectively, with all other variable factors that remain constant. This is mainly due to the Group's borrowings in variable rates.

(2) Information on fair value

(i) Types and fair value of financial instruments

The Group's financial assets and liabilities are listed as follows: (including (1) the information on the levels in fair value hierarchy, wherein, disclosures are not required for financial instruments not measured at fair value with a carrying value approximating its fair value; and (2) those equity investments in which the fair value cannot be reliably measured and without any quoted price in the open market)

	2016.03.31				
		Fair value			
	Carrying value	Level 1	Level 2	Level 3	Total
Loans and receivables					
Cash and cash equivalents	$ 7,333,923	-	-	-	-
Notes and accounts receivable	2,231,064	-	-	-	-
Subtotal	9,564,987	-	-	-	-

(Continued)

	2016.03.31				
		Fair value			
	Carrying value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at amortized cost					
Bank loans	$ 2,020,542	2,020,542	-	-	2,020,542
Notes and accounts payable	1,529,835	-	-	-	-
Subtotal	3,550,377	2,020,542	-	-	2,020,542

	2015.12.31				
		Fair value			
	Carrying value	Level 1	Level 2	Level 3	Total
Loans and receivables					
Cash and cash equivalents	$ 3,661,074	-	-	-	-
Notes and accounts receivable	3,058,096	-	-	-	-
Subtotal	6,719,170	-	-	-	-
Financial liabilities measured at amortized cost					
Bank loans	$ 2,362,973	2,362,973	-	-	2,362,973
Notes and accounts payable	1,537,964	-	-	-	-
Subtotal	3,900,937	2,362,973	-	-	2,362,973

	2015.03.31				
		Fair value			
	Carrying value	Level 1	Level 2	Level 3	Total
Loans and receivables					
Cash and cash equivalents	$ 2,546,716	-	-	-	-
Notes and accounts receivable	2,321,869	-	-	-	-
Subtotal	4,868,585	-	-	-	-
Financial liabilities measured at amortized cost					
Bank loans	$ 2,374,575	2,374,575	-	-	2,374,575
Notes and accounts payable	1,737,648	-	-	-	-
Subtotal	4,112,223	2,374,575	-	-	2,374,575

(ii) Valuation techniques and assumptions used in fair value determination

If a quoted price is available on an active market, the market price should be used as the fair value; the market price published by the primary stock exchanges and the security exchange center of the central government qualify as the basis of fair value evaluation for listed equity instruments and debt instruments with an active market.

If an open quoted price can be timely and frequently obtained from exchanges, brokers, underwriters, industry associations, pricing service institutions, or authorities, and if such price can represent the actual and frequent transaction price on the fair market, then a quoted price is considered as the active market price. If the above conditions are not met, then the market is deemed as inactive. Generally, a great difference and an increasing gap between the buying and selling price, as well as having a small transaction volume are indicators of an inactive market.

(Continued)

Fair value of the Group's financial instruments that have an active market is displayed by category and attributed as follows:

If quoted price of financial assets and liabilities at fair value through profit or loss are available on an active market, the market price should be used as the fair value.

Except for the above-mentioned financial instruments with an active market price, the fair value of other financial instruments is measured using the valuation techniques. The fair value obtained through valuation techniques can be used as a reference to the current fair value, discounted cash flow, or other valuation techniques for other financial instruments with substantially similar properties and conditions. Fair value calculated using the valuation models and the available market information on the balance sheet date are also accepted by the market.

Fair value of the Consolidated Company's financial instruments that don't have an active market is displayed by category and attributed as follows:

If there are no quoted market prices for reference, appraising is applicable, and this appraising is the same as the estimation made from financial goods pricing. The information of the above estimation is accessible.

Most bank loan interest rates close to market rates, so using the loans as fair value. The interest rates are described in note6(f) and note6(g).

(iii) Transfer level1 to level 2

There were no transfers among the fair value hierarchy levels for the three-month periods ended March 31, 2016 and 2015.

(p) Financial risk management

The policies and the objectives of the financial risk management are consistent with those disclosed in Note 6(q) of the consolidated financial statement for the year ended December 31, 2015.

(q) Capital management

The objectives, policies, and procedures are the same as those stated in the consolidated financial statement for the year ended December 31, 2015. There was no material change on quantitative data of the capital management. For relevant information, please refer to Note 6(r) of the consolidated statement for the year ended December 31, 2015.

7. Related-party Transactions

(a) Material transactions among related parties

(1) Guarantees and endorsements

The Company guarantees and endorsements for related parties to obtain the credit lines from bank are as follows:

Types of Related parties	2016.03.31	2015.12.31	2015.03.31
Subsidiaries	$ 1,628,561	1,674,075	1,616,958

(b) Key management personnel transactions

(1) Key management personnel compensation comprised:

	For the three-month periods ended March 31	
	2016	2015
Short-term employee benefits	$ 73,496	69,684

(2) Cars provided to key management personnel:

	2016.03.31	2015.12.31	2015.03.31
Cost	$ 19,089	19,089	25,539
Numbers	4	4	6
Carrying value	$ 7,880	8,670	11,041

8. Pledged Assets

The Group's assets pledged to secure loans are as follows:

Pledged assets	Pledged to secure	2016.03.31	2015.12.31	2015.03.31
property , plant and equipment	loans and credit lines	$ -	-	1,103,956

9. Significant Commitments and Contingencies

As of March 31, 2016, the balance of unused letters of credit of the Group amounted to $113,138 thousand.

10. Significant Casualty Loss: None.

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Notes to interim consolidated financial statements

11. Significant Subsequent Events: None.

12. Others

(a) The Group's personnel, depreciation, and amortization expenses, categorized by function, were as follows:

For the three-month periods ended March 31

	2016			2015		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Personnel expenses						
Salaries	439,457	241,293	680,750	380,204	228,056	608,260
Labor and Health insurance	42,945	16,346	59,291	35,720	14,512	50,232
Pension	15,593	8,522	24,115	13,990	8,010	22,000
Others	38,364	14,618	52,982	31,983	10,938	42,921
Depreciation	171,571	30,557	202,128	147,369	25,773	173,142
Amortization	4,770	1,510	6,280	308	2,666	2,974

(b) Seasonality of operation:

The operation of the Group is not having material influence by seasonality and periodicity.

13. Other Disclosure Items

(a) Related information on material transaction items

The followings are the information on significant transactions required by the Guidelines for the Group:

(1) Lending to other parties:

(Expressed in thousands of NTD/USD)

No	Name of lender	Name of borrower	Account name	affiliates	Highest balance during the period	Balance as of March 31, 2016 (Note 3)	Appropriated credit as of March 31, 2016	Range of interest rates during the period	Type of financing (Note4)	Transaction amounts	Purpose of fund financing of the borrower	Allowance for bad debt	Guarantee		Limitation on fund financing to individual party	Limitation on fund financing	Note
													Item	Value			
01	Aegis	Eclat Vietnam	Other receivables	Y	33,450 (USD 1,000)	32,185 (USD 1,000)	32,185 (USD 1,000)	1.7%	2	-	Operating capital	-	-	-	44,585 (Note)	50,159 (Note)	(Note 5)
01	Aegis	Colltex	Other receivables	Y	16,725 (USD 500)	16,093 (USD 500)	-	-	2	-	Operating capital	-	-	-	44,585 (Note)	50,159 (Note)	(Note 5)
02	Grand Elite	Miaw Shun (Cambodia)	Other receivables	Y	33,450 (USD 1,000)	32,185 (USD 1,000)	32,185 (USD 1,000)	1.7%	2	-	Operating capital	-	-	-	104,133 (Note 1)	117,150 (Note 1)	(Note 5)
02	Grand Elite	Fabrics	Other receivables	Y	56,865 (USD 1,700)	54,715 (USD 1,700)	-	-	2	-	Operating capital	-	-	-	104,133 (Note 1)	117,150 (Note 1)	(Note 5)
03	Eclat Cayman	Fabrics	Other receivables	Y	401,400 (USD 12,000)	386,220 (USD12,000)	280,009 (USD 8,700)	1.7%	2	-	Operating capital	-	-	-	2,294,672 (Note 2)	2,581,505 (Note 2)	(Note 5)
03	Eclat Cayman	Eclat Vietnam	Other receivables	Y	33,450 (USD 1,000)	32,185 (USD 1,000)	16,093 (USD 500)	1.7%	2	-	Operating capital	-	-	-	2,294,672 (Note 2)	2,581,505 (Note 2)	(Note 5)
03	Eclat Cayman	Colltex	Other receivables	Y	267,600 (USD 8,000)	257,480 (USD 8,000)	-	-	2	-	Operating capital	-	-	-	2,294,672 (Note 2)	2,581,505 (Note2)	(Note 5)
03	Eclat Cayman	E-Top (VN)	Other receivables	Y	200,700 (USD 6,000)	193,110 (USD 6,000)	160,925 (USD 5,000)	1.7%	2	-	Operating capital	-	-	-	2,294,672 (Note 2)	2,581,505 (Note 2)	(Note 5)
03	Eclat Cayman	Eclat Textile (Cambodia)	Other receivables	Y	167,250 (USD 5,000)	160,925 (USD 5,000)	128,740 (USD 4,000)	1.7%	2	-	Operating capital	-	-	-	2,294,672 (Note 2)	2,581,505 (Note 2)	(Note 5)

(Continued)

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No	Name of lender	Name of borrower	Account name	affiliates	Highest balance during the period	Balance as of March 31, 2016 (Note 3)	Appropriated credit as of March 31, 2016	Range of interest rates during the period	Type of financing (Note4)	Transaction amounts	Purpose of fund financing of the borrower	Allowance for bad debt	Guarantee		Limitation on fund financing to individual party	Limitation on fund financing	Note
													Item	Value			
03	Eclat Cayman	Eclat Enterprise	Other receivables	Y	33,450 (USD 1,000)	32,185 (USD 1,000)	20,920 (USD 650)	1.7%	2	-	Operating capital	-	-	-	2,294,672 (Note 2)	2,581,505 (Note 2)	(Note 5)
03	Eclat Cayman	Miaw Shun (Cambodia)	Other receivables	Y	66,900 (USD 2,000)	64,370 (USD 2,000)	4,828 (USD 150)	1.7%	2	-	Operating capital	-	-	-	2,294,672 (Note 2)	2,581,505 (Note2)	(Note 5)
03	Eclat Cayman	TAI-YUAN (VN)	Other receivables	Y	150,525 (USD 4,500)	144,832 (USD 4,500)	96,555 (USD 3,000)	1.7%	2	-	Operating capital	-	-	-	2,294,672 (Note 2)	2,581,505 (Note 2)	(Note 5)

Note: Aegis lending total amount not exceed 90% of its net value of financial statements; separately lending not exceed 80% of its net value of financial statements.

Note 1: Grand Elite lending total amount not exceed 90% of its net value of financial statements; separately lending not exceed 80% of its net value of financial statements.

Note 2: Eclat Cayman lending total amount not exceed 90% of its net value of financial statements; separately lending not exceed 80% of its net value of financial statements.

Note 3: Approved by BOD

Note 4: Way of nature of lending: 1 for counterparties and 2 for short-term financing.

Note 5: Transactions listed above have been eliminated during preparing consolidated financial statements.

Note 6: The exchange rate as of March 31, 2016 is USD 1 to NTD 32.185

(2) Guarantees and endorsements for other parties:

(Expressed in thousands of NTD/USD)

No.	Endorsement/ guarantee Provider	Counter-party/ guarantee receiver		Limit of guarantee/ endorsement amount for receiving party (Note1)	Maximum balance (Note5)	Ending balance (Note5)	Actual amount used	Endorsement and guarantee secured by assets	Percentage of accumulated guarantee amount to net assets value from the latest financial statement	Limit of total guarantee/ endorsement amount (Note2)	Classified as endorsement and guarantee to subsidiary by parent company	Classified as endorsement and guarantee to parent company by subsidiary	Classified as endorsement and guarantee to companies in Mainland China
		Name	Relation (Note3)										
00	The Company	Eclat Cayman	2	4,477,512	1,510,602 (USD 45,160)	1,453,475	675,885	-	9.74 %	7,462,520	Y	N	N
00	The Company	Grand Elite	2	4,477,512	217,425 (USD 6,500)	209,202	-	-	1.40%	7,462,520	Y	N	N

Note 1: Guarantees amount to single entity not exceed 30% of its net value of financial statements.

Note 2: Total guarantees amount not exceed 50% of its net value of financial statements.

Note 3: 1.Counterparties

2. Subsidiaries held more than 50%

Note 4: The exchange rate as of March 31, 2016 is USD 1 to NTD 32.185

Note 5: Approved by BOD

(3) Information regarding securities held: None.

(4) Information regarding purchase or sale of securities for the period which exceeded $100 million or 20% of the Company's paid-in capital:

Company's Name	Types and Issuer of Marketable Securities	Account Name	Counterparty	Nature of the Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance		
					Number of Shares (in thousands)	Amount	Number of Shares (in thousands)	Amount	Number of Shares (In thousands)	Amount	Carrying Value	Gain (Loss) on Disposal	Number of Shares (in thousands)	Amount	Notes
The Company	Eclat Cayman	Long term investment under equity method	Eclat Cayman	subsidiaries	86,835	2,519,088	10,000	332,413	-	-	-	-	96,835	2,851,501	Note

Note: Transactions listed above have been eliminated during preparing consolidated financial statements.

(Continued)

ECLAT TEXTILE CO., LTD. AND SUBSIDIARY

Notes to interim consolidated financial statements

(5) Information on acquisition of real estate for which the purchase amount exceeded $300 million or 20% of the Company's paid-in capital: None.

(6) Information regarding the amount from disposal of real estate exceeding $300 million or 20% of the paid-in capital: None.

(7) Information regarding related-party purchase and sale transactions for which the amount exceeded $100 million or 20% of the Company's paid-in capital:

(Expressed in thousands of NTD)

Name of company which purchased or sold	Name of counter-party	Relationship with the Company	Transaction details				Reasons why and description of how the transaction conditions differ from general transactions		Accounts/notes receivable (payable)		Notes
			Purchase/ sale	Amount	Percentage of total purchases / sales	Credit terms	Amount	Credit terms	Ending balance	Percentage of total notes/accounts receivable (payable)	
The Company	Eclat Vietnam	Indirectly held subsidiary	processing	278,212	18.72 % (Note)	30 days	(Note2)	(Note2)	Accounts payable (45,893)	(3.00) %	Note1
The Company	Fabrics	Indirectly held Subsidiary	purchasing	356,516	16.07 %	30 days	(Note2)	(Note2)	Accounts payable (90,299)	(5.90) %	Note1
The Company	E-TOP (VN)	Indirectly held subsidiary	processing	109,122	7.34 % (Note)	30 days	(Note2)	(Note2)	Accounts payable (20,034)	(1.31) %	Note1
The Company	Colltex	Indirectly held subsidiary	processing	127,024	8.55 % (Note)	30 days	(Note2)	(Note2)	Accounts payable (19,301)	(1.26) %	Note1

Note: percentage on processing expense.

Note 1: Transactions listed above have been eliminated during preparing consolidated financial statements.

Note 2: The same as general processing / purchasing.

(8) Information regarding receivables from related parties for which the amount exceeded $100 million or 20% of the Company's paid-in capital:

(Expressed in thousands of NTD / USD)

Name of company which has accounts receivable	Counterparty	Relationship	Ending balance of accounts receivable	Turnover	Past-due receivables from related party		Received subsequently	Allowance for bad debt	Notes
					Amount	method			
Eclat Cayman	Fabrics	Subsidiary	280,009 (USD 8,700)	Note	-	-	-	-	Note1
Eclat Cayman	E-TOP(VN)	Subsidiary	160,925 (USD 5,000)	Note	-	-	-	-	Note1
Eclat Cayman	Eclat Textile (Cambodia)	Investee company	128,740 (USD 4,000)	Note	-	-	-	-	Note1
Aegis	Eclat Vietnam	Investee company	32,185 (USD 1,000)	Note	-	-	-	-	Note1

Note: The ending balance primarily consisted of receivables from related parties, which is not applicable for the calculation of turnover.

Note 1: Transactions listed above have been eliminated during preparing consolidated financial statements.

Note 2: The exchange rate as of March 31, 2016 is USD 1 to NTD 32.185.

(9) Information regarding trading in derivative financial instruments: None.

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(10) Business relationship and significant intercompany transactions are listed as follows:

(Expressed in thousands of NTD)

No.	Name	Counterparty	relation	Transaction details			
				Account name	Amount	Transaction terms	Percentage of Consolidated Total Operating Revenues or Total Assets
1	Fabrics	The Company	2	Sales	356,516	The same as general sales	6.38 %
2	Eclat Vietnam	The Company	2	Processing revenue	278,212	The same as general processing	4.98 %
3	Colltex	The Company	2	Processing revenue	127,024	The same as general processing	2.27 %
4	E-TOP(VN)	The Company	2	Processing revenue	109,122	The same as general processing	1.95 %
5	Eclat Cayman	Fabrics	3	Other receivables	280,009	-	1.38 %

Note 1: Numbers are filled in as follows:

1. 0 represents the parent company.
2. Subsidiaries are numbered from 1.

Note 2: Classification of relation with counterparty is listed as follows:

1. Parent to subsidiary.
2. Subsidiary to parent.
3. Between subsidiaries.

(b) Relevant information about reinvestment(investees of mainland china are not included):

Relevant information about reinvestment for the three-month periods ended March 31, 2016 is as follows:

(Expressed in thousands of NTD / USD)

Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2016			Net Income (Loss) of the Investee	Equity in Net Income (Net Loss)	Note
				March 31, 2016	December 31,2015	Shares (in thousands)	Percentage of Ownership	Carrying Value (Note)			
The Company	Best	Taiwan	Computer equipment installation, software retailing and international commerce	8,739	8,739	881	44.05%	15,433	3,569	1,572	Investee company under equity method
The Company	Grand Elite	British Virgin Islands	Investments in securities, real estate, and manufacturing industry	391,384	390,395	34	100.00%	127,467	(36,340)	(36,340)	Subsidiary (Note1)
The Company	Eclat Cayman	Cayman Islands	Investments in securities, real estate, and manufacturing industry	2,851,501	2,519,088	96,835	100.00%	2,851,691	(44,428)	(31,926)	Subsidiary (Note1)
Grand Elite	Eclat Textile (Cambodia)	Cambodia	Design, manufacture, processing and sale of clothing	257,480 (USD 8,000)	262,600 (USD 8,000)	8,000	100.00%	63,112	(22,686)	(22,686)	Subsidiary of Grand Elite (Note1)
Grand Elite	Miaw Shun (Cambodia)	Cambodia	Design, manufacture, processing and sale of clothing	41,841 (USD 1,300)	42,673 (USD 1,300)	1,250	100.00%	(27,242)	(8,762)	(13,977)	Subsidiary of Grand Elite (Note1)
Grand Elite	Aegis	British Virgin Islands	Garment merchandise and manufacture	57,997 (USD 1,802)	59,151 (USD 1,802)	1,500	100.00%	55,732	188	188	Subsidiary of Grand Elite (Note1)
Eclat Cayman	E-Top	British Virgin Islands	Investments in securities, real estate, and manufacturing industry	82,072 (USD 2,550)	83,704 (USD 2,550)	2,535	100.00%	25,752	-	-	Subsidiary of Eclat Cayman (Note1)
Eclat Cayman	Colltex	Vietnam	Design, manufacture, processing and sale of clothing	513,512 (USD 15,955)	195,473 (USD 5,955)	16,800	100.00%	452,986	14,821	14,410	Subsidiary of Eclat Cayman (Note1)
Eclat Cayman	E-TOP(VN)	Vietnam	Design, manufacture, processing and sale of clothing	193,110 (USD 6,000)	196,950 (USD 6,000)	6,000	100.00%	132,344	16,392	16,392	Subsidiary of Eclat Cayman (Note1)
Eclat Cayman	Eclat Enterprise	Cambodia	Investments in securities, real estate, and manufacturing industry	32 (USD 1)	33 (USD 1)	1	100.00%	(1,036)	(29)	(29)	Subsidiary of Eclat Cayman (Note1)

(Continued)

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Investor	Investee	Location	Main Businesses and Products	Investment Amount		Balance as of March 31, 2016			Net Income (Loss) of the Investee	Equity in Net Income (Net Loss)	Note
				March 31, 2016	December 31,2015	Shares (in thousands)	Percentage of Ownership	Carrying Value (Note)			
Eclat Cayman	Eclat Vietnam	Vietnam	Design, manufacture, processing and sale of clothing	681,389 (USD 21,171)	694,938 (USD21,171)	22,000	100.00%	577,119	(35,789)	(35,789)	Subsidiary of Eclat Cayman (Note1)
Eclat Cayman	Fabrics	Vietnam	Fabric Mills and Finishing of Textiles	1,287,400 (USD 40,000)	1,313,000 (USD40,000)	40,000	100.00%	1,459,819	(4,247)	(4,247)	Subsidiary of Eclat Cayman (Note1)
Eclat Cayman	TAI-YUAN (VN)	Vietnam	Design, manufacture, processing and sale of clothing	222,559 (USD 6,915)	226,985 (USD 6,915)	6,800	100.00%	111,393	(27,473)	(27,292)	Subsidiary of Eclat Cayman (Note1)

Note: accumulated translation is included.

Note 1: Transactions listed above have been eliminated during preparing consolidated financial statements.

Note 2: The exchange rate as of March 31, 2016 is USD 1 to NTD 32.185; the average exchange rate is USD 1 to NTD 33.143; the exchange rate as of December 31, 2015 is USD 1 to NTD 32.825.

(c) Information regarding investments in Mainland China (PRC):

(1) Related information of PRC investee company:

(Expressed in thousands of NTD / USD)

Name of PRC investee company	Major operations	Amount of paid-in capital	Method of investment (note 1)	Investment transferred from Taiwan, beginning of period	Current remittance / recoverable investment		Investment transferred from Taiwan, end of period	Equity in the earnings (losses)	Direct and indirect shareholding percentage by the Company	Current gain or loss on investment recognized	Carrying value of investment, end of period	Repatriated gain on investment, end of period
					Remittance	Repatriation						
Unison	Design, manufacture, processing and sale of clothing	181,041 (USD 5,625)	2	140,360 (USD4,276)	-	-	137,623 (USD 4,276)	(8,263)	100.00%	(8,263)	38,564	-

Note: There are four kinds of investments:

1. Invest in mainland china by remitting through third region.
2. Reinvest in mainland china by establishing investing companies in third region.
3. Reinvest in mainland china by reinvesting in companies in third region.
4. Invest directly in Mainland China's companies.

Note1: The exchange rate as of March 31, 2016 is USD 1 to NTD 32.185; the average exchange rate is USD 1 to NTD 33.143; the exchange rate as of December 31, 2015 is USD 1 to NTD 32.825.

(2) Limit on the amount of investment in Mainland China:

Cumulative remittance from Taiwan, end of the period	Amount of investment approved by the Investment Commission, Ministry of Economic Affairs	Limit on the amount of investment in Mainland China
137,623 (USD 4,276 thousand)	137,623 (USD 4,276 thousand)	8,955,023

Note: The exchange rate as of March 31, 2016 is USD 1 to NTD 32.185.

(3) For information on significant transaction among investees in Mainland China: None.

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14. Segment Information

The reconciliation of operating segments of the Group is as follows:

	For the three-month periods ended March 31,2016				
	Knitted	Clothing	Others	Adjustments and write off	Total
Revenue:					
From external clients	$ 1,883,264	3,707,207	-	-	5,590,471
Intersegments	866,450	619,765	-	(1,486,215)	-
Total revenue	$ 2,749,714	4,326,972	-	(1,486,215)	5,590,471
Income/Loss of reportable segments	$ 265,276	455,151	-	80,768	801,195

	For the three-month periods ended March 31,2015				
	Knitted	Clothing	Others	Adjustments and write off	Total
Revenue:					
From external clients	$ 1,787,302	3,140,911	-	-	4,928,213
Intersegments	1,103,341	468,522	-	(1,571,863)	-
Total revenue	$ 2,890,643	3,609,433	-	(1,571,863)	4,928,213
Income/Loss of reportable segments	$ 338,775	485,195	-	35,072	859,042