

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

**CHAILEASE HOLDING COMPANY LIMITED
AND ITS SUBSIDIARIES**

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

**MARCH 31, 2017 AND 2016
(With Independent Accountants' Review Report Thereon)**

**Address: No.362, Ruiguang Rd., Neihu District, Taipei, Taiwan, (R.O.C.)
Telephone: 886-2-8752-6388**

The accountant's review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditor's report and consolidated financial statements, the Chinese version shall prevail.

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安侯建業聯合會計師事務所
KPMG

台北市11049信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 11049, Taiwan (R.O.C.)

Telephone 電話 + 886 (2) 8101 6666
Fax 傳真 + 886 (2) 8101 6667
Internet 網址 kpmg.com/tw

Independent Accountants' Review Report

To the Board of Directors of Chailease Holding Company Limited:

We have reviewed the accompanying condensed consolidated balance sheets of Chailease Holding Company Limited (the "Company") and its subsidiaries (the "Group") as of March 31, 2017 and 2016, the related condensed consolidated statements of comprehensive income, changes in equity and cash flows for the three month periods then ended. These condensed consolidated financial statements are the responsibility of the Group's management. Our responsibility is to issue a report on these condensed consolidated financial statements based on our reviews.

Except as described in paragraphs 3 and 4, we conducted our reviews in accordance with Statement on Auditing Standard 36, "Engagements to Review Financial Statements". A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with the generally accepted auditing standards, the objective of which is the expression of an opinion regarding the consolidated interim financial statements taken as a whole. Accordingly, we do not express such an opinion.

Included in the accompanying condensed consolidated financial statements are the financial statements of certain consolidated subsidiaries, which were not reviewed by independent accountants. These consolidated subsidiaries had total assets of NT\$101,296,822 thousand and NT\$87,835,719 thousand constituting 36% and 32% of the Company's consolidated total assets as of March 31, 2017 and 2016, respectively; total liabilities of NT\$79,970,341 thousand and NT\$65,984,638 thousand constituting 33% and 28% of the Company's consolidated total liabilities as of March 31, 2017 and 2016, respectively; comprehensive income of NT\$569,097 thousand and NT\$748,630 thousand constituting 50% and 48% of the Company's consolidated comprehensive income for the three months ended March 31, 2017 and 2016, respectively.

Furthermore, long term investments accounted for under the equity method of NT\$752,643 thousand and NT\$432,876 thousand as of March 31, 2017 and 2016, respectively, and related investment income (loss) thereof amounting to NT\$(10,970) thousand and NT\$(2,484) thousand for the three months ended March 31, 2017 and 2016, respectively, were recognized based upon financial statements prepared by the investee companies.



Based on our reviews, except for the effects of the adjustments, if any, as might have been determined to be necessary had the financial statements of some consolidated subsidiaries and some equity method investees as described in paragraphs 3 and 4 above been reviewed by independent accountants, we are not aware of any material modifications that should be made to the accompanying condensed consolidated financial statements described in the first paragraph for them to be in conformity with the Guidelines Governing the Preparation of Financial Report by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed by Financial Supervisory Commission, R.O.C.

We have previously audited the consolidated balance sheets of Chailease Holding Company Limited and its subsidiaries as of December 31, 2016, and the related statements of comprehensive income, changes in equity and cash flows for the year then ended in accordance with the “Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants” and auditing standards generally accepted in the Republic of China and we expressed an unqualified opinion on those audited financial statements in our report dated March 16, 2017. In our opinion, the accompanying condensed interim consolidated balance sheets and related disclosures of the Group as of December 31, 2016, are consistent, in all material respects with the said audited consolidated financial statements from which they have been derived.

KPMG

Taipei, Taiwan (Republic of China)
May 11, 2017

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, results of operations and consolidated cash flows in accordance with the Guidelines Governing the Preparation of Financial Report by Securities Issuers and IAS 34 Interim Financial Reporting as endorsed by the Financial Supervisory Commissions in the Republic of China 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.

The accountant’s review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language auditor’s report and consolidated financial statements, the Chinese version shall prevail.

CHAILEASE HOLDING COMPANY LIMITED AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

March 31, 2017, December 31, 2016, and March 31, 2016

(Amounts Expressed in Thousands of New Taiwan Dollars)

TOTAL ASSETS

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

CHAILEASE HOLDING COMPANY LIMITED AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the three months ended March 31, 2017 and 2016

(Amounts Expressed in Thousands of New Taiwan Dollars)

		For the three months ended March 31,			
		2017		2016	
		Amount	%	Amount	%
	Operating revenues: (Note (7))				
4111	Sales revenue	\$ 1,641,904	18	1,485,359	17
4810	Interest revenue - installment sales	1,835,849	20	1,769,537	20
4820	Interest revenue - capital leases	2,321,424	25	2,251,802	26
4300	Rental revenue - operating leases	774,268	8	688,067	8
4230	Interest revenue - loans	759,855	8	750,056	9
4240	Other interest revenue	738,794	8	651,229	7
4881	Other operating revenue	1,298,957	13	1,175,550	13
		<u>9,371,051</u>	<u>100</u>	<u>8,771,600</u>	<u>100</u>
	Operating costs: (Note (7))				
5111	Cost of sales	1,425,289	15	1,328,761	15
5240	Interest expense	1,163,172	12	1,220,137	14
5300	Cost of rental revenue	612,209	7	475,835	5
5800	Other operating costs	264,473	3	222,641	3
		<u>3,465,143</u>	<u>37</u>	<u>3,247,374</u>	<u>37</u>
	Gross profit from operation	<u>5,905,908</u>	<u>63</u>	<u>5,524,226</u>	<u>63</u>
6000	Operating expenses (Note (7))	3,271,965	35	3,353,641	38
6500	Net other income and expenses (Note (6)(q))	48,085	1	29,275	-
	Operating profit	<u>2,682,028</u>	<u>29</u>	<u>2,199,860</u>	<u>25</u>
	Non-operating income and expenses:				
7100	Interest income	15,150	-	17,327	-
7020	Other gains and losses (Note (6)(r))	293,904	3	84,231	1
7060	Share of (loss) profit of associates and joint ventures accounted for using equity method (Note (6)(f))	(10,970)	-	(2,484)	-
		<u>298,084</u>	<u>3</u>	<u>99,074</u>	<u>1</u>
7900	Profit before income tax	<u>2,980,112</u>	<u>32</u>	<u>2,298,934</u>	<u>26</u>
7950	Less: Income tax expense (Note (6)(m))	741,613	8	595,317	7
	Profit for the period	<u>2,238,499</u>	<u>24</u>	<u>1,703,617</u>	<u>19</u>
8300	Other comprehensive income (loss):				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurement of defined benefit liabilities	-	-	(620)	-
8349	Income tax related to items that will not be reclassified subsequently	-	-	123	-
	Total items that will not be reclassified subsequently to profit or loss	<u>-</u>	<u>-</u>	<u>(497)</u>	<u>-</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(1,537,390)	(16)	(222,052)	(2)
8362	Unrealized gains (losses) on available-for-sale financial assets	24,046	-	35,517	-
8363	Losses of effective portion of cash flow hedges	-	-	(45,957)	-
8364	Gains of effective portion of hedges of net investment in foreign operations	344,944	4	51,248	1
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	8,010	-	1,793	-
8399	Income tax relating to items that are or may be reclassified subsequently to profit or loss	90,522	1	28,593	-
	Total other items that may be reclassified subsequently to profit or loss	<u>(1,069,868)</u>	<u>(11)</u>	<u>(150,858)</u>	<u>(1)</u>
8300	Other comprehensive income (loss) for the period, net of tax	<u>(1,069,868)</u>	<u>(11)</u>	<u>(151,355)</u>	<u>(1)</u>
8500	Total comprehensive income for the period	<u>\$ 1,168,631</u>	<u>13</u>	<u>\$ 1,552,262</u>	<u>18</u>
	Profit attributable to:				
8610	Owners of parent	\$ 2,156,444	23	1,621,126	18
8620	Non-controlling interests	82,055	1	82,491	1
		<u>\$ 2,238,499</u>	<u>24</u>	<u>\$ 1,703,617</u>	<u>19</u>
	Comprehensive income attributable to:				
8710	Owners of parent	\$ 1,061,130	12	1,458,676	17
8720	Non-controlling interests	107,501	1	93,586	1
		<u>\$ 1,168,631</u>	<u>13</u>	<u>\$ 1,552,262</u>	<u>18</u>
9750	Basic earnings per share (NT dollars) (Note (6)(o))	<u>\$ 1.89</u>		<u>\$ 1.42</u>	

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

CHAILEASE HOLDING COMPANY LIMITED AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three months ended March 31, 2017 and 2016

(Amounts Expressed in Thousands of New Taiwan Dollars)

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CHAILLEASE HOLDING COMPANY LIMITED AND ITS SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows
For the three months ended March 31, 2017 and 2016
(Amounts Expressed in Thousands of New Taiwan Dollars)

	For the three months ended March 31,	
	2017	2016
Cash flows from operating activities:		
Profit before income tax	\$ 2,980,112	2,298,934
Adjustments:		
Adjustments to reconcile profit before income tax to net cash provided by operating activities:		
Depreciation expense	508,700	437,710
Amortization expense	40,168	53,745
Gain on financial assets and liabilities at fair value through profit or loss	(6,478)	(15,893)
Interest expense	1,163,172	1,220,137
Interest income	(5,671,072)	(5,439,951)
Share of loss of associates and joint ventures accounted for using equity method	10,970	2,484
Loss (gain) on disposal of property, plant and equipment	4,389	(6,687)
Loss on disposal of foreclosed assets	21,418	17,604
Gain on disposal of investments	(6,020)	(1,993)
Impairment loss on financial assets	1,220,071	1,186,590
Impairment loss on non financial assets	130,087	86,411
Total adjustments to reconcile (profit) loss	(2,584,595)	(2,459,843)
Change in operating assets and liabilities:		
Change in operating assets:		
Increase in financial assets held for trading	(78,973)	(56,733)
Decrease in non-current financial assets at fair value through profit or loss	-	721,807
Increase in accounts receivable	(5,343,723)	(6,881,023)
Increase in other current financial assets	(398,087)	(31,463)
Decrease (increase) in other current assets	826,741	(227,355)
Proceeds from sales of operating lease assets	223,835	255,917
Purchase of operating lease assets	(808,673)	(784,294)
Decrease (increase) in other non-current assets – others	53,502	(242,165)
Total changes in operating assets	(5,525,378)	(7,245,309)
Changes in operating liabilities:		
(Decrease) increase in accounts and notes payable	(190,765)	153,015
Increase in long term and short term debts	72,275,146	77,284,902
Repayment of long term and short term debts	(71,431,523)	(72,158,593)
Increase in other current financial liabilities	488,771	85,637
Decrease in accrued pension liabilities	(6,459)	(106)
Decrease in other current liabilities-others	(314,411)	(76,708)
Decrease in other non-current liabilities	(78,892)	(174,901)
Total changes in operating liabilities	741,867	5,113,246
Total changes in operating assets and liabilities	(4,783,511)	(2,132,063)
Total adjustments	(7,368,106)	(4,591,906)
Cash outflow from operation	(4,387,994)	(2,292,972)
Interest received	5,664,607	5,445,743
Interest paid	(1,130,782)	(1,215,374)
Income taxes paid	(480,605)	(340,176)
Net cash (used in) provided by operating activities	(334,774)	1,597,221
Cash flows from investing activities:		
Acquisition of available-for-sale financial assets	(11,093)	(41,708)
Proceeds from disposal of available-for-sale financial assets	42,131	10,793
Proceeds from capital reduction of available-for-sale financial assets	-	472
Acquisition of held-to-maturity financial assets	(1,110,885)	(1,726,070)
Disposal of held-to-maturity financial assets	1,301,015	1,140,774
Acquisition of investments accounted for using equity method	-	(114,428)
Acquisition of property, plant and equipment	(17,782)	(11,975)
Disposal of property, plant and equipment	69,296	551
Acquisition of intangible assets	-	(1,085)
Net cash provided by (used in) investing activities	272,682	(742,676)
Effect of exchange rate changes on cash and cash equivalents	(39,905)	(53,571)
Net (decrease) increase in cash and cash equivalents	(101,997)	800,974
Cash and cash equivalents, net of bank overdraft, beginning of period	12,935,342	11,093,264
Cash and cash equivalents, net of bank overdraft, end of period (Note (6)(a))	\$ 12,833,345	11,894,238

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

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CHAILEASE HOLDING COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to the Condensed Interim Consolidated Financial Statements

March 31, 2017 and 2016

(Amounts Expressed in Thousands of New Taiwan Dollars, Unless Stated Otherwise)

(1) Overview

Chailease Holding Company Limited (the "Company") is an investment holding company, which was founded on December 24, 2009 under the Company Act of Cayman Islands. The Company has been listed on the Main Board of the Taiwan Stock Exchange Corporation (TWSE) since December 13, 2011.

The Company and its subsidiaries ("the Group") were engaged primarily in providing various services of leasing and financing.

As of March 31, 2017 and 2016, the Company had outstanding common shares of stock of both \$11,392,300 divided into 1,139,229,994 shares.

(2) Financial Statements Authorisation Date and Authorisation Process

The accompanying condensed interim consolidated financial statements were reported to and approved for issue by the Board of Directors on May 11, 2017.

(3) New Accounting Standards and Interpretations

- (a) Impact of the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission, R.O.C. ("FSC") which have already taken effect.

The Group adopted the IFRSs which were issued by the International Accounting Standards Board (IASB) before January 1, 2016, and were endorsed by the FSC for adoption in preparing their financial statements effective January 1, 2017. The related new standards, interpretations and amendments are as follows:

New, Revised or Amended Standards and Interpretations	Effective date per IASB
Amendments to IFRS 10, IFRS 12 and IAS 28 "Investment Entities: Applying the Consolidation Exception"	January 1, 2016
Amendments to IFRS 11 "Accounting for Acquisitions of Interests in Joint Operations"	January 1, 2016
IFRS 14 "Regulatory Deferral Accounts"	January 1, 2016
Amendment to IAS 1 "Presentation of Financial Statements-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
Amendments to IAS 19 "Defined Benefit Plans: Employee Contributions"	July 1, 2014
Amendment to IAS 27 "Equity Method in Separate Financial Statements"	January 1, 2016
Amendments to IAS 36 "Impairment of Non-Financial assets- Recoverable Amount Disclosures for Non Financial Assets"	January 1, 2014
Amendments to IAS 39 "Financial Instruments-Novation of Derivatives and Continuation of Hedge Accounting"	January 1, 2014

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March 31, 2017 and 2016

(Amounts Expressed in Thousands of New Taiwan Dollars, Unless Stated Otherwise)

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective date per IASB</u>
Annual Improvements to IFRSs 2010-2012 Cycle and 2011-2013 Cycle	July 1, 2014
Annual Improvements to IFRSs 2012-2014 Cycle	January 1, 2016
IFRIC 21 "Levies"	January 1, 2014

Except for the following items, the Group believes that the adoption of the above IFRSs would not have a material impact on the consolidated financial statements:

1. Amendments to IAS 36 "Recoverable Amount Disclosures for Non Financial Assets"

Under the amendments, the recoverable amount is required to be disclosed only when an impairment loss has been recognized or reversed. In such cases, the amendments also require that the following be disclosed if the recoverable amount is based on fair value less costs of disposal:

- 1) the level of the fair value hierarchy within which the fair value measurement is categorized; and
- 2) the valuation technique(s) used for fair value measurements categorized within Levels 2 and 3 of the fair value hierarchy, and the key valuation assumptions made.

The Group has provided related disclosures in accordance with IAS 36.

2. IFRIC 21 "Levies"

This Interpretation addresses the accounting for a liability to pay a levy if that liability is within the scope of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets". Under to this new Interpretation, the obligating event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation.

(b) Newly released or amended standards and interpretations not yet endorsed by the FSC

Shown below are the new standards and amendments issued by the IASB but not yet endorsed by the FSC. The FSC announced that listed companies are required to should adopt IFRS 9 and IFRS 15 commencing from January 1, 2018. As of the date the Group's financial statements were issued, the FSC has yet to announce the effective dates of the other IFRSs.

<u>New, Revised or Amended Standards and Interpretations</u>	<u>Effective date per IASB</u>
IFRS 9 "Financial Instruments"	January 1, 2018
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"	Effective date to be determined by IASB

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March 31, 2017 and 2016

(Amounts Expressed in Thousands of New Taiwan Dollars, Unless Stated Otherwise)

New, Revised or Amended Standards and Interpretations	Effective date per IASB
IFRS 15 "Revenue from Contracts with Customers"	January 1, 2018
IFRS 16 "Leases"	January 1, 2019
Amendment to IFRS 2 "Clarifications of Classification and Measurement of Share based Payment Transactions"	January 1, 2018
Amendment to IFRS 15 "Clarifications of IFRS 15"	January 1, 2018
Amendment to IAS 7 "Disclosure Initiative"	January 1, 2017
Amendment to IAS 12 "Recognition of Deferred Tax Assets for Unrealized Losses"	January 1, 2017
Amendments to IFRS 4 "Insurance Contracts" ("Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts")	January 1, 2018
Annual Improvements to IFRS Standards 2014–2016 Cycle:	
IFRS 12 "Disclosure of Interests in Other Entities"	January 1, 2017
IFRS 1 "First-time Adoption of International Financial Reporting Standards" and IAS 28 "Investments in Associates and Joint Ventures"	January 1, 2018
IFRIC 22 "Foreign Currency Transactions and Advance Consideration"	January 1, 2018
Amendments to IAS 40 Investment Property	January 1, 2018

Those that have relevant impact to the Group were as follows:

Issuance / Release Dates	Standards or Interpretations	Content of amendment
May 28, 2014 April 12, 2016	IFRS 15 "Revenue from Contracts with Customers"	IFRS 15 establishes a five-step model for recognizing revenue that applies to all contracts with customers, and will supersede IAS 18 "Revenue," IAS 11 "Construction Contracts," and a number of revenue-related interpretations. Final amendments issued on April 12, 2016, clarify how to (i) identify performance obligations in a contract; (ii) determine whether a company is a principal or an agent; (iii) account for a license for intellectual property (IP); and (iv) apply transition requirements.

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(Amounts Expressed in Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Issuance / Release Dates	Standards or Interpretations	Content of amendment
November 19, 2013 July 24, 2014	IFRS 9 "Financial Instruments"	<p>The new standard will replace IAS 39 "Financial Instruments: Recognition and Measurement", and the main amendments are as follows:</p> <ul style="list-style-type: none"> • Classification and measurement: Financial assets are measured at amortized cost, fair value through profit or loss, or fair value through other comprehensive income, based on both the entity's business model for managing the financial assets and the financial assets' contractual cash flow characteristics. Financial liabilities are measured at amortized cost or fair value through profit or loss. Furthermore, there is a requirement that "own credit risk" adjustments be measured at fair value through other comprehensive income. • Impairment: The expected credit loss model is used to evaluate impairment. • Hedge accounting: Hedge accounting is more closely aligned with risk management activities, and hedge effectiveness is measured based on the hedge ratio.
January 13, 2016	IFRS 16 "Leases"	<p>The new standard of accounting for lease is amended as follows:</p> <ul style="list-style-type: none"> • For a contract that is, or contains, a lease, the lessee shall recognize a right-of-use asset and a lease liability in the balance sheet. In the statement of profit or loss and other comprehensive income, a lessee shall present interest expense on the lease liability separately from the depreciation charge for the right-of-use asset during the lease term. • A lessor classifies a lease as either a finance lease or an operating lease, and therefore, the accounting remains similar to IAS 17.

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

(4) Significant Accounting Policies

The following significant accounting policies have been adopted in preparing the consolidated financial statements and have been applied consistently to all periods presented in these consolidated financial statements, except when otherwise indicated.

(a) Statement of compliance

The accompanying condensed interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to the Regulations) and guidelines of IAS 34 "Interim Financial Reporting," endorsed by FSC. Such condensed interim consolidated financial statements, however, do not include all of the information required for full annual financial statements by International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed by the FSC (hereinafter referred to as "IFRS as endorsed by the FSC").

Except as described in the following paragraphs, the significant accounting policies adopted in the preparation of the accompanying condensed interim consolidated financial statements are applied consistently with those of the consolidated financial statements for the year ended December 31, 2016. For other related information, please refer to Note (4) of the consolidated financial statements for the year ended December 31, 2016.

(b) Basis of consolidation

The accounting principles applied in the preparation of the consolidated interim financial statements are consistent with those of the consolidated financial statements for the year ended December 31, 2016. For full disclosure of the accounting principles, please refer to note (4)(c) of the consolidated financial statements for the year ended December 31, 2016.

1. Subsidiaries included in the consolidated financial statements

Investor	Name of Subsidiary	Primary Business	Shareholding Ratio			Note
			2017.3.31	2016.12.31	2016.3.31	
The Company	Chalease International Company (Malaysia) Limited	Investment	100.00 %	100.00 %	100.00 %	
"	Golden Bridge (B.V.I.) Corp.	Investment	100.00 %	100.00 %	100.00 %	
"	Chalease International Financial Services Co., Ltd.	Installment sales, leasing overseas and financial consulting	100.00 %	100.00 %	100.00 %	
Golden Bridge (B.V.I.) Corp.	My Leasing (Mauritius) Corp.	Investment	100.00 %	100.00 %	100.00 %	
My Leasing (Mauritius) Corp.	Chalease International Finance Corporation	Leasing	100.00 %	100.00 %	100.00 %	

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CHAILEASE HOLDING COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to the Condensed Interim Consolidated Financial Statements

March 31, 2017 and 2016

(Amounts Expressed in Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Investor	Name of Subsidiary	Primary Business	Shareholding Ratio			Note
			2017.3.31	2016.12.31	2016.3.31	
My Leasing (Mauritius) Corp. and Chailease International Finance Corporation	Chailease Finance International Corp.	Leasing	100.00 %	100.00 %	100.00 %	
Chailease International Finance Corporation	Chailease International Corp.	Trading	100.00 %	100.00 %	100.00 %	
"	Jirong Real Estate Co., Ltd.	House property leasing and management	100.00 %	100.00 %	100.00 %	
Chailease International Company (Malaysia) Limited	Chailease Finance Co., Ltd.	Installment sales, leasing, and factoring	- %	- %	100.00 %	Chailease International Company (UK) Limited issued common shares in exchange for all the shares of Chailease Finance Co., Ltd. on June 4, 2016.
"	Chailease International (B.V.I.) Corp.	Investment	100.00 %	100.00 %	100.00 %	
"	Chailease International Company (UK) Limited	Consulting, leasing overseas and investment	100.00 %	100.00 %	100.00 %	
"	Chailease Berjaya Credit Sdn. Bhd.	Installment sales	70.00 %	70.00 %	70.00 %	
"	Chailease Royal Leasing Plc.	Leasing	60.00 %	- %	- %	This subsidiary was established on May 10, 2016. Chailease International Company (Malaysia) Limited invested it on March 6, 2017.
Chailease International Company (UK) Limited	Chailease Finance Co., Ltd.	Installment sales, leasing, and factoring	100.00 %	100.00 %	- %	Chailease International Company (UK) Limited issued common shares in exchange for all the shares of Chailease Finance Co., Ltd. on June 4, 2016.
Chailease International Financial Services Co., Ltd.	Chailease International Financial Services (Liberia) Corp.	Leasing	100.00 %	100.00 %	100.00 %	
"	Chailease International Financial Services (Labuan) Co., Ltd.	Leasing	100.00 %	100.00 %	100.00 %	Founded on January 19, 2016.

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			2017.3.31	2016.12.31	2016.3.31	
Chailease Finance Co., Ltd.	Fina Finance & Trading Co., Ltd.	Installment sales, trading, and factoring	100.00 %	100.00 %	99.55 %	
"	Chailease Specialty Finance Co., Ltd.	Installment sales	100.00 %	100.00 %	100.00 %	
"	My Leasing (B.V.I.) Corp.	Investment	100.00 %	100.00 %	100.00 %	
Chailease International Company (Malaysia) Limited and Chailease Finance Co., Ltd.	Asia Sermkij Leasing Public Co., Ltd.	Installment sales of automobiles	48.18 %	48.18 %	48.18 %	Please refer to Note (5) for the detailed disclosure of the judgment regarding control of Asia SermKij Leasing Public Co., Ltd..
Chailease Finance Co., Ltd.	Chailease Finance (B.V.I.) Co., Ltd.	Installment sales, leasing overseas, and financial consulting	100.00 %	100.00 %	100.00 %	
"	Chailease International Leasing Company Limited (Vietnam)	Leasing	100.00 %	100.00 %	100.00 %	
"	Chailease International Trading Company Limited (Vietnam)	Trading	100.00 %	100.00 %	- %	Founded on July 18, 2016.
"	Chailease Auto Rental Co., Ltd.	Leasing	100.00 %	100.00 %	100.00 %	
"	Chailease Credit Services Co., Ltd.	Installment sales and leasing	100.00 %	100.00 %	100.00 %	
"	Apex Credit Solutions Inc.	Accounts receivable management, debt management, valuation, trading in financial instruments	100.00 %	100.00 %	100.00 %	
"	Chailease Insurance Brokers Co., Ltd.	Personal and property insurance brokers	100.00 %	100.00 %	100.00 %	
"	Chailease Cloud Service Co., Ltd.	Software of cloud products, leasing, and installment sales	100.00 %	100.00 %	100.00 %	
"	Chailease Finance Securitization Trust 2014	Special Purpose Entity	- %	- %	- %	The subsidiary was established on July 24, 2014. (Note a)
"	Chailease Finance Securitization Trust 2016	Special Purpose Entity	- %	- %	- %	The subsidiary was established on August 24, 2016. (Note a)
"	Yun Tang Inc.	Solar Power business	100.00 %	100.00 %	100.00 %	
"	Chailease Energy Integration Co., Ltd	Solar Power business	100.00 %	100.00 %	100.00 %	

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			2017.3.31	2016.12.31	2016.3.31	
Chailase Finance Co., Ltd.	Innovation Energy Integration Co., Ltd.	Solar Power business	100.00 %	100.00 %	- %	Founded on June 29, 2016.
Fina Finance & Trading Co., Ltd.	Chailase Consumer Finance Co., Ltd	Factoring and installment sales	100.00 %	100.00 %	100.00 %	
The Company and Chailase Finance Co., Ltd.	Grand Pacific Holdings Corp.	Leasing, real estate, and mortgage	100.00 %	100.00 %	100.00 %	
Grand Pacific Holdings Corp.	Grand Pacific Financing Corp. (California)	Financing, leasing and financial consulting	100.00 %	100.00 %	100.00 %	
"	Grand Pacific Main Street Development, Inc.	Real estate development	100.00 %	100.00 %	100.00 %	
"	Grand Pacific Warehouse Funding Corp.	Real estate development	100.00 %	100.00 %	100.00 %	
"	Grand Pacific Business Loan LLC. 2005-1	Special Purpose Entity	- %	- %	- %	The subsidiary was established on June 27, 2005. (Note a)
Grand Pacific Warehouse Funding Corp.	Grand Pacific Warehouse Funding LLC.	Special Purpose Entity	100.00 %	100.00 %	100.00 %	
Grand Pacific Business Loan LLC. 2005-1	Grand Pacific Business Loan Trust 2005-1	Special Purpose Entity	- %	- %	- %	The subsidiary was established on June 27, 2005. (Note a)
Asia Sermkij Leasing Public Co., Ltd.	Bangkok Grand Pacific Lease Public Company Limited	Leasing and financing consulting	99.99 %	99.99 %	99.99 %	

Note a: For purposes of trading and investment, the Group set up a number of special purpose entities (SPE) in which it does not have any direct or indirect equity interest.

These SPEs are consolidated if the substance of the Group's relationship with the SPEs and the assessment of their risks and rewards, disclosed that the Group has control over the SPEs. The control of an SPE by the Group may exist if:

- (i) the SPE conducts its business to meet the specific needs of the Group;
- (ii) the Group has decision making powers to obtain the majority of the benefits of the SPE's activities;
- (iii) the Group is able to obtain the majority of the benefits of the SPE's activities through an "auto-pilot" mechanism;
- (iv) by having a right to the majority of SPE's benefits, the Group is exposed to the SPE's risks; and
- (v) the Group has the majority control of the residual interest of the SPE.

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2. Subsidiaries excluded from the consolidated financial statements: None.

(c) Income taxes

Income tax expense in the interim financial statements is measured and disclosed according to paragraph B12 of IAS 34 "Interim Financial Reporting".

Income tax expense for the period is best estimated by multiplying pretax income for the interim reporting period by the effective annual tax rate as forecasted by management. This is charged to profit or loss as income tax expense for the current period.

Deferred income taxes are determined based on the difference between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect during the years in which the difference is expected to reverse.

(d) Employee benefits

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 prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off event.

(5) Significant Accounting Judgments, Estimations, Assumptions, and Sources of Estimation Uncertainty

The accompanying condensed interim consolidated financial statements were prepared in accordance with IAS 34 "Interim Financial Reporting" as endorsed by FSC, which requires management to 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.

The principles for the preparation of consolidated interim financial statements and the related significant estimates and underlying assumptions are consistent with those disclosed in Note (5) of the consolidated financial statements for the year ended December 31, 2016.

(6) Explanation to Significant Accounts

(a) Cash and cash equivalents

	<u>2017.3.31</u>	<u>2016.12.31</u>	<u>2016.3.31</u>
Cash and demand deposits	\$ 12,201,701	11,549,315	11,005,765
Time deposits	439,431	368,400	179,182
Cash equivalents-RP bills	<u>195,001</u>	<u>1,018,900</u>	<u>726,006</u>
Cash and cash equivalents	12,836,133	12,936,615	11,910,953
Bank overdraft	<u>(2,788)</u>	<u>(1,273)</u>	<u>(16,715)</u>
Cash and cash equivalents in consolidated statements of cash flows	<u>\$ 12,833,345</u>	<u>12,935,342</u>	<u>11,894,238</u>

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The Group's interest risk and sensitivity analysis of financial assets and liabilities were disclosed in Note (6)(t).

(b) Financial instruments

1. Details of financial assets were as follows :

	<u>2017.3.31</u>	<u>2016.12.31</u>	<u>2016.3.31</u>
Financial assets at fair value through profit or loss			
Held for trading			
Securities of listed companies	\$ 198,305	113,057	275,018
Derivative instruments not used for hedging	-	-	5,106
	<u>198,305</u>	<u>113,057</u>	<u>280,124</u>
Available-for-sale financial assets			
Securities of listed companies	232,224	244,321	208,573
Emerging stock	1,081,310	1,070,238	1,058,154
Private equity	<u>494,011</u>	<u>500,751</u>	<u>503,789</u>
Sub-total	<u>1,807,545</u>	<u>1,815,310</u>	<u>1,770,516</u>
Held-to-maturity financial assets			
Investment in debt securities	<u>6,627,634</u>	<u>6,822,084</u>	<u>10,557,559</u>
Derivative financial assets used for hedging	-	-	117,459
Total	<u>\$ 8,633,484</u>	<u>8,750,451</u>	<u>12,725,658</u>

2. Sensitivity analysis — equity price risk :

If the equity price changes, the impact to other comprehensive income, using the sensitivity analysis based on the same variables except for the price index for both period, will be as follows:

Equity price at reporting date	For the three months ended March 31,			
	2017		2016	
	After-tax other comprehensive income	After-tax profit (loss)	After-tax other comprehensive income	After-tax profit (loss)
Increase of 7%	\$ <u>126,583</u>	<u>13,881</u>	<u>123,991</u>	<u>19,251</u>
Decrease of 7%	\$ <u>(126,583)</u>	<u>(13,881)</u>	<u>(123,991)</u>	<u>(19,251)</u>

The Group purchased debt securities issued by real estate trust. These debt securities have maturity dates between 2016 and 2018, and bear effective annual interest rate ranging from 5.15%~8.57%.

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3. Derivative instrument not used for hedging

Derivative financial instruments are used to manage certain interest risk, arising from the Group's operating, financing and investing activities. As of March 31, 2016, derivative financial instruments accounted for as held-for-trading financial liabilities were as follows:

		2016.3.31			
Nominal Amount	Currency	Interest Rate Payable	Interest Rate Receivable	Contract Period	
USD 20,000	USD to CNY	3.700%	90 Days LIBOR + 1.8%	2013.04.29~	
CNY 123,510				2016.04.29	
USD 30,000	USD to CNY	3.800%	90 Days LIBOR + 1.8%	2013.10.21~	
CNY 183,300				2016.04.29	
USD 20,000	USD to CNY	3.600%	90 Days LIBOR + 1.8%	2013.12.18~	
CNY 121,580				2016.04.29	

4. Derivative instruments used for hedging

1) Cash flow hedge

A subsidiary named, Golden Bridge (B.V.I.) Corp., entered into cross currency swap contract with a bank to hedge future cash flow out of CNY loans receivable.

Hedged item	Hedge Instrument	Fair Value			Expected Cash flow Period	Hedge Period
		2017.3.31	2016.12.31	2016.3.31		
CNY loans receivable	Cross Currency Swap contract	-	-	117,459	2013~2016	2013~2016

Item	For the three months ended March 31,	
	2017	2016
The fair value adjustment to other comprehensive income	-	(45,957)

2) Hedge of net investment in foreign operation

The fair value of the equity investment in a foreign investee, Golden Bridge (B.V.I.) Corp., may be influenced by the fluctuation of USD exchange rate. The Company designated its USD borrowings to hedge the exchange rate fluctuation risk from this investment. The details of net investment hedge in foreign operation and designated derivatives as of March 31, 2017, December 31, 2016, and March 31, 2016 were as follows:

Hedged Item	Hedge Instrument	Designated Hedging Instrument		
		Fair Value		
		2017.3.31	2016.12.31	2016.3.31
Equity investment measured in USD	Foreign currency borrowings	\$ 5,565,555	5,724,375	2,529,741

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There were no effects of ineffectiveness recognized in profit or loss that arises from hedges of net investments in foreign operation, Golden Bridge (B.V.I.) Corp., for the three months ended March 31, 2017 and 2016.

(c) Financial assets securitization

1. 2011 Securitization

In 2011, the Group securitized its financial assets, consisting of conditional sales receivable, installment sales receivable, and capital leases receivable, with an aggregate carrying amount of \$5,000,229. Such securitization was made by way of offering the securities in the form of beneficiary certificates, with the Land Bank of Taiwan as the Trustee. Accordingly, the Group received \$4,154,000 in cash from issuing these beneficiary certificates, resulting in a loss of \$9,533 from this asset securitization. These beneficiary certificates are redeemable for the period from November 24, 2011 to November 24, 2018. Specific terms and conditions of the beneficiary certificates are as follows:

Class of beneficiary certificates issued	Order of principal repayment	Issue amount /par value	Issue price	Interest rate	Payment frequency
twAAA	1st	3,830,000	3,830,000	2.20 %	Monthly
twA	2nd	324,000	324,000	3.00 %	Monthly
Subordinated	3rd	846,229	991,210	None	Monthly

Key assumptions at the securitization date:

	November 24, 2011 (securitization date)
Repayment rate	9.4500 %
Expected return rate on securitized financial assets	9.4000 %
Weighted-average life (in years)	4.83
Expected credit loss rate	1.65%~3.07%
Discount rate for cash flows	2.56 %

The Group holds subordinated beneficiary certificates and retain the right to interest (if any) in excess of the amount paid to the holders of twAAA and twA beneficiary certificates. If debtors default, neither the investor nor trustee has the right of recourse to the Group. The repayment of the principal amount of subordinated beneficiary certificates is subordinate to the investors' certificates and their value is affected by the credit risk, prepayment rate and change in interest rate of the securitized financial assets.

1) Expected static pool credit losses

As the securitized conditional sales receivable, installment sales receivable, and capital leases receivable do not have actual credit losses as of the balance sheet date, the expected static pool credit losses are, therefore, equal to the expected credit losses.

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The cash flows received from securitization trusts were as follows:

	For the three months ended March 31, 2016
Other cash flows received on retained interests	\$ 5,154
Service fees received	138

Note: The securitization of debts is revolving and the expected credit loss rate of retained interests is evaluated and adjusted over the issue period.

On January 27, 2016, the special purpose trust has fully redeemed beneficiary certificates twAAA and twA. As the process of its liquidation was completed on February 26, 2016, the Group received \$721,807 from the return of subordinated certificates.

On February 23, 2016, the Group entered into an agreement with the said Special Purpose Entity to repurchase its receivable of \$529,514.

(d) Accounts receivable, net

	2017.3.31	2016.12.31	2016.3.31
Current			
Accounts receivable	\$ 18,688,303	18,520,273	15,060,237
Less: Allowance for impairment	<u>(570,723)</u>	<u>(613,897)</u>	<u>(602,560)</u>
	<u>18,117,580</u>	<u>17,906,376</u>	<u>14,457,677</u>
Installment sales receivable	77,155,888	75,982,760	73,594,305
Less: Unearned interests	<u>(7,340,629)</u>	<u>(7,221,132)</u>	<u>(6,652,743)</u>
Allowance for impairment	<u>(2,739,795)</u>	<u>(2,597,888)</u>	<u>(2,250,441)</u>
	<u>67,075,464</u>	<u>66,163,740</u>	<u>64,691,121</u>
Leases receivable (included operating leases)	82,377,396	84,812,430	83,003,772
Less: Unearned revenue	<u>(9,769,574)</u>	<u>(9,705,952)</u>	<u>(9,412,395)</u>
Allowance for impairment	<u>(3,365,506)</u>	<u>(3,434,935)</u>	<u>(3,080,676)</u>
	<u>69,242,316</u>	<u>71,671,543</u>	<u>70,510,701</u>
Loans receivable	38,004,625	39,578,177	38,472,028
Less: Allowance for impairment	<u>(935,973)</u>	<u>(924,154)</u>	<u>(994,775)</u>
	<u>37,068,652</u>	<u>38,654,023</u>	<u>37,477,253</u>
Sub total of current accounts	<u>191,504,012</u>	<u>194,395,682</u>	<u>187,136,752</u>

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Non Current			
Accounts receivable	\$ 5,861,988	5,436,361	3,333,120
Less: Allowance for impairment	<u>(96,619)</u>	<u>(91,684)</u>	<u>(63,212)</u>
	<u>5,765,369</u>	<u>5,344,677</u>	<u>3,269,908</u>
Installment sales receivable	27,821,351	28,171,965	27,016,573
Less: Unearned interests	<u>(2,491,351)</u>	<u>(2,519,292)</u>	<u>(2,498,192)</u>
Allowance for impairment	<u>(371,517)</u>	<u>(393,209)</u>	<u>(344,485)</u>
	<u>24,958,483</u>	<u>25,259,464</u>	<u>24,173,896</u>
Leases receivable	17,582,885	13,901,163	11,496,574
Less: Unearned revenue	<u>(5,780,352)</u>	<u>(3,914,667)</u>	<u>(3,298,982)</u>
Allowance for impairment	<u>(104,332)</u>	<u>(109,668)</u>	<u>(84,330)</u>
	<u>11,698,201</u>	<u>9,876,828</u>	<u>8,113,262</u>
Loans receivable	6,065,496	6,642,702	4,949,045
Less: Allowance for impairment	<u>(302,055)</u>	<u>(336,794)</u>	<u>(106,359)</u>
	<u>5,763,441</u>	<u>6,305,908</u>	<u>4,842,686</u>
Sub total of non current accounts	<u>48,185,494</u>	<u>46,786,877</u>	<u>40,399,752</u>
Total accounts receivable	<u>\$ 239,689,506</u>	<u>241,182,559</u>	<u>227,536,504</u>

1. The movements in allowance for impairment with respect to accounts receivable during the period were as follows:

	<u>For the three months ended March 31,</u>	
	<u>2017</u>	<u>2016</u>
Opening balance	\$ 8,502,229	7,360,096
Impairment loss recognized	1,220,071	1,186,590
Amounts written off	(1,005,473)	(991,128)
Foreign exchange gains	<u>(230,307)</u>	<u>(28,720)</u>
Ending balance	<u>\$ 8,486,520</u>	<u>7,526,838</u>

2. Receivables arising from installment sales and capital leases transactions, which were partially pledged for the repayment or collaterals of bank loans, were discussed further in Note (8).

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3. The Group's capital leases receivable and related accounts were as follows:

	Gross investment in the leases	Unearned revenue	Present value of minimum leases receivable
March 31, 2017			
Within operating cycle	\$ 82,272,476	(9,769,574)	72,502,902
Beyond one operating cycle to 5 years	7,292,628	(976,171)	6,316,457
Beyond 5 years	<u>10,290,257</u>	<u>(4,804,181)</u>	<u>5,486,076</u>
	<u>\$ 99,855,361</u>	<u>(15,549,926)</u>	<u>84,305,435</u>
December 31, 2016			
Within operating cycle	\$ 84,693,447	(9,705,952)	74,987,495
Beyond one operating cycle to 5 years	7,775,539	(1,048,230)	6,727,309
Beyond 5 years	<u>6,125,624</u>	<u>(2,866,437)</u>	<u>3,259,187</u>
	<u>\$ 98,594,610</u>	<u>(13,620,619)</u>	<u>84,973,991</u>
March 31, 2016			
Within operating cycle	\$ 82,850,903	(9,412,395)	73,438,508
Beyond one operating cycle to 5 years	6,302,775	(836,923)	5,465,852
Beyond 5 years	<u>5,193,799</u>	<u>(2,462,059)</u>	<u>2,731,740</u>
	<u>\$ 94,347,477</u>	<u>(12,711,377)</u>	<u>81,636,100</u>

The Group entered into several electricity procurement agreements with Taiwan Power Company (Refer to Note(9) for details of these agreements). Under these agreements, the production of electric power will be only sold to Taiwan Power Company from the day the power plants are put into commercial operation. The average lease term is approximately twenty years.

The electricity procurement agreements mentioned above were accounted for as finance leases under IFRIC 4 "Determining whether an Agreement contains a lease" and IAS 17 "Lease".

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4. The future collections of minimum operating leases receivable under non-cancellable leases were analyzed as follows:

	<u>2017.3.31</u>	<u>2016.12.31</u>	<u>2016.3.31</u>
Within operating cycle	\$ 2,306,851	2,309,192	2,109,647
Beyond one operating cycle to 5 years	2,217,641	2,282,138	2,438,686
Beyond 5 years	<u>13,654</u>	<u>8,433</u>	<u>11,977</u>
	<u>\$ 4,538,146</u>	<u>4,599,763</u>	<u>4,560,310</u>

5. The Group's installment sales receivable and related accounts were as follows:

	<u>Gross investment in the installment sales</u>	<u>Unearned interests</u>	<u>Present value of installment sales receivable</u>
March 31, 2017			
Within operating cycle	\$ 77,155,888	(7,340,629)	69,815,259
Beyond one operating cycle to 5 years	27,795,859	(2,490,800)	25,305,059
Beyond 5 years	<u>25,492</u>	<u>(551)</u>	<u>24,941</u>
	<u>\$ 104,977,239</u>	<u>(9,831,980)</u>	<u>95,145,259</u>
December 31, 2016			
Within operating cycle	\$ 75,982,760	(7,221,132)	68,761,628
Beyond one operating cycle to 5 years	28,139,074	(2,518,433)	25,620,641
Beyond 5 years	<u>32,891</u>	<u>(859)</u>	<u>32,032</u>
	<u>\$ 104,154,725</u>	<u>(9,740,424)</u>	<u>94,414,301</u>
March 31, 2016			
Within operating cycle	\$ 73,594,305	(6,652,743)	66,941,562
Beyond one operating cycle to 5 years	26,986,550	(2,497,309)	24,489,241
Beyond 5 years	<u>30,023</u>	<u>(883)</u>	<u>29,140</u>
	<u>\$ 100,610,878</u>	<u>(9,150,935)</u>	<u>91,459,943</u>

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6. 2014 Securitization

In 2014, the Group securitized its financial assets, consisting of conditional sales receivable, installment sales receivable, and capital leases receivable, with an aggregate carrying amount of \$6,499,797. Such securitization was made by way of offering the securities in the form of beneficiary certificates, with the Land Bank of Taiwan as the Trustee. Accordingly, the Group received \$5,465,000 in cash from issuing these beneficiary certificates. Because the Group acquired all of the subordinated beneficiary certificates, the Group had control over the SPEs. The SPEs are classified as "Investments accounted under equity method". The downstream transactions are eliminated by the difference between the following two amounts.

- 1) The amount received from disposal of financial assets.
- 2) Adjusted book value of disposed financial assets.

The SPEs trusts are included in the condensed consolidated financial statements and recognized as liabilities for issue amount.

These beneficiary certificates are redeemable for the period from July 24, 2014 to July 24, 2021. Specific terms and conditions of the beneficiary certificates are as follows:

Class of beneficiary certificates issued	Order of principal repayment	Issue amount /par value	Issue price	Interest rate	Payment frequency
twAAA	1st	5,079,000	5,079,000	1.85 %	Monthly
twA	2nd	386,000	386,000	2.65 %	Monthly
Subordinated	3rd	1,034,797	1,294,462	None	Monthly

7. 2016 Securitization

In 2016, the Group securitized its financial assets, consisting of conditional sales receivable, installment sales receivable, and capital leases receivable, with an aggregate carrying amount of \$4,973,789. Such securitization was made by way of offering the securities in the form of beneficiary certificates, with the Land Bank of Taiwan as the Trustee. Accordingly, the Group received \$4,093,200 in cash from issuing these beneficiary certificates. Because the Group acquired all of the subordinated beneficiary certificates, the Group had control over the SPEs. The SPEs are classified as "Investments accounted under equity method". The Group's downstream transactions are eliminated by the difference between the following two amounts.

- 1) The amount received from disposal of financial assets.
- 2) Adjusted book value of disposed financial assets.

The SPEs trusts are included in the condensed interim consolidated financial statements and recognized as liabilities for cash obtained from issuing these beneficiary certificates.

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These beneficiary certificates are redeemable for the period from August 24, 2016 to August 24, 2023. Specific terms and conditions of the beneficiary certificates are as follows:

Class of beneficiary certificates issued	Order of principal repayment	Issue amount /par value	Issue price	Interest rate	Payment frequency
twAAA	1st	3,750,000	3,750,000	1.90 %	Monthly
twA	2nd	343,200	343,200	2.45 %	Monthly
Subordinated	3rd	880,589	1,118,309	None	Monthly

(e) Other current assets - others

	<u>2017.3.31</u>	<u>2016.12.31</u>	<u>2016.3.31</u>
Prepayments	\$ 1,516,267	2,385,297	1,617,360
Prepaid expenses	1,183,115	1,215,901	1,281,190
Foreclosed assets	48,555	39,653	34,185
Others	<u>10,859</u>	<u>13,280</u>	<u>5,241</u>
	<u>\$ 2,758,796</u>	<u>3,654,131</u>	<u>2,937,976</u>

As of March 31, 2017, December 31, 2016, and March 31, 2016, foreclosed assets held by the Group were as follows:

	<u>2017.3.31</u>	<u>2016.12.31</u>	<u>2016.3.31</u>
Foreclosed assets	\$ 64,079	56,525	55,925
Less: Accumulated impairment	<u>(15,524)</u>	<u>(16,872)</u>	<u>(21,740)</u>
	<u>\$ 48,555</u>	<u>39,653</u>	<u>34,185</u>

For the three months ended March 31, 2017 and 2016, the Group recognized a gain on reversal of impairment loss (an impairment loss) of \$995 and \$(4,708), respectively, for foreclosed assets. Certain foreclosed assets were disposed to non-related parties and a disposal loss of \$21,418 and \$17,604 for the three months ended March 31, 2017 and 2016, respectively.

(f) Investments accounted under equity method

The financial information of individually non-significant equity method affiliates included in the consolidated financial statements were as follows:

	<u>2017.3.31</u>	<u>2016.12.31</u>	<u>2016.3.31</u>
Investments in affiliates	<u>\$ 752,643</u>	<u>889,608</u>	<u>432,876</u>

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	For the three months ended March 31,	
	2017	2016
Comprehensive income attributable to the Group		
Loss for the period	\$ (10,970)	(2,484)
Other comprehensive income	8,010	1,793
Total comprehensive income	<u>\$ (2,960)</u>	<u>(691)</u>

Portion of the investments in associates was provided as collaterals for the issuance of short-term bills payable, as well as long and short-term debts, which were discussed further in Note (8).

(g) Property, plant and equipment

The cost, depreciation, and impairment of the property, plant and equipment of the Group as of and for the three months ended March 31, 2017 and 2016, were as follows:

	Land and buildings	Transportation equipment	Machinery and miscellaneous equipment	Leasehold improvements	Total
Cost:					
Balance at January 1, 2017	\$ 2,950,164	10,256,226	1,657,474	160,530	15,024,394
Additions	-	724,550	93,939	7,966	826,455
Reclassification	-	378	-	-	378
Disposals	-	(473,706)	(149,716)	-	(623,422)
Effect of movements in exchange rate	(69,639)	(84,702)	(17,610)	(1,732)	(173,683)
Balance at March 31, 2017	<u>\$ 2,880,525</u>	<u>10,422,746</u>	<u>1,584,087</u>	<u>166,764</u>	<u>15,054,122</u>
Balance at January 1, 2016	\$ 3,063,847	9,363,546	1,233,559	143,760	13,804,712
Additions	-	684,335	111,474	460	796,269
Reclassification	-	-	6	-	6
Disposals	-	(497,725)	(90,740)	-	(588,465)
Effect of movements in exchange rate	(7,070)	(25,869)	(1,017)	(678)	(34,634)
Balance at March 31, 2016	<u>\$ 3,056,777</u>	<u>9,524,287</u>	<u>1,253,282</u>	<u>143,542</u>	<u>13,977,888</u>
Depreciation and impairment losses:					
Balance at January 1, 2017	\$ 535,773	3,260,871	771,666	119,870	4,688,180
Depreciation for the year	12,956	436,325	55,799	3,620	508,700
Impairment loss	-	78,288	52,794	-	131,082
Disposals	-	(297,828)	(28,074)	-	(325,902)
Effect of movements in exchange rate	(6,244)	(24,168)	(12,467)	(534)	(43,413)
Balance at March 31, 2017	<u>\$ 542,485</u>	<u>3,453,488</u>	<u>839,718</u>	<u>122,956</u>	<u>4,958,647</u>

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	Land and buildings	Transportation equipment	Machinery and miscellaneous equipment	Leasehold improvements	Total
Balance at January 1, 2016	\$ 491,118	2,607,269	668,413	105,254	3,872,054
Depreciation for the year	13,900	377,930	42,351	3,529	437,710
Impairment loss (reversal)	-	72,703	9,000	-	81,703
Reclassification	-	-	6	-	6
Disposals	-	(301,347)	(37,337)	-	(338,684)
Effect of movements in exchange rate	(578)	(4,456)	(1,116)	(338)	(6,488)
Balance at March 31, 2016	<u>\$ 504,440</u>	<u>2,752,099</u>	<u>681,317</u>	<u>108,445</u>	<u>4,046,301</u>
Carrying amounts:					
Balance at January 1, 2017	<u>\$ 2,414,391</u>	<u>6,995,355</u>	<u>885,808</u>	<u>40,660</u>	<u>10,336,214</u>
Balance at March 31, 2017	<u>\$ 2,338,040</u>	<u>6,969,258</u>	<u>744,369</u>	<u>43,808</u>	<u>10,095,475</u>
Balance at January 1, 2016	<u>\$ 2,572,729</u>	<u>6,756,277</u>	<u>565,146</u>	<u>38,506</u>	<u>9,932,658</u>
Balance at March 31, 2016	<u>\$ 2,552,337</u>	<u>6,772,188</u>	<u>571,965</u>	<u>35,097</u>	<u>9,931,587</u>

Recognition and reversal of impairment losses were charged to the cost of rental revenue.

Assets held for lease, which were partially pledged for the Group's long-term debts and short-term debts, were discussed further in Note (8).

(h) Intangible assets

	Goodwill	Software	Total
Carrying amounts:			
Balance at January 1, 2017	<u>\$ 46,508</u>	<u>31,393</u>	<u>77,901</u>
Balance at March 31, 2017	<u>\$ 46,508</u>	<u>19,457</u>	<u>65,965</u>
Balance at January 1, 2016	<u>\$ 12,680</u>	<u>32,827</u>	<u>45,507</u>
Balance at March 31, 2016	<u>\$ 12,680</u>	<u>32,695</u>	<u>45,375</u>

There were no significant additions, disposal, or recognition and reversal of impairment losses of intangible assets for the three months ended March 31, 2017 and 2016. Information on amortization for the period is discussed in Note (12)(b). Please refer to Note (6)(h) of the 2016 annual consolidated financial statements for other related information.

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(i) Long-term and short-term borrowings

The significant terms and conditions of long-term borrowings and short-term borrowings were as follows:

2017.3.31				
	Currency	Annual Interest Rate	Years of Maturity	Amount
Secured bank loans	TWD	2.11%	2017~2021	\$ 898,000
"	USD	1.50%~4.25%	2017~2019	1,676,423
"	THB	2.05%~4.75%	2017~2019	8,463,003
"	CNY	3.92%~5.00%	2017~2020	16,099,128
"	VND	3.95%~5.46%	2017~2018	2,503,006
Unsecured bank loans	TWD	0.79%~1.97%	2017~2022	96,175,930
"	USD	1.75%~3.75%	2017~2020	19,551,061
"	EUR	1.27%	2017	246,468
"	THB	2.05%~7.38%	2017~2020	10,022,578
"	JPY	1.15%	2017	65,076
"	CNY	4.35%~4.99%	2017~2020	21,727,048
"	HKD	1.65%	2017	113,183
"	MYR	4.60%~4.70%	2017	723,030
"	GBP	1.15%	2017	302,560
Notes payable from securitization	TWD	1.85%~2.65%	2019~2023	9,558,200
"	USD	6.57%~7.81%	2030	40,373
Total				<u>\$ 188,165,067</u>
Current				\$ 149,905,270
Non-current				<u>38,259,797</u>
Total				<u>\$ 188,165,067</u>

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2016.12.31				
	Currency	Annual Interest Rate	Years of Maturity	Amount
Secured bank loans	TWD	1.09%~2.11%	2017~2021	\$ 1,413,500
"	USD	1.25%~4.25%	2017~2019	1,902,229
"	THB	2.05%~4.75%	2017~2019	8,669,900
"	CNY	4.13%~5.49%	2017~2019	17,814,413
"	VND	2.50%~5.30%	2017	2,438,487
Unsecured bank loans	TWD	0.79%~1.97%	2017~2021	94,543,782
"	USD	1.58%~3.50%	2017~2019	21,519,748
"	EUR	1.25%	2017	230,519
"	THB	2.05%~7.38%	2017~2019	9,670,098
"	JPY	1.15%~1.20%	2017	81,342
"	CNY	4.35%~4.99%	2017~2019	21,963,355
"	HKD	1.65%	2017	54,054
"	MYR	4.40%~4.65%	2017	621,450
"	GBP	1.15%	2017	356,491
Other unsecured loans	THB	2.20%	2017	55,138
"	USD	2.75%~4.90%	2019~2021	6
Notes payable from securitization	TWD	1.85%~2.65%	2019~2021	9,558,200
"	USD	1.15%~4.82%	2030	48,123
Total				<u><u>\$ 190,940,835</u></u>
Current				\$ 151,576,908
Non-current				<u>39,363,927</u>
Total				<u><u>\$ 190,940,835</u></u>

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2016.3.31				
	Currency	Annual Interest Rate	Years of Maturity	Amount
Secured bank loans	TWD	1.20%~2.11%	2016~2021	\$ 1,394,461
"	USD	1.30%~4.25%	2016~2017	1,788,602
"	THB	2.20%~4.75%	2016~2018	8,508,065
"	CNY	4.13%~6.76%	2016~2019	15,889,216
"	VND	3.70%~5.60%	2016~2017	1,868,526
Unsecured bank loans	TWD	0.87%~2.00%	2016~2019	91,759,885
"	USD	1.40%~3.19%	2016~2019	21,643,141
"	EUR	1.35%	2016	222,711
"	THB	2.18%~7.38%	2016~2019	7,869,747
"	JPY	1.20%~1.46%	2016	20,051
"	CNY	4.27%~6.76%	2016~2018	23,707,915
"	HKD	1.65%	2016	87,148
Other unsecured loans	THB	2.20%~2.30%	2016	999,467
Notes payable from securitization	TWD	1.85%~2.65%	2019	5,465,000
"	USD	1.15%~1.18%	2030	191,910
Total				<u><u>\$ 181,415,845</u></u>
Current				\$ 151,379,605
Non-current				<u>30,036,240</u>
Total				<u><u>\$ 181,415,845</u></u>

For information on the Group's interest risk, currency risk, and liquidity risk, please refers to Note (6)(t). For information on the debts of related parties, please refer to Note (7).

1. Securities for bank loans

Certain assets of the Group which were pledged for the repayment of aforementioned loans were disclosed in Note (8).

2. Financial covenants of significant loans and borrowings

- 1) The Company, entered into several syndicated credit agreements with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. equity ratio, interest coverage ratio, tangible net worth, etc.) Otherwise, the loans are due and payable immediately.

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- 2) A subsidiary, Chailease Finance Co., Ltd., entered into several syndicated credit agreements with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. equity ratio, interest coverage ratio, tangible net worth, self-owned asset ratio, etc.) Otherwise, the loans are due and payable immediately.
- 3) A subsidiary, Chailease Finance (B.V.I.) Co., Ltd., also entered into several syndicated credit/loan agreements with financial institutions, under which, Chailease Finance Co., Ltd. shall maintain certain financial ratios on balance sheet date. (i.e. equity ratio, interest coverage ratio, tangible net worth, etc.) Otherwise, the loans are due and payable immediately.
- 4) A subsidiary, Asia Sermkij Leasing Public Co., Ltd., likewise entered into several credit/loan agreements with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. liabilities to equity ratio, etc.) Otherwise, the loans are due and payable immediately.
- 5) A subsidiary, Grand Pacific Financing Corp. (California), entered into a syndicated credit agreement with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. interest coverage ratio, tangible net worth, etc.) Otherwise, the loan is due and payable immediately.
- 6) A subsidiary, Fina Finance & Trading Co., Ltd., entered into several syndicated credit/loan agreements with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. current ratio, interest coverage ratio, tangible net worth, etc.) Otherwise, the loans are due and payable immediately.
- 7) A subsidiary, Chailease International Finance Corporation entered into several credit/loan agreements with financial institutions. Under these agreements, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. liabilities to equity ratio, equity ratio, interest coverage ratio, total risk assets to net assets ratio, overdue leased assets to leased assets ratio, leasing rental recovery ratio, etc.) Otherwise, the loans are due and payable immediately.
- 8) A subsidiary, Chailease Finance International Corp., entered into several credit/loan agreements with financial institutions. Under these agreements, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. liabilities to equity ratio, risk assets to net assets ratio, etc.) Otherwise, the loans are due and payable immediately.
- 9) A subsidiary, Chailease International Corp., entered into several credit/loan agreements with financial institutions. Under these agreements, the Company shall maintain certain financial ratios on balance sheet date. (i.e. liabilities to equity ratio, recovery of account receivable, etc.) Otherwise, the loans are due and payable immediately.
- 10) A subsidiary, Chailease Consumer Finance Co., Ltd., entered into several credit/loan agreements with financial institutions, under which, this subsidiary shall maintain certain financial ratios on balance sheet date. (i.e. current ratio, interest coverage ratio, tangible net worth, etc.) Otherwise, the loans are due and payable immediately.

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- 11) A subsidiary, Chailease International Financial Services Co., Ltd., entered into several credit/loan agreements with financial institutions, under which, Chailease Finance Co., Ltd., shall maintain certain parent only financial ratios on balance sheet date. (i.e. interest coverage ratio, tangible net worth, etc.) Otherwise, the loans are due and payable immediately.

As of December 31, 2016, the Group was in compliance with the financial covenants mentioned above.

(j) Bonds payable

Period	Annual Interest Rate	Principal Amount	Repayment Terms	2017.3.31		Collateral
				Within Operating Cycle	Beyond Operating Cycle	
2012.06.05~ 2017.06.05	1.500%	2,000,000	Principal amount is payable in two equal installments at the end of the fourth and fifth year. Interest rate is fixed. Interest is payable annually.	1,000,000	-	None
2013.07.22~ 2018.07.22	1.600%	1,400,000	"	1,400,000	-	"
2014.06.16~ 2019.06.16	1.500%	450,000	"	225,000	225,000	"
2014.10.30~ 2021.10.30	2.050%	900,000	Payable in lump sum. Interest rate is fixed. Interest is payable annually.	-	900,000	"
2014.10.30~ 2024.10.30	2.300%	1,100,000	"	-	1,100,000	"
2015.06.29~ 2020.06.29	1.550%	3,000,000	"	-	3,000,000	"
2016.06.28~ 2021.06.28	1.000%	1,350,000	"	-	1,350,000	"
2016.06.28~ 2023.06.28	1.250%	300,000	"	-	300,000	"
2014.04.30~ 2017.04.28	4.150%	THB 100,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi-annually.	88,590	-	"
2014.05.15~ 2017.06.08	4.100%	THB 210,000	"	186,039	-	"
2014.05.27~ 2017.05.09	4.050%	THB 150,000	"	132,885	-	"
2014.06.27~ 2017.07.10	4.050%	THB 220,000	"	194,898	-	"
2014.07.18~ 2017.07.25	4.050%	THB 500,000	"	442,950	-	"
2014.07.25~ 2017.08.08	4.050%	THB 320,000	"	283,488	-	"
2014.09.26~ 2017.09.25	3.950%	THB 250,000	"	221,475	-	"
2014.09.26~ 2017.10.10	3.950%	THB 200,000	"	177,180	-	"

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Period	Annual Interest Rate	Principal Amount		Repayment Terms	2017.3.31		Collateral
					Within Operating Cycle	Beyond Operating Cycle	
2014.09.29~ 2017.09.25	3.950%	THB	100,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi-annually.	88,590	-	None
2014.11.10~ 2017.11.10	3.950%	THB	200,000	"	177,180	-	"
2014.11.24~ 2017.12.07	3.850%	THB	130,000	"	115,167	-	"
2015.03.18~ 2018.03.18	3.700%	THB	100,000	"	88,590	-	"
2015.05.14~ 2017.05.15	3.500%	THB	120,000	"	106,308	-	"
2015.12.25~ 2017.11.15	2.680%	THB	100,000	"	88,590	-	"
2015.06.04~ 2018.06.04	3.400%	THB	300,000	"	-	265,770	"
2015.08.13~ 2018.08.14	3.100%	THB	150,000	"	-	132,885	"
2015.09.03~ 2018.08.28	3.100%	THB	150,000	"	-	132,885	"
2016.02.02~ 2019.02.02	2.970%	THB	300,000	"	-	265,770	"
2016.02.17~ 2019.02.21	2.970%	THB	100,000	"	-	88,590	"
2016.03.29~ 2019.04.03	2.920%	THB	155,000	"	-	137,315	"
2016.04.27~ 2018.04.27	2.630%	THB	500,000	"	-	442,950	"
2016.06.16~ 2019.06.11	2.930%	THB	100,000	"	-	88,590	"
2016.06.24~ 2019.03.21	2.920%	THB	300,000	"	-	265,770	"
2016.06.28~ 2020.06.29	3.250%	THB	200,000	"	-	177,180	"
2016.07.13~ 2019.03.29	2.920%	THB	190,000	"	-	168,321	"
2016.07.25~ 2019.08.01	2.910%	THB	205,000	"	-	181,609	"
2016.07.28~ 2019.07.30	2.930%	THB	235,000	"	-	208,186	"
2016.07.29~ 2018.07.30	2.630%	THB	140,000	"	-	124,026	"
2017.02.24~ 2020.02.28	2.950%	THB	100,000	Payable in lump sum. Interest rate is fixed. Interest is payable quarterly	-	88,590	"
Bonds payable (Gross)					5,016,930	9,643,437	
Discounts on bonds payable					(284)	(1,303)	
					<u><u>\$ 5,016,646</u></u>	<u><u>9,642,134</u></u>	

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Period	Annual Interest Rate	Principal Amount		Repayment Terms	2016.12.31		Collateral
					Within Operating Cycle	Beyond Operating Cycle	
2012.06.05~ 2017.06.05	1.500%	2,000,000		Principal amount is payable in two equal installments at the end of the fourth and fifth year. Interest rate is fixed. Interest is payable annually.	1,000,000	-	None
2013.07.22~ 2018.07.22	1.600%	1,400,000		"	1,400,000	-	"
2014.06.16~ 2019.06.16	1.500%	450,000		"	225,000	225,000	"
2014.10.30~ 2021.10.30	2.050%	900,000		Payable in lump sum. Interest rate is fixed. Interest is payable annually.	-	900,000	"
2014.10.30~ 2023.10.30	2.300%	1,100,000		"	-	1,100,000	"
2015.06.29~ 2020.06.29	1.550%	3,000,000		"	-	3,000,000	"
2016.06.28~ 2021.06.28	1.000%	1,350,000		"	-	1,350,000	"
2016.06.28~ 2023.06.28	1.250%	300,000		"	-	300,000	"
2014.04.30~ 2017.04.28	4.150%	THB	100,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi-annually.	90,500	-	"
2014.05.15~ 2017.06.08	4.100%	THB	210,000	"	190,050	-	"
2014.05.27~ 2017.05.09	4.050%	THB	150,000	"	135,750	-	"
2014.06.27~ 2017.07.10	4.050%	THB	220,000	"	199,100	-	"
2014.07.18~ 2017.07.25	4.050%	THB	500,000	"	452,500	-	"
2014.07.25~ 2017.08.08	4.050%	THB	320,000	"	289,600	-	"
2014.09.26~ 2017.09.25	3.950%	THB	250,000	"	226,250	-	"
2014.09.26~ 2017.10.10	3.950%	THB	200,000	"	181,000	-	"
2014.09.29~ 2017.09.25	3.950%	THB	100,000	"	90,500	-	"
2014.11.10~ 2017.11.10	3.950%	THB	200,000	"	181,000	-	"
2014.11.24~ 2017.12.07	3.850%	THB	130,000	"	117,650	-	"

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				Within Operating Cycle	Beyond Operating Cycle	
2015.01.28~ 2017.01.28	3.600%	THB 300,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi - annually.	271,500	-	None
2015.03.18~ 2018.03.18	3.700%	THB 100,000	"	-	90,500	"
2015.05.14~ 2017.05.15	3.500%	THB 120,000	"	108,600	-	"
2015.06.04~ 2018.06.04	3.400%	THB 300,000	"	-	271,500	"
2015.08.13~ 2018.08.14	3.100%	THB 150,000	"	-	135,750	"
2015.09.03~ 2018.08.28	3.100%	THB 150,000	"	-	135,750	"
2015.12.25~ 2017.11.15	2.680%	THB 100,000	"	90,500	-	"
2016.02.02~ 2019.02.02	2.970%	THB 300,000	"	-	271,500	"
2016.02.17~ 2019.02.21	2.970%	THB 100,000	"	-	90,500	"
2016.03.29~ 2019.04.03	2.920%	THB 155,000	"	-	140,275	"
2016.04.27~ 2018.04.27	2.630%	THB 500,000	"	-	452,500	"
2016.06.16~ 2019.06.11	2.930%	THB 100,000	"	-	90,500	"
2016.06.24~ 2019.03.21	2.920%	THB 300,000	"	-	271,500	"
2016.06.28~ 2020.06.29	3.250%	THB 200,000	"	-	181,000	"
2016.07.13~ 2019.03.29	2.920%	THB 190,000	"	-	171,950	"
2016.07.25~ 2019.08.01	2.910%	THB 205,000	"	-	185,525	"
2016.07.28~ 2019.07.30	2.930%	THB 235,000	"	-	212,675	"
2016.07.29~ 2018.07.30	2.630%	THB 140,000	"	-	126,700	"
Bonds payable (Gross)				5,249,500	9,703,125	
Discounts on bonds payable				(441)	(1,476)	
				<u>\$ 5,249,059</u>	<u>9,701,649</u>	

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					Within Operating Cycle	Beyond Operating Cycle	
2012.06.05~ 2017.06.05	1.500%	2,000,000		Principal amount is payable in two equal installments at the end of the fourth and fifth year. Interest rate is fixed. Interest is payable annually.	\$ 2,000,000	-	None
2013.07.22~ 2018.07.22	1.600%	1,400,000		"	700,000	700,000	"
2014.06.16~ 2019.06.16	1.500%	450,000		"	-	450,000	"
2014.10.30~ 2021.10.30	2.050%	900,000		Payable in lump sum. Interest rate is fixed. Interest is payable annually.	-	900,000	"
2014.10.30~ 2024.10.30	2.300%	1,100,000		"	-	1,100,000	"
2015.06.29~ 2020.06.29	1.550%	3,000,000		"	-	3,000,000	"
2014.05.09~ 2016.05.16	3.820%	THB	240,000	Payable in lump sum. Interest rate is fixed. Interest is payable quarterly.	220,440	-	"
2013.06.27~ 2016.06.27	4.500%	THB	1,300,000	"	1,194,050	-	"
2014.04.30~ 2017.04.28	4.150%	THB	100,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi - annually.	-	91,850	"
2014.05.15~ 2017.06.08	4.100%	THB	210,000	"	-	192,885	"
2014.05.27~ 2017.05.09	4.050%	THB	150,000	"	-	137,775	"
2014.06.27~ 2017.07.10	4.050%	THB	220,000	"	-	202,070	"
2014.07.17~ 2016.07.11	3.790%	THB	215,000	Payable in lump sum. Interest rate is fixed. Interest is payable quarterly.	197,478	-	"
2014.07.18~ 2017.07.25	4.050%	THB	500,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi - annually.	-	459,250	"
2014.07.25~ 2017.08.08	4.050%	THB	320,000	"	-	293,920	"
2014.09.26~ 2017.10.10	3.950%	THB	200,000	"	-	183,700	"

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Period	Annual Interest Rate	Principal Amount		Repayment Terms	2016.3.31		Collateral
					Within Operating Cycle	Beyond Operating Cycle	
2014.09.26~ 2017.09.25	3.950%	THB	250,000	Payable in lump sum. Interest rate is fixed. Interest is payable semi - annually.	-	229,625	None
2014.09.29~ 2017.09.25	3.950%	THB	100,000	"	-	91,850	"
2014.11.07~ 2016.11.07	3.700%	THB	160,000	"	146,960	-	"
2014.11.10~ 2017.11.10	3.950%	THB	200,000	"	-	183,700	"
2014.11.24~ 2017.12.07	3.850%	THB	130,000	"	-	119,405	"
2014.11.25~ 2016.11.25	3.700%	THB	120,000	"	110,220	-	"
2014.12.03~ 2016.12.07	3.700%	THB	190,000	"	174,515	-	"
2015.01.28~ 2017.01.28	3.600%	THB	300,000	"	275,550	-	"
2015.03.18~ 2018.03.18	3.700%	THB	100,000	"	-	91,850	"
2015.05.14~ 2017.05.15	3.500%	THB	120,000	"	-	110,220	"
2015.06.04~ 2018.06.04	3.400%	THB	300,000	"	-	275,550	"
2015.08.13~ 2018.08.14	3.100%	THB	150,000	"	-	137,775	"
2015.09.03~ 2018.08.28	3.100%	THB	150,000	"	-	137,775	"
2015.12.25~ 2017.11.15	2.680%	THB	100,000	"	-	91,850	"
2016.02.02~ 2019.02.02	2.970%	THB	300,000	"	-	275,550	"
2016.02.17~ 2019.02.17	2.970%	THB	100,000	"	-	91,850	"
2016.03.29~ 2019.04.03	2.920%	THB	155,000	"	-	142,368	"
Bonds payable (Gross)					5,019,213	9,690,818	
Discounts on bonds payable					(479)	(1,835)	
					<u>\$ 5,018,734</u>	<u>9,688,983</u>	

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(k) Operating Leases

1. Leases entered into as lessee

Non-cancellable operating lease rentals payable were as follows:

	<u>2017.3.31</u>	<u>2016.12.31</u>	<u>2016.3.31</u>
Less than one year	\$ 350,359	285,442	183,829
Between one and five years	547,036	356,680	489,693
Beyond five years	<u>97,370</u>	<u>122,060</u>	<u>127,209</u>
	<u>\$ 994,765</u>	<u>764,182</u>	<u>800,731</u>

(l) Employee benefits

1. Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material one-time events since prior fiscal year. As a result, pension cost in the accompanying interim consolidated financial statements was measured and disclosed according to the actuarial report as of December 31, 2016 and 2015.

The Group's pension costs recognized in profit or loss were as follows:

	<u>For the three months ended March 31,</u>	
	<u>2017</u>	<u>2016</u>
Operating expenses	\$ <u>16,944</u>	<u>19,076</u>

2. Defined contribution plans

The pension costs incurred from the contributions were as follows:

	<u>For the three months ended March 31,</u>	
	<u>2017</u>	<u>2016</u>
Operating costs	\$ 520	495
Operating expenses	<u>39,593</u>	<u>37,418</u>
Total	<u>\$ 40,113</u>	<u>37,913</u>

(m) Income taxes

1. Income Tax Expense

The components of income tax for the three months ended March 31, 2017 and 2016 were as follows:

	<u>For the three months ended March 31,</u>	
	<u>2017</u>	<u>2016</u>
Total income tax expense from continuing operations	\$ <u>741,613</u>	<u>595,317</u>

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The components of income tax recognized in other comprehensive income were as follows:

	For the three months ended March 31,	
	2017	2016
Items that will not be reclassified subsequently to profit loss:		
Remeasurement actuarial gains from defined benefit plans	\$ <u>-</u>	<u>123</u>
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation differences for foreign operations	\$ <u>90,522</u>	<u>28,593</u>

(n) Share capital and other equity accounts

Except for the following, there were no significant changes in share capital and other equity accounts for the three months ended March 31, 2017 and 2016. Please refer to Note (6)(n) of the 2016 annual, consolidated financial statements for other related information.

1. Share capital

As of March 31, 2017 and 2016, the Company's authorized capital consisted of 1,500,000 thousand shares and both issued shares worth \$11,392,300 with par value of \$10 (NT dollars) per share.

Due to the capital needs for investing in subsidiaries and repaying bank loans, the board of directors of the Company resolved to increase the Company's capital by issuing common shares of stock through the offering of global depositary shares overseas, and the offering was approved by the Financial Supervisory Commission (FSC) on August 3, 2012. As of October 9, 2012, these global depositary shares were priced at US\$8.59 per unit, and the Company issued 120,000,000 common shares of stock from the conversion of 24,000,000 units of global depositary shares. Each unit of global depositary shares represents 5 common shares of stock. As of March 31, 2017, December 31, 2016, and March 31, 2016, the Company has listed, 38,026, 38,028 and 1,365,667 units of GDRs, respectively, on the Euro MTF market of the Luxembourg Stock Exchange. Major terms and conditions for GDRs were as follows:

1) Voting rights exercised

Holders of GDRs may exercise voting rights with respect to the common shares in the manner set out in "Terms and Conditions of the Global Depositary Shares-Voting Rights," as such provisions may be amended from time to time to comply with applicable ROC law.

2) Dividend distributions, pre-emptive rights and other rights

Holders of GDRs have same rights on dividend distribution and share distribution as the Company's existing common shareholders.

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2. Retained earnings

According to the Articles of Association, the Company is required to appropriate earnings every accounting year. The after tax earnings are initially used to offset cumulative losses, and then a special reserve is appropriated from the remainder. Without necessarily violating the Cayman Islands Companies Law, the Company is able to retain reasonable amount of earnings for Company development. Dividends of at least 25% are distributed out of such remaining amount of which cash dividends shall not be less than 30% of the total amount of dividends:

1) Special reserve

In accordance with Permit No. 1010012865 as issued by the Financial Supervisory Commission on April 6, 2012, a special reserve equal to the debit balance of unrealized loss on financial instruments in the stockholders' equity, is appropriated from unappropriated retained earnings pursuant to Article No.41 of the Securities and Exchange Act. When appropriating a special reserve for the first time, it is initially appropriated from current earnings and any deficiency is appropriated from the undistributed earnings of prior years. For the second year and years thereafter, the increase or decrease in the balance of unrealized loss on financial instruments in subsequent year, as shown in the statement of changes in stockholders' equity, is either subject to further appropriation for special reserve, or reversed to retained earnings.

2) Earnings distribution

On March 16, 2017, the Company's board of directors resolved to appropriate the 2016 earnings. On May 27, 2016, the shareholders resolved to distribute the 2015 earnings. These earnings were appropriated as follows:

	2016		2015	
	Dividend per share (\$)	Amount	Dividend per share (\$)	Amount
Dividends distributed to common shareholders				
Cash	\$ 3.40	<u><u>3,873,382</u></u>	3.10	<u><u>3,531,613</u></u>

The information on prior year's distribution of the Company's earnings can be accessed from the Market Observation Post System on the internet.

(o) Earnings per share

The basic and diluted earnings per share were calculated as follows:

	For the three months ended March 31,	
	2017	2016
Profit attributable to common stockholders of the Company	<u><u>2,156,444</u></u>	<u><u>1,621,126</u></u>

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	For the three months ended March 31,	
	2017	2016
Weighted average number of ordinary shares	1,139,230	1,139,230
Weighted average number of ordinary shares (Diluted)	1,139,248	1,139,265

Note: Potential ordinary shares have no dilutive effects.

(p) Employee and board of directors compensation

According to the Articles of Association, if there are surplus profits, the annual surplus profits shall be allocated in accordance with the following sequence and manner; however, if the Company has accumulated losses, such accumulated losses shall first be offset against the annual profits:

- Between 0.01% and 1% of the surplus profits before tax of each financial years as employees' compensation;
- Not to exceed 0.1% of the surplus profits before tax of each financial year as directors' compensation.

For the three months ended March 31, 2017 and 2016, the Company estimated its employee remuneration amounting to \$323 and \$244, and directors' remuneration amounting to \$1,510 and \$1,137, respectively. These estimated amounts were calculated based on the net profit before tax, excluding the remuneration to employees and directors of each period, multiplied by the percentage of remuneration to employees and directors as specified in the Company's articles. These remunerations were expensed in profit or loss under operating expenses in 2017 and 2016. The amounts, as stated in the consolidated financial statements, are identical to those of the actual distributions for 2017 and 2016.

For 2016 and 2015, the Company recognized employee remuneration amounting to \$1,087 and \$1,024, and directors' remuneration amounting to 5,216 and 4,214, respectively. The amounts, as stated in the condensed interim consolidated financial statements, are identical to those of the actual distributions for 2016 and 2015. Related information would be available at the Market Observation Post System website.

(q) Net other income and expenses

The components of net other income and expenses were as follows:

	For the three months ended March 31,	
	2017	2016
Net losses on disposal of foreclosed assets	\$ (21,418)	(17,604)
Net gains (losses) on reversal of impairment loss of foreclosed assets	995	(4,708)
Gains on doubtful debt recoveries	68,508	51,587
	\$ 48,085	29,275

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(r) Other gains and losses

The components of other gains and losses were as follows:

	For the three months ended March 31,	
	2017	2016
Foreign exchange (losses) gains	\$ (12,308)	9,589
Net gains on disposal of properly plant, and equipment	108	8
Net gains on disposal of available-for-sale financial assets	6,020	1,993
Net gains on valuation of financial assets (liabilities) measured at fair value through profit or loss	6,478	15,893
Others	293,606	56,748
	\$ 293,904	84,231

(s) Adjustments to other comprehensive income

	For the three months ended March 31,	
	2017	2016
Available-for-sale financial assets	\$	
Net change in fair value	30,066	37,510
Net change in fair value reclassified to profit or loss	(6,020)	(1,993)
Net change in fair value recognized in other comprehensive income	\$ 24,046	35,517

(t) Financial instruments

1. Credit risks

1) Credit risks exposure

The carrying amounts of financial assets represented the maximum credit risk exposure of the Group. As of March 31, 2017, December 31, 2016, and March 31, 2016, the maximum exposure to credit risks amounted to \$272,441,570, \$274,467,021 and \$267,110,735, respectively.

The non-performing loans (net of allowance for doubtful accounts) amounted to \$87,778, \$98,931 and \$137,213 as of March 31, 2017, December 31, 2016, and March 31, 2016, respectively.

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The loans and receivables originated by the Group and their related allowance for impairment at the reporting date by geographic regions were as follows:

	<u>Taiwan</u>	<u>Thailand</u>	<u>China</u>	<u>Others</u>	<u>Total</u>
March 31, 2017					
Gross loans and receivables:					
Neither past due nor impaired	\$ 134,923,457	25,055,587	66,296,458	8,497,168	234,772,670
Past due	199,302	-	-	114,852	314,154
Impaired	<u>5,591,711</u>	<u>3,741,729</u>	<u>3,273,336</u>	<u>318,516</u>	<u>12,925,292</u>
	<u>\$140,714,470</u>	<u>28,797,316</u>	<u>69,569,794</u>	<u>8,930,536</u>	<u>248,012,116</u>
Allowance for impairment					
Collectively assessed	\$ 1,520,800	559,632	1,789,170	270,232	4,139,834
Individually assessed	<u>2,092,879</u>	<u>402,445</u>	<u>1,648,832</u>	<u>126,398</u>	<u>4,270,554</u>
	<u>\$ 3,613,679</u>	<u>962,077</u>	<u>3,438,002</u>	<u>396,630</u>	<u>8,410,388</u>
December 31, 2016					
Gross loans and receivables:					
Neither past due nor impaired	\$ 133,333,350	25,197,925	69,512,124	8,502,441	236,545,840
Past due	201,215	-	-	158,515	359,730
Impaired	<u>4,925,793</u>	<u>3,782,214</u>	<u>3,581,383</u>	<u>325,048</u>	<u>12,614,438</u>
	<u>\$138,460,358</u>	<u>28,980,139</u>	<u>73,093,507</u>	<u>8,986,004</u>	<u>249,520,008</u>
Allowance for impairment					
Collectively assessed	\$ 1,447,681	536,153	1,625,216	303,276	3,912,326
Individually assessed	<u>2,132,172</u>	<u>367,826</u>	<u>1,889,155</u>	<u>134,901</u>	<u>4,524,054</u>
	<u>\$ 3,579,853</u>	<u>903,979</u>	<u>3,514,371</u>	<u>438,177</u>	<u>8,436,380</u>
March 31, 2016					
Gross loans and receivables:					
Neither past due nor impaired	\$ 123,691,012	24,710,825	68,474,821	5,734,450	222,611,108
Past due	153,088	-	-	148,293	301,381
Impaired	<u>4,206,526</u>	<u>3,360,339</u>	<u>3,974,407</u>	<u>393,579</u>	<u>11,934,851</u>
	<u>\$128,050,626</u>	<u>28,071,164</u>	<u>72,449,228</u>	<u>6,276,322</u>	<u>234,847,340</u>
Allowance for impairment					
Collectively assessed	\$ 1,340,300	434,000	1,427,377	297,037	3,498,714
Individually assessed	<u>1,644,517</u>	<u>306,501</u>	<u>1,829,697</u>	<u>168,620</u>	<u>3,949,335</u>
	<u>\$ 2,984,817</u>	<u>740,501</u>	<u>3,257,074</u>	<u>465,657</u>	<u>7,448,049</u>

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The credit quality of the portfolio of loans and receivables that were neither past due nor impaired includes loans and receivables with renegotiated terms.

Loans with renegotiated terms are loans that have been restructured due to deterioration in the borrower's financial position and where the Group has made concessions that it would not otherwise consider. Renegotiating activity is designed to manage customer relationships, maximize collection opportunities and if possible, avoid foreclosure or repossession. Such activities include extended payment arrangements, approved external debt management plans, deferring foreclosure, modification, loan rewrites and/or deferral of payments pending a change in circumstances. Once the loan is restructured, it remains in this category independent of satisfactory performance after restructuring.

3) Loans and receivables which were past due

When loans and receivables of contractual interest or principal payments are past due, the Group consider that impairment loss has not been incurred because the level of collateral available exceeds the amounts owed to the Group.

The following table sets forth the aging of loans and receivables past due:

	2017.3.31	2016.12.31	2016.3.31
Past due up to 30 days	\$ 287,709	286,039	266,162
Past due up to 31 to 90 days	26,445	73,691	35,219
	\$ 314,154	359,730	301,381

4) Impaired loans and receivables

Impaired loans and receivables are loans and receivables for which the Group determine that it will be unable to collect part of principal and interest due according to the contracted terms of the loans and receivables.

2. Liquidity risks

The following are the contractual maturities of financial liabilities of the Group, including estimated interest payments and excluding the impact of netting arrangements:

	Carrying amount	Contractual cash flows	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	On demand
March 31, 2017								
Non-derivative financial liabilities								
Bank overdraft	\$ 2,788	2,788	-	-	-	-	-	2,788
Secured bank loans	29,639,560	30,718,057	4,269,388	3,484,209	10,238,590	12,725,870	-	-
Unsecured bank loans	148,924,146	151,758,362	29,610,584	33,015,867	41,212,563	47,919,348	-	-
Notes payable from securitization	9,598,573	10,359,056	15,542	31,083	139,876	10,109,606	62,949	-
Bonds payables	14,658,780	15,496,797	98,148	1,542,673	2,738,151	9,634,425	1,483,400	-
Other payables	6,724,761	6,755,428	3,389,456	376,342	548,613	544,000	-	1,897,017
Deposits relating to collateral of customers	26,502,660	26,530,474	665,271	1,852,390	6,798,441	16,374,836	-	839,536
	\$ 236,051,268	241,620,962	38,048,389	40,302,564	61,676,234	97,308,085	1,546,349	2,739,341

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	Carrying amount	Contractual cash flows	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	On demand
December 31, 2016								
Non-derivative financial liabilities								
Bank overdraft	\$ 1,273	1,273	-	-	-	-	-	1,273
Secured bank loans	32,238,529	33,113,725	6,908,885	2,395,255	11,937,083	11,872,502	-	-
Unsecured bank loans	149,039,566	151,666,554	30,058,470	39,134,721	34,902,892	47,570,471	-	-
Other unsecured loans	55,144	55,211	55,211	-	-	-	-	-
Notes payable from securitization	9,606,323	10,117,801	15,514	31,028	139,628	9,863,172	68,459	-
Notes payable from securitization	14,950,708	15,837,280	290,475	32,549	4,319,196	9,711,660	1,483,400	-
Bonds payables	7,570,936	7,580,050	4,544,004	828,664	713,787	502,002	-	991,593
Other payables	26,825,001	26,846,650	244,470	533,624	5,991,182	19,315,900	8,806	752,668
	<u>\$ 240,287,480</u>	<u>245,218,544</u>	<u>42,117,029</u>	<u>42,955,841</u>	<u>58,003,768</u>	<u>98,835,707</u>	<u>1,560,665</u>	<u>1,745,534</u>
March 31, 2016								
Non-derivative financial liabilities								
Bank overdraft	\$ 16,715	16,715	-	-	-	-	-	16,715
Secured bank loans	29,448,870	29,854,713	4,880,219	4,752,474	9,514,915	10,707,105	-	-
Unsecured bank loans	145,293,883	145,972,233	46,999,618	28,370,442	28,839,652	41,762,521	-	-
Other unsecured loans	999,467	1,004,840	238,810	261,773	504,257	-	-	-
Notes payable from securitization	5,656,910	5,976,301	8,871	17,743	79,842	5,656,393	213,452	-
Bonds payables	14,707,717	15,667,019	3,746	2,544,749	1,092,486	9,906,388	2,119,650	-
Other payables	6,266,943	6,281,374	4,079,974	553,748	692,594	381,444	-	573,614
Deposits relating to collateral of customers	25,611,358	25,630,747	252,777	813,038	5,055,003	18,744,215	-	765,714
	<u>\$ 228,001,863</u>	<u>230,403,942</u>	<u>56,464,015</u>	<u>37,313,967</u>	<u>45,778,749</u>	<u>87,158,066</u>	<u>2,333,102</u>	<u>1,356,043</u>

The Group is not expecting that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

3.Currency risks

1) Exposure to currency risks

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

2017.3.31					
		Foreign currency (In thousands)	Exchange rate		Functional currency
Financial assets					
Monetary items					
USD	\$	13,221.12	USD : TWD	30.3300	400,997
		13,206.71	USD : GBP	0.8000	400,560
		5,525.06	USD : VND	25,066	167,575
JPY		350,352.02	JPY : USD	0.0089	95,051
EUR		9,014.61	EUR : USD	1.0692	292,344
HKD		41,617.03	HKD : USD	0.1287	162,431
GBP		8,320.04	GBP : USD	1.2470	314,664

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2017.3.31				
	Foreign currency (In thousands)		Exchange rate	Functional currency
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	187,011.00	USD : TWD	30.3300	5,672,044
	4,572.75	USD : VND	25,066	138,692
	2,900.31	USD : MYR	4.1614	87,966
JPY	239,867.48	JPY : USD	0.0089	65,076
EUR	7,600.01	EUR : USD	1.0692	246,468
HKD	28,998.99	HKD : USD	0.1287	113,183
GBP	8,000.00	GBP : USD	1.2470	302,560

2016.12.31				
	Foreign currency (In thousands)		Exchange rate	Functional currency
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 11,492.10	USD : TWD	32.2500	370,620
	6,353.80	USD : VND	25,000	204,911
CNY	922.39	CNY : USD	0.1432	4,259
GBP	9,301.62	GBP : USD	1.2282	368,437
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	182,979.00	USD : TWD	32.2500	5,901,073
	4,883.80	USD : VND	25,000	157,504
GBP	9,000.02	GBP : USD	1.2282	356,491

2016.3.31				
	Foreign currency (In thousands)		Exchange rate	Functional currency
<u>Financial assets</u>				
<u>Monetary items</u>				
USD	\$ 10,665.28	USD : TWD	32.1850	343,262
	7,322.22	USD : VND	24,383	235,666
CNY	6,865.97	CNY : USD	0.1545	34,138

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	2016.3.31			
	Foreign currency (In thousands)	Exchange rate		Functional currency
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD	83,460.50	USD : TWD	32.1850	2,686,176
	4,772.53	USD : VND	24,383	153,604

2) Sensitivity analysis

The Group's exposure to foreign currency risk arises from foreign currency exchange fluctuations on cash and cash equivalents, account receivables, and loans and borrowings. A 5% depreciation or appreciation of the TWD against the USD and CNY on balance sheet date would have decreased or increased the net profit after tax by \$36,401 and \$12,994, for the three months ended March 31, 2017 and 2016, respectively. This analysis is performed on the same basis for both years.

3) The foreign currency gain or loss on monetary items

Since the Group uses multiple functional currencies, the amounts for foreign currency gain or loss are consolidated for presentation. For the three months ended March 31, 2017 and 2016, the foreign currency (loss) gain, including realized and unrealized, amounted to \$(12,308) and \$9,589, respectively.

4. Interest analysis

The Group's financial assets and financial liabilities with interest rate exposure risk were as follows:

Ending balance as of March 31, 2017	Effective interest rate	Fixed rate					Non-interest bearing	
		Total	Floating rate	Within 1 year	1~5 years	More than 5 years		
Financial assets								
Cash and cash equivalents	0.59 %	\$ 12,836,133	9,097,660	1,119,928	-	-	2,618,545	
Debt securities	6.91 %	6,627,634	42,771	3,642,086	2,942,777	-	-	
Total accounts receivables	9.09 %	248,176,026	29,924,061	114,675,170	95,085,169	1,570,410	6,921,216	
		267,639,793	39,064,492	119,437,184	98,027,946	1,570,410	9,539,761	
Financial liabilities								
Secured bank loans	4.24 %	29,639,560	20,544,327	5,827,213	3,268,020	-	-	
Unsecured bank loans	2.03 %	148,924,146	79,975,669	38,472,246	30,476,231	-	-	
Bonds payables	2.24 %	14,658,780	-	4,091,646	9,167,134	1,400,000	-	
Bank overdraft	7.38 %	2,788	2,788	-	-	-	-	
Notes payable from securitization	1.95 %	9,598,573	40,373	-	9,558,200	-	-	
Deposits relating to collateral of customers	0.13 %	26,502,660	-	2,348,954	4,762,223	-	19,391,483	
		229,326,507	100,563,157	50,740,059	57,231,808	1,400,000	19,391,483	
Net exposure		\$ 38,313,286	(61,498,665)	68,697,125	40,796,138	170,410	(9,851,722)	

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Ending balance as of December 31, 2016	Effective interest rate	Total	Floating rate	Fixed rate			Non-interest bearing
				Within 1 year	1~5 years	More than 5 years	
Financial assets							
Cash and cash equivalents	0.57 %	\$ 12,936,615	10,194,669	886,401	-	-	1,855,545
Debt securities	7.56 %	6,822,084	-	3,499,755	3,322,329	-	-
Total accounts receivables	9.45 %	249,684,788	32,125,275	118,018,691	89,093,064	3,375,184	7,072,574
		269,443,487	42,319,944	122,404,847	92,415,393	3,375,184	8,928,119
Financial liabilities							
Secured bank loans	4.19 %	32,238,529	22,916,629	5,649,650	3,672,250	-	-
Unsecured bank loans	2.00 %	149,039,566	84,116,167	46,621,441	18,301,958	-	-
Bonds payables	2.27 %	14,950,708	-	4,324,059	9,226,649	1,400,000	-
Bank overdraft	7.38 %	1,273	1,273	-	-	-	-
Other unsecured loans	2.20 %	55,144	-	55,144	-	-	-
Notes payable from securitization	1.94 %	9,606,323	48,123	-	9,558,200	-	-
Deposits relating to collateral of customers	0.13 %	26,825,001	-	2,228,699	4,689,615	7,885	19,898,802
		232,716,544	107,082,192	58,878,993	45,448,672	1,407,885	19,898,802
Net exposure		\$ 36,726,943	(64,762,248)	63,525,854	46,966,721	1,967,299	(10,970,683)

Ending balance as of March 31, 2016	Effective interest rate	Total	Floating rate	Fixed rate			Non-interest bearing
				Within 1 year	1~5 years	More than 5 years	
Financial assets							
Cash and cash equivalents	0.60 %	\$ 11,910,953	8,992,547	1,087,359	-	-	1,831,047
Debt securities	6.24 %	10,557,559	-	4,646,979	5,910,580	-	-
Total accounts receivables	9.37 %	235,063,342	28,333,964	117,024,940	85,541,025	1,240,756	2,922,657
Cross currency swap contracts	1.16 %	122,565	122,565	-	-	-	-
		257,654,419	37,449,076	122,759,278	91,451,605	1,240,756	4,753,704
Financial liabilities							
Secured bank loans	4.86 %	29,448,870	18,257,571	5,898,538	5,292,761	-	-
Unsecured bank loans	2.27 %	145,293,883	86,847,668	45,004,681	13,441,534	-	-
Bonds payables	2.55 %	14,707,717	-	3,318,734	9,388,983	2,000,000	-
Bank overdraft	7.38 %	16,715	16,715	-	-	-	-
Other unsecured loans	2.22 %	999,467	-	999,467	-	-	-
Notes payable from securitization	2.25 %	5,656,910	191,910	-	5,465,000	-	-
Deposits relating to collateral of customers	0.46 %	25,611,358	-	2,399,950	5,134,396	336	18,076,676
		221,734,920	105,313,864	57,621,370	38,722,674	2,000,336	18,076,676
Net exposure		\$ 35,919,499	(67,864,788)	65,137,908	52,728,931	(759,580)	(13,322,972)

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The Group's sensitivity analysis in interest rates is based on the risk exposure to interest rates on the derivative and non-derivative financial instruments on the reporting date. For variable rate instruments, the sensitivity analysis assumes the variable rate liabilities are outstanding for the whole year on the reporting date. The Group's accounting and financial department reported that the increases or decreases in interest rates and the change in interest rate of 25 basis points has been determined as management's benchmark in assessing the reasonableness of the changes in the interest rates.

If the interest rate increases or decreases by 0.25%, the Group's profit will decrease or increase by \$138,048 and \$134,901 for the three months ended March 31, 2017 and 2016, respectively. This analysis assumes that all other variables remain constant.

5. Fair value information**1) The Categories and Fair Values of Financial Instruments**

The fair value of financial assets and liabilities at fair value through profit or loss, derivative financial instruments used for hedging, and available for sale financial assets is measured on a recurring basis. The following are the carrying amount and the fair value of the Group's financial assets and financial liabilities (including fair value hierarchy information). However, for financial instruments not measured at fair value but whose carrying amount is estimated to be reasonably close to the fair value, and for equity investments that has no quoted prices in active markets and whose fair value cannot be reliably measured, disclosure of fair value information is not required:

	March 31, 2017				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets at fair value though profit or loss					
Financial assets held for trading	\$ 198,305	198,305	-	-	198,305
Available-for-sale financial assets					
Domestic and foreign market (OTC) equity securities	1,313,534	232,224	1,081,310	-	1,313,534
Measured at fair value of unquoted equity instruments	494,011	-	-	494,011	494,011
Sub-total	1,807,545	232,224	1,081,310	494,011	1,807,545
Held-to-maturity investments	6,627,634	-	-	-	-
Loans and receivable					
Cash and cash equivalents	12,836,133	-	-	-	-
Accounts receivable	239,689,506	-	-	-	-
Other financial assets	1,497,156	-	-	-	-
Refundable deposits	550,731	-	-	-	-
Restricted bank deposits	2,305,145	-	-	-	-
Sub-total	256,878,671	-	-	-	-
Total	\$ 265,512,155	430,529	1,081,310	494,011	2,005,850

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March 31, 2017					
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Measurement of financial liabilities at amortized cost					
Bank overdraft	\$ 2,788	-	-	-	-
Secured bank loans	29,639,560	-	-	-	-
Unsecured bank loans	148,924,146	-	-	-	-
Notes payable from securitization	9,598,573	-	-	-	-
Bond payables	14,658,780	-	-	-	-
Other payables	6,724,761	-	-	-	-
Deposits relating to collateral of customers	26,502,660	-	-	-	-
Total	<u>\$ 236,051,268</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
December 31, 2016					
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss					
Financial assets held for trading	\$ 113,057	113,057	-	-	113,057
Available-for-sale financial assets					
Domestic and foreign market (OTC) equity securities	1,314,559	244,321	1,070,238	-	1,314,559
Measured at fair value of unquoted equity instruments	500,751	-	-	500,751	500,751
Sub-total	1,815,310	244,321	1,070,238	500,751	1,815,310
Held-to-maturity investments	6,822,084	-	-	-	-
Loans and receivable					
Cash and cash equivalents	12,936,615	-	-	-	-
Accounts receivable	241,182,559	-	-	-	-
Other financial assets	1,410,904	-	-	-	-
Refundable deposits	660,349	-	-	-	-
Restricted bank deposits	2,062,502	-	-	-	-
Sub-total	258,252,929	-	-	-	-
Total	<u>\$ 267,003,380</u>	<u>357,378</u>	<u>1,070,238</u>	<u>500,751</u>	<u>1,928,367</u>

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		December 31, 2016				
		Book value	Fair value			Total
			Level 1	Level 2	Level 3	
Measurement of financial liabilities at amortized cost						
Bank overdraft	\$	1,273	-	-	-	-
Secured bank loans		32,238,529	-	-	-	-
Unsecured bank loans		149,039,566	-	-	-	-
Other unsecured loans		55,144	-	-	-	-
Notes payable from securitization		9,606,323	-	-	-	-
Bond payables		14,950,708	-	-	-	-
Other payables		7,570,936	-	-	-	-
Deposits relating to collateral of customers		26,825,001	-	-	-	-
Total	\$	<u>240,287,480</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		March 31, 2016				
		Book value	Fair value			Total
			Level 1	Level 2	Level 3	
Financial assets at fair value though profit or loss						
Financial assets held for trading	\$	<u>280,124</u>	<u>275,018</u>	<u>5,106</u>	<u>-</u>	<u>280,124</u>
Hedging of derivative financial assets						
		<u>117,459</u>	<u>-</u>	<u>117,459</u>	<u>-</u>	<u>117,459</u>
Available-for-sale financial assets						
Domestic and foreign market (OTC) equity securities		1,266,727	208,573	1,058,154	-	1,266,727
Measured at fair value of unquoted equity instruments		<u>503,789</u>	<u>-</u>	<u>-</u>	<u>503,789</u>	<u>503,789</u>
Sub-total		<u>1,770,516</u>	<u>208,573</u>	<u>1,058,154</u>	<u>503,789</u>	<u>1,770,516</u>
Held-to-maturity investments		<u>10,557,559</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Loans and receivable						
Cash and cash equivalents		11,910,953	-	-	-	-
Accounts receivable		227,536,504	-	-	-	-
Other financial assets		1,533,493	-	-	-	-
Refundable deposits		1,130,530	-	-	-	-
Restricted bank deposits		<u>2,112,735</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Sub-total		<u>244,224,215</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	\$	<u>256,949,873</u>	<u>483,591</u>	<u>1,180,719</u>	<u>503,789</u>	<u>2,168,099</u>

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		March 31, 2016			
		Fair value			
	Book value	Level 1	Level 2	Level 3	Total
Measurement of financial liabilities at amortized cost					
Bank overdraft	\$ 16,715	-	-	-	-
Secured bank loans	29,448,870	-	-	-	-
Unsecured bank loans	145,293,883	-	-	-	-
Other unsecured loans	999,467	-	-	-	-
Notes payable from securitization	5,656,910	-	-	-	-
Bond payables	14,707,717	-	-	-	-
Other payables	6,266,943	-	-	-	-
Deposits relating to collateral of customers	25,611,358	-	-	-	-
Total	\$ 228,001,863	-	-	-	-

2) Valuation Techniques for Financial Instruments not Measured at Fair Value

The Group's valuation techniques and assumptions used for financial instruments not measured at fair value are as follows:

A. Held-to-Maturity Financial Assets

If the quoted prices in active markets are available, the market price is adopted as the fair value. However, if quoted prices in active markets are not available, the estimated valuation or prices used by competitors are adopted.

B. Debt Investment that Has No Active Markets and Financial Liabilities Measured at Amortized Cost

If there is quoted price generated by transactions, the recent transaction price and quoted price data is used as the basis for fair value measurement. However, if no quoted prices are available, the discounted cash flows are used to estimate fair values.

3) Valuation Techniques for Financial Instruments Measured at Fair Value

A. Non-derivative Financial Instruments

If quoted prices in active markets are available, the prices are adopted as fair values. For the Group's financial instruments that have no active markets, the fair values are determined as follows:

Beneficiary Certificate that Has No Quoted Prices: The discounted cash flow model is used to estimate fair value. The main assumption for the model is to discount expected future cash flows by using a discount rate that reflects the time value of money and risks.

Equity Instrument that Has No Quoted Prices: The net asset value method is used to estimate fair value. The main assumption for the model is to use the net asset value per share as the measuring basis.

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B. Derivative Financial Instruments

Derivative financial instruments are measured by using common valuation models such as discounted cash flow model and Black-Scholes model.

4) Change in Level 3 of the fair value's ledger

	<u>At fair value through profit or loss</u>	<u>Available-for-sale financial assets</u>	
	<u>Designated at initial recognition</u>	<u>Unquoted equity instruments</u>	<u>Total</u>
Opening balance, January 1, 2017	\$ -	500,751	500,751
Total gains and losses recognized:			
In other comprehensive income	-	35,391	35,391
Disposal	-	(42,131)	(42,131)
Ending balance, March 31, 2017	<u>\$ -</u>	<u>494,011</u>	<u>494,011</u>
Opening balance, January 1, 2016	\$ 693,713	506,319	1,200,032
Total gains and losses recognized:			
In profit or loss	28,094	-	28,094
In other comprehensive income	-	(2,058)	(2,058)
Disposal	(721,807)	(472)	(722,279)
Ending balance, March 31, 2016	<u>\$ -</u>	<u>503,789</u>	<u>503,789</u>

For the three months ended March 31, 2017 and 2016, total gains and losses arising from the valuation of investments under Level 3 of the fair value hierarchy that were included in "other gains and losses" and "unrealized gains and losses on available-for-sale financial assets" were as follows:

	<u>For the three months ended March 31,</u>	
	<u>2017</u>	<u>2016</u>
Total gains and losses recognized :		
In profit or loss, and included "other gains and losses"	-	28,094
In other comprehensive income, and included "unrealized gains and losses on available-for-sale financial assets"	35,391	(2,058)

5) The Quantified Information for Significant Unobservable Inputs (Level 3) Used in Fair Value Measurement

The Group's financial instruments that use Level 3 inputs to measure fair values include available-for-sale financial assets-equity investments. Most of these financial instruments using Level 3 inputs to measure fair values have only one significant unobservable input.

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Quantified information of significant unobservable inputs as follows:

<u>Item</u>	<u>Valuation Technique</u>	<u>Significant Non-observable Input</u>	<u>The Relationship between Significant Non-observable Input and Fair Value</u>
Available-for-sale financial assets-equity investments	Net Asset Value Method	• Net Asset Value	• Not applicable

(u) Financial risk management

There were no significant changes in the Group's financial risk management and policies as disclosed in Note (6)(u) of the consolidated financial statements for the year ended December 31, 2016.

(v) Capital Management

Management believes that the objectives, policies and processes of capital management of the Group has been applied consistently with those described in the consolidated financial statements for the year ended December 31, 2016. Also, management believes that there were no significant changes in the Group's capital management information as disclosed for the year ended December 31, 2016. Please refer to Note (6)(v) of the consolidated financial statements for the year ended December 31, 2016 for further details.

(7) Related Parties Transactions

(a) The Company is the ultimate controlling party of the Group.

(b) Names and relationship of related parties

The followings are entities that have had related parties transactions during the periods covered in the consolidated financial statements.

<u>Name of related parties</u>	<u>Relationship with the Group</u>
Chung Hung Corp.	Affiliate
DMC Energy Management Services (Shenzhen) Co., Ltd.	"
Chailease Greater China SME Fund, L.P.	"
C&E Engine Leasing Limited	"
CL Investment Partners Company Limited	"
Chinatrust Financial Holding Company	Essentially a related party
Chinatrust Commercial Bank	"
Grand Pacific Investment & Development Co., Ltd.	"
Chailease Construction & Development Corp.	"
Yellowstone Security Co., Ltd.	"
Yellowstone Service Co., Ltd.	"

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Name of related parties	Relationship with the Group
Chailease Resources Technology Co., Ltd.	Essentially a related party
Chailease Business Co., Ltd.	"
CITC Enterprise (Thai) Co., Ltd.	"
Bosser Design Engineering Co., Ltd.	"
Global Hospitality Group Inc.	"
Parkctbanquet Co., Ltd.	"
Bangkok Bank Public Company Limited	"
Bangkok Granden Property Fund	"
Bangkok Insurance Public Company Limited	"
Grand Pacific Finance Corp. (N.Y.)	"
Sathorn City Tower Property Fund	"

(c) Related parties transactions

1. Operating revenue

Operating revenue of the Group from the related parties were as follows:

	For the three months ended March 31,	
	2017	2016
Affiliates	\$ <u>28,403</u>	<u>72,920</u>

2. Receivables from related parties

Receivables of the Group from related parties were as follows :

Account	Categories of related parties	2017.3.31	2016.12.31	2016.3.31
Capital leases receivable	Affiliates	\$ -	385	263
Accounts receivable	Affiliates	1,003	1,731	1,623
Other receivables	Affiliates	11,837	21,027	79,942
Other current financial assets	Affiliates	1,000	1,000	1,000
Other non-current financial assets	Affiliates	2,900	4,000	12,600
		<u>\$ 16,740</u>	<u>28,143</u>	<u>95,428</u>

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3. Payable to related parties

Payable of the Group from related parties were as follows :

Account	Categories of related parties	2017.3.31	2016.12.31	2016.3.31
Other current financial liabilities	Affiliates	<u>\$ 124</u>	<u>90,761</u>	<u>203</u>

4. Assets transactions

The Group's subsidiary entered into a decoration agreement with an affiliate Zhongyou Investment Management Consultants (Shanghai) Co., Ltd. (Zhongyou) for the decoration of a Shanghai office building that the subsidiary is currently leasing. Under this agreement, Zhongyou is responsible for the design, supervision and management consulting jobs for subsidiary's leasehold improvements project in Shanghai office building. The project expenditure amounted to \$4,944 which included project consultant fee of \$124 paid to Zhongyou for the three months ended March 31, 2016.

5. Related Parties Financing

Financing to related parties was as follows :

	2017.3.31	2016.12.31	2016.3.31
Affiliates	<u>\$ 484,504</u>	<u>509,009</u>	<u>69,766</u>

The loans receivable bear interest at annual rates ranging from 2.81% to 5.00%. As of March 31, 2017, December 31, 2016, and March 31, 2016, interest receivable from the loans receivable from affiliates amounted to \$3,065, \$2,180 and \$10,923, respectively. For the three months ended March 31, 2017 and 2016, interest revenue from the loans receivable from affiliates amounted to \$4,949 and \$885, respectively.

6. Interest bearing borrowings

Borrowings of the Group from related parties were as follows :

	2017.3.31	2016.12.31	2016.3.31
Affiliates	<u>\$ 2,483,308</u>	<u>2,535,273</u>	<u>2,588,515</u>

The borrowings from affiliates bear interest at annual rates ranging from 3.25% to 7.38%. As of March 31, 2017, December 31, 2016, and March 31, 2016, interest payable from the interest bearing borrowings from affiliates amounted to \$224, \$229 and \$303, respectively. For the three months ended March 31, 2017 and 2016, interest expense from the interest bearing borrowing from affiliates amounted to \$20,234 and \$28,140, respectively.

Bonds payable of the Group payable related parties was as follows :

	2017.3.31	2016.12.31	2016.3.31
Affiliates	<u>\$ -</u>	<u>-</u>	<u>45,925</u>

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The bonds payable bear interest at annual rates ranging from 4.50% to 4.60%. As of March 31, 2016, interest payable from bonds payable to affiliates amounted to \$28. For the three months ended March 31, 2016, interest expenses from bonds payable to affiliates amounted to \$524.

7. Guarantee

As of March 31, 2017 and December 31, 2016, the Group had provided a guarantee for loans taken out by affiliates. The credit limit of the guarantee was \$88,140 and \$92,340, and the actual drawn amount was \$9,475 and \$7,740 as of March 31, 2017 and December 31, 2016, respectively. There have been no guarantee with affiliates for the three months ended March 31, 2016.

8. Others

1) As of March 31, 2017, December 31, 2016, and March 31, 2016, bank deposits in financial institutions which are related parties of the Group amounted to \$143,289, \$170,694 and \$243,325, respectively. For the three months ended March 31, 2017 and 2016, interest revenue from the deposits in affiliates amounted to \$23 and \$39, respectively.

2) Other expenses with related parties :

Affiliates	For the three months ended March 31,	
	2017	2016
Rent expense	\$ 6,572	7,628
Commission and service costs and expenses	320	234
Other operating costs and expenses	1,235	11,201
	\$ 8,127	19,063

(d) Key management personnel compensation

	For the three months ended March 31,	
	2017	2016
Short-term employee benefits	\$ 60,479	62,358
Post-employment benefits	532	463
	\$ 61,011	62,821

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(8) Pledged Assets

The carrying values of pledged assets were as follows:

<u>Pledged assets</u>	<u>Object</u>	<u>2017.3.31</u>	<u>2016.12.31</u>	<u>2016.3.31</u>
Restricted cash in banks				
Restricted account for loans repayment (demand deposits)	Issuance of short-term bills and as guarantee for short-term and long-term borrowings(Note)	\$ 2,305,145	2,071,302	2,468,266
Property, plant and equipment	As guarantee for short-term and long-term borrowings	2,300,158	2,370,965	4,533,067
Equity securities	Issuance of short-term bills and as guarantee for short-term and long-term borrowings	1,326	1,299	1,049,508
Refundable deposits	Provincial court seizure etc.	349,638	475,127	960,768
Accounts receivable and notes receivable	Issuance of short-term bills, corporate bonds and as guarantee for short-term and long-term borrowings	103,062,497	97,419,915	98,691,857
Total		<u>\$108,018,764</u>	<u>102,338,608</u>	<u>107,703,466</u>

Note : The Group issued discount coupons for car rental services and opened a trust account with Sunny Bank in accordance with mandatory and prohibitory provisions of the standard contracts for coupons.

(9) Commitments and Contingencies

- (a) The Group entered into alliances with several commercial banks for which the banks will provide direct financing loans to the Group's corporate and individual customers. Should these corporate and individual customers default on their payments, the Group is required to assume their loan obligations and pay these loans on behalf of these customers. As of March 31, 2017, December 31, 2016, and March 31, 2016, the balance of unexpired payments from these alliance transactions amounted to \$6,876,386, \$7,438,573 and \$10,130,953, respectively.
- (b) The Group facilitated the extension of financing by financial institutions on behalf of its certain customers under factoring agreements. Such facilitation enables the customers to obtain desired financing from financial institutions. As of March 31, 2017, December 31, 2016, and March 31, 2016, the balance of financing obtained from such facilitation amounted to \$20,321, \$12,378 and \$40,763, respectively.
- (c) The Group entered into several electricity procurement agreements with Taiwan Power Company and all of these agreements will expire on twenty years after the date the electricity generating sets are launched. Under these agreements, reselling to third parties of electric power from the renewable energy system is prohibited.

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(10) Losses Due to Major Disasters : None.

(11) Subsequent Events : None.

(12) Other

(a) Liquidity analysis of assets and liabilities :

	2017.3.31		
	Expected to be collected or paid within 12 months	Expected to be collected or paid after 12 months	Total
<u>Current assets</u>			
Cash and cash equivalents	\$ 12,836,133	-	12,836,133
Current financial assets at fair value through profit or loss	198,305	-	198,305
Current held-to-maturity financial assets	3,642,086	1,914,512	5,556,598
Accounts receivable, net	129,783,671	61,720,341	191,504,012
Other current financial assets	3,625,674	20,903	3,646,577
Other current assets – others	<u>2,758,796</u>	<u>-</u>	<u>2,758,796</u>
	<u>\$ 152,844,665</u>	<u>63,655,756</u>	<u>216,500,421</u>
<u>Current liabilities</u>			
Short-term borrowings	\$ 76,761,364	-	76,761,364
Accounts and notes payable	2,936,262	-	2,936,262
Current tax liabilities	2,010,234	-	2,010,234
Other current financial liabilities	12,331,569	13,881,079	26,212,648
Long-term liabilities, current portion	49,527,107	28,633,445	78,160,552
Other current liabilities – others	<u>959,874</u>	<u>82</u>	<u>959,956</u>
	<u>\$ 144,526,410</u>	<u>42,514,606</u>	<u>187,041,016</u>

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	2016.12.31		
	Expected to be collected or paid within 12 months	Expected to be collected or paid after 12 months	Total
<u>Current assets</u>			
Cash and cash equivalents	\$ 12,936,615	-	12,936,615
Current financial assets at fair value through profit or loss	113,057	-	113,057
Current held-to-maturity financial assets	3,499,755	2,325,059	5,824,814
Accounts receivable, net	134,692,332	59,703,350	194,395,682
Other current financial assets	3,293,256	22,468	3,315,724
Other current assets – others	3,654,131	-	3,654,131
	<u>\$ 158,189,146</u>	<u>62,050,877</u>	<u>220,240,023</u>
<u>Current liabilities</u>			
Short-term borrowings	\$ 79,283,044	-	79,283,044
Accounts and notes payable	3,200,105	5,562	3,205,667
Current tax liabilities	1,860,322	-	1,860,322
Other current financial liabilities	12,472,739	14,148,234	26,620,973
Long-term liabilities, current portion	47,223,926	30,318,997	77,542,923
Other current liabilities – others	1,299,584	82	1,299,666
	<u>\$ 145,339,720</u>	<u>44,472,875</u>	<u>189,812,595</u>
	2016.3.31		
	Expected to be collected or paid within 12 months	Expected to be collected or paid after 12 months	Total
<u>Current assets</u>			
Cash and cash equivalents	\$ 11,910,953	-	11,910,953
Current financial assets at fair value through profit or loss	280,124	-	280,124
Current held-to-maturity financial assets	4,646,979	3,698,780	8,345,759
Current derivative financial assets for hedging	117,459	-	117,459
Accounts receivable, net	129,641,878	57,494,874	187,136,752
Other current financial assets	3,548,448	17,852	3,566,300
Other current assets – others	2,937,976	-	2,937,976
	<u>\$ 153,083,817</u>	<u>61,211,506</u>	<u>214,295,323</u>

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	2016.3.31		
	Expected to be collected or paid within 12 months	Expected to be collected or paid after 12 months	Total
<u>Current liabilities</u>			
Short-term borrowings	\$ 80,552,622	-	80,552,622
Accounts and notes payable	2,933,422	443,055	3,376,477
Current tax liabilities	1,404,185	-	1,404,185
Other current financial liabilities	9,826,189	16,422,432	26,248,621
Long-term liabilities, current portion	42,351,184	33,494,533	75,845,717
Other current liabilities – others	931,515	-	931,515
	<u>\$ 137,999,117</u>	<u>50,360,020</u>	<u>188,359,137</u>

(b) The following are nature of employee benefits, depreciation and amortization expenses:

By item	For the three months ended March 31, 2017			For the three months ended March 31, 2016		
	Operating costs	Operating expenses	Total	Operating costs	Operating expenses	Total
Employee benefits						
Salary	13,936	1,053,713	1,067,649	14,063	1,052,292	1,066,355
Labor and health insurance	1,085	75,263	76,348	1,011	70,763	71,774
Pension	520	56,537	57,057	495	56,494	56,989
Others	-	75,660	75,660	-	81,624	81,624
Depreciation	476,631	32,069	508,700	400,811	36,899	437,710
Amortization	-	40,168	40,168	-	53,745	53,745

(c) Seasonal factors:

The Group's operation is neither seasonal nor cyclical.

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The information on significant transactions of the Group, which is required by the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”, for the three months ended March 31, 2017 is as follows :

1. Fund loaning to other parties:

No.	Financing company	Counter-party (Note 5)	Account	Related party	Maximum balance for the year	Ending balance	Amount actually drawn	Interest rate	Nature of financing (Note 1)	Transaction amount	Reasons for financing	Allowance for bad debt	Collateral		Financing limits for each borrowing company (Note 2)	Financing company's total financing amount limits (Note 3)
													Item	Value		
1	Chialease Finance Co., Ltd.	A	Other receivables	N	102,498	102,498	102,498	0.80%~19.99%	1	549,750	-	1,335	None	-	2,359,517	23,595,172
"	"	A-1	"	N	103,684	103,684	103,684	0.80%~19.99%	2	-	Working Capital	1,350	None	-	2,359,517	23,595,172
"	"	B	"	N	93,250	93,250	93,250	0.80%~19.99%	1	211,500	-	1,214	None	-	2,359,517	23,595,172
"	"	B-1	"	N	25,259	25,259	25,259	0.80%~19.99%	2	-	Working Capital	329	None	-	2,359,517	23,595,172
"	"	C	"	N	77,889	73,171	73,171	0.80%~19.99%	1	118,829	-	953	Properties	35,140	2,359,517	23,595,172
"	"	D	"	N	71,131	65,299	65,299	0.80%~19.99%	2	-	Working Capital	850	None	-	2,359,517	23,595,172
"	"	E	"	N	71,601	59,339	59,339	0.80%~19.99%	2	-	Working Capital	773	None	-	2,359,517	23,595,172
"	"	F	"	N	71,169	56,539	56,539	0.80%~19.99%	2	-	Working Capital	736	None	-	2,359,517	23,595,172
"	"	G	"	N	89,570	55,269	55,269	0.80%~19.99%	1	260,000	-	720	None	-	2,359,517	23,595,172
"	"	H	"	N	66,963	54,963	54,963	0.80%~19.99%	2	-	Working Capital	716	None	-	2,359,517	23,595,172
"	"	I	"	N	38,000	35,993	35,993	0.80%~19.99%	1	79,740	-	469	None	-	2,359,517	23,595,172
"	"	I-1	"	N	21,363	17,174	17,174	0.80%~19.99%	2	-	Working Capital	224	None	-	2,359,517	23,595,172
"	"	J	"	N	58,981	51,953	51,953	0.80%~19.99%	1	160,497	-	677	None	-	2,359,517	23,595,172
"	"	K	"	N	56,751	50,000	50,000	0.80%~19.99%	2	-	Working Capital	651	None	-	2,359,517	23,595,172
"	"	L	"	N	45,000	45,000	45,000	0.80%~19.99%	2	-	Working Capital	586	None	-	2,359,517	23,595,172
"	"	M	"	N	50,368	43,510	43,510	0.80%~19.99%	2	-	Working Capital	567	None	-	2,359,517	23,595,172
"	"	N	"	N	49,243	43,438	43,438	0.80%~19.99%	1	67,511	-	566	None	-	2,359,517	23,595,172
"	"	O	"	N	45,201	40,319	40,319	0.80%~19.99%	1	150,000	-	525	Properties	15,073	2,359,517	23,595,172
"	"	P	"	N	47,699	39,834	39,834	0.80%~19.99%	1	193,824	-	519	None	-	2,359,517	23,595,172
"	"	Q	"	N	38,578	37,292	37,292	0.80%~19.99%	2	-	Working Capital	486	Properties	157,221	2,359,517	23,595,172
"	"	R	"	N	40,000	36,906	36,906	0.80%~19.99%	2	-	Working Capital	481	None	-	2,359,517	23,595,172
"	"	S	"	N	40,000	36,891	36,891	0.80%~19.99%	1	40,001	-	480	None	-	2,359,517	23,595,172
"	"	T	"	N	45,608	35,551	35,551	0.80%~19.99%	2	-	Working Capital	463	None	-	2,359,517	23,595,172

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													Item	Value		
1	Chialease Finance Co., Ltd.	Summary of other clients	Other receivables	N	5,449,600	4,399,398	4,309,498	0.80%~19.99%	1	18,407,787	-	56,123	Bank Deposits/Stocks/Properties	426,039	2,359,517	23,595,172
"	"	Summary of other clients	"	N	9,239,450	7,157,523	7,156,523	0.80%~19.99%	2	-	Working Capital	234,468	Bank Deposits/Stocks/Properties	844,108	2,359,517	23,595,172
2	Finn Finance & Trading Co., Ltd.	A	"	N	52,812	52,245	52,245	2.2803%~18.9428%	1	27,000	-	543	None	-	699,960	6,999,598
"	"	B	"	N	44,979	44,934	44,934	2.2803%~18.9428%	2	-	Working Capital	467	Properties	45,000	699,960	6,999,598
"	"	C	"	N	44,613	44,613	44,613	2.2803%~18.9428%	1	29,000	-	1,061	Properties	44,209	699,960	6,999,598
"	"	D	"	N	49,257	40,680	40,680	2.2803%~18.9428%	1	29,820	-	423	None	-	699,960	6,999,598
"	"	E	"	N	40,000	40,000	-	2.2803%~18.9428%	2	-	Working Capital	-	None	-	699,960	6,999,598
"	"	F	"	N	40,000	40,000	-	2.2803%~18.9428%	2	-	Working Capital	-	None	-	699,960	6,999,598
"	"	G	"	N	39,827	39,726	39,726	2.2803%~18.9428%	1	20,000	-	413	Properties	60,000	699,960	6,999,598
"	"	H	"	N	50,751	39,613	39,613	2.2803%~18.9428%	1	49,000	-	412	Properties	55,174	699,960	6,999,598
"	"	I	"	N	39,869	39,536	39,536	2.2803%~18.9428%	2	-	Working Capital	411	Properties	7,000	699,960	6,999,598
"	"	J	"	N	39,421	39,259	39,259	2.2803%~18.9428%	2	-	Working Capital	408	None	-	699,960	6,999,598
"	"	Summary of other clients	"	N	2,282,641	1,917,599	1,902,609	2.2803%~18.9428%	1	2,985,828	-	56,545	Bank Deposits/Properties/Vehicles	492,030	699,960	6,999,598
"	"	Summary of other clients	"	N	2,994,441	2,315,495	2,275,795	2.2803%~18.9428%	2	-	Working Capital	50,239	Bank Deposits/Properties/Vehicles	407,325	699,960	6,999,598
3	Chialease Consumer Finance Co., Ltd.	A	"	N	2,500	1,269	1,269	4.00%~19.00%	2	-	Working Capital	3	None	-	142,826	1,428,259
"	"	B	"	N	3,000	1,016	1,016	4.00%~19.00%	2	-	Working Capital	3	None	-	142,826	1,428,259
"	"	C	"	N	1,000	1,000	1,000	4.00%~19.00%	1	5,893	-	3	None	-	142,826	1,428,259
"	"	D	"	N	1,151	824	824	4.00%~19.00%	2	-	Working Capital	2	None	-	142,826	1,428,259
"	"	E	"	N	1,000	674	674	4.00%~19.00%	2	-	Working Capital	2	None	-	142,826	1,428,259
"	"	F	"	N	1,000	673	673	4.00%~19.00%	2	-	Working Capital	2	None	-	142,826	1,428,259
"	"	G	"	N	904	631	631	4.00%~19.00%	2	-	Working Capital	19	None	-	142,826	1,428,259
"	"	H	"	N	629	529	529	4.00%~19.00%	2	-	Working Capital	1	None	-	142,826	1,428,259
"	"	I	"	N	653	506	506	4.00%~19.00%	2	-	Working Capital	1	None	-	142,826	1,428,259
"	"	J	"	N	600	409	409	4.00%~19.00%	2	-	Working Capital	12	None	-	142,826	1,428,259
"	"	Summary of other clients	"	N	1,509	1,141	741	4.00%~19.00%	1	22,272	-	1	None	-	142,826	1,428,259
"	"	Summary of other clients	"	N	5,369	3,437	3,437	4.00%~19.00%	2	-	Working Capital	87	None	-	142,826	1,428,259
4	Chialease International Finance Corporation	Chialease Finance International Corp.	Receivables from related party	Y	881,400	881,400	-	4.33%~20.00%	2	-	Working Capital	-	None	-	2,405,758	6,415,355

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No.	Financing company	Counter-party (Note 5)	Account	Related party	Maximum balance for the year	Ending balance	Amount actually drawn	Interest rate	Nature of financing (Note 1)	Transaction amount	Reasons for financing	Allowance for bad debt	Collateral		Financing limits for each borrowing company (Note 2)	Financing company's total financing amount limits (Note 3)
													Item	Value		
4	Chialease International Finance Corporation	Chialease International Corp	Receivables from related party	Y	881,400	881,400	-	4.35%-20.00%	2	-	Working Capital	-	None	-	2,405,758	6,415,355
"	"	A	Receivable-short-term financing	N	15,425	14,568	14,568	4.35%-20.00%	2	-	Working Capital	-	Vehicles	3,878	801,919	6,415,355
"	"	B	"	N	16,646	13,701	13,701	4.35%-20.00%	2	-	Working Capital	313	None	-	801,919	6,415,355
"	"	C	"	N	17,506	13,466	13,466	4.35%-20.00%	2	-	Working Capital	439	None	-	801,919	6,415,355
"	"	D	"	N	13,428	13,428	13,428	4.35%-20.00%	2	-	Working Capital	10,742	Properties	757	801,919	6,415,355
"	"	E	"	N	13,710	12,424	12,424	4.35%-20.00%	2	-	Working Capital	188	None	-	801,919	6,415,355
"	"	F	"	N	13,662	12,339	12,339	4.35%-20.00%	2	-	Working Capital	188	None	-	801,919	6,415,355
"	"	G	"	N	13,282	11,997	11,997	4.35%-20.00%	2	-	Working Capital	279	None	-	801,919	6,415,355
"	"	H	"	N	12,854	11,752	11,752	4.35%-20.00%	2	-	Working Capital	106	None	-	801,919	6,415,355
"	"	I	"	N	13,221	11,568	11,568	4.35%-20.00%	2	-	Working Capital	66	Vehicles	1,084	801,919	6,415,355
"	"	J	"	N	12,340	11,017	11,017	4.35%-20.00%	2	-	Working Capital	141	Vehicles	436	801,919	6,415,355
"	"	Summary of other clients	Receivables-business relationship	N	12,609	9,487	9,487	4.35%-20.00%	1	51,483	-	357	None	-	801,919	6,415,355
"	"	Summary of other clients	Receivable-short-term financing	N	585,731	441,013	432,199	4.35%-20.00%	2	-	Working Capital	30,159	Vehicles/Properties/Equipment	173,310	801,919	6,415,355
5	Chialease Specialty Finance Co., Ltd	A	Other receivables	N	160,000	160,000	160,000	0.35%-14.97%	2	-	Working Capital	2,198	None	-	2,359,517	5,230,672
"	"	B	"	N	121,160	121,160	121,160	0.35%-14.97%	2	-	Working Capital	1,664	None	-	2,359,517	5,230,672
"	"	C	"	N	90,000	90,000	90,000	0.35%-14.97%	2	-	Working Capital	1,236	None	-	2,359,517	5,230,672
"	"	D	"	N	70,000	70,000	70,000	0.35%-14.97%	2	-	Working Capital	962	None	-	2,359,517	5,230,672
"	"	E	"	N	52,000	52,000	52,000	0.35%-14.97%	2	-	Working Capital	714	None	-	2,359,517	5,230,672
"	"	F	"	N	60,000	50,698	50,698	0.35%-14.97%	2	-	Working Capital	696	None	-	2,359,517	5,230,672
"	"	G	"	N	57,030	45,690	45,690	0.35%-14.97%	2	-	Working Capital	628	None	-	2,359,517	5,230,672
"	"	H	"	N	45,000	45,000	-	0.35%-14.97%	2	-	Working Capital	-	None	-	2,359,517	5,230,672
"	"	I	"	N	47,916	43,748	43,748	0.35%-14.97%	2	-	Working Capital	601	None	-	2,359,517	5,230,672
"	"	J	"	N	38,207	38,207	38,207	0.35%-14.97%	2	-	Working Capital	7,497	None	-	2,359,517	5,230,672
"	"	Summary of other clients	"	N	1,384,505	993,892	927,592	0.35%-14.97%	2	-	Working Capital	28,983	Properties	88,717	2,359,517	5,230,672
6	Chialease Finance Securitization Trust 2016	A	"	N	21,790	17,513	17,513	4.35%-19.09%	2	-	Working Capital	140	None	-	49,738	880,589
"	"	B	"	N	18,499	15,639	15,639	4.35%-19.09%	2	-	Working Capital	125	None	-	49,738	880,589
"	"	C	"	N	20,421	14,968	14,968	4.35%-19.09%	2	-	Working Capital	120	None	-	49,738	880,589

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No.	Financing company	Counter-party (Note 5)	Account	Related party	Maximum balance for the year	Ending balance	Amount actually drawn	Interest rate	Nature of financing (Note 1)	Transaction amount	Reasons for financing	Allowance for bad debt	Collateral		Financing limits for each borrowing company (Note 2)	Financing company's total financing amount limits (Note 3)
													Item	Value		
6	Chailease Finance Securitization Trust 2016	D	Other Receivables	N	14,781	14,153	14,153	4.35%~19.09%	2	-	Working Capital	113	None	-	49,738	880,589
-	-	E	-	N	13,452	12,884	12,884	4.35%~19.09%	2	-	Working Capital	103	None	-	49,738	880,589
-	-	F	-	N	15,011	12,444	12,444	4.35%~19.09%	2	-	Working Capital	100	None	-	49,738	880,589
-	-	G	-	N	13,784	11,925	11,925	4.35%~19.09%	2	-	Working Capital	95	None	-	49,738	880,589
-	-	H	-	N	15,435	11,817	11,817	4.35%~19.09%	2	-	Working Capital	95	None	-	49,738	880,589
-	-	I	-	N	12,855	10,909	10,909	4.35%~19.09%	2	-	Working Capital	87	None	-	49,738	880,589
-	-	J	-	N	11,791	9,450	9,450	4.35%~19.09%	2	-	Working Capital	76	None	-	49,738	880,589
-	-	Summary of other clients	-	N	1,779	1,444	1,444	4.35%~19.09%	1	2,380	-	12	None	-	49,738	880,589
-	-	Summary of other clients	-	N	396,016	307,108	307,108	4.35%~19.09%	2	-	Working Capital	2,456	None	-	49,738	880,589

Note 1: (1) Those with business relationship please fill in 1;

(2) Those necessary for short-term financing please fill in 2.

Note 2: Limit on the amount for loaning fund to individual counter-party

(1) Subsidiary—The maximum fund loaning provided by Chailease Finance Co., Ltd. for individual entity cannot exceed 10% of net worth (\$2,359,517).

(2) Subsidiary—The maximum fund loaning provided by Fina Finance & Trading Co., Ltd. for individual entity cannot exceed 10% of net worth (\$699,960).

(3) Subsidiary—The maximum fund loaning provided by Chailease Consumer Finance Co., Ltd. for individual entity cannot exceed 10% of net worth (\$142,826).

(4) Subsidiary—The maximum fund loaning provided by Chailease International Finance Corporation for individual entity cannot exceed 5% of net worth (\$801,919). The maximum fund loaning cannot exceed 15% of net worth (\$2,405,758) to individual affiliate.

(5) Subsidiary—The maximum fund loaning provided by Chailease Specialty Finance Co., Ltd. for individual entity cannot exceed 10% of net worth (\$2,359,517) of parent company (Chailease Finance Co., Ltd.).

(6) Special purpose entities—The maximum fund loaning provided by Chailease Finance Securitization Trust 2016 for individual entity cannot exceed 1% of securitized financial assets approved by the competent authority.

Note 3: Limit on the amount for loaning fund

(1) Subsidiary—Total amount of fund loaning provided by Chailease Finance Co., Ltd. cannot exceed net worth (\$23,595,172), total amount of fund loaning for short-term financing cannot exceed 40% of net worth (\$9,438,069) of the most recent financial statement.

(2) Subsidiary—Total amount of fund loaning provided by Fina Finance & Trading Co., Ltd. cannot exceed net worth (\$6,999,598), total amount of fund loaning for short-term financing cannot exceed 40% of net worth (\$2,799,839) of the most recent financial statement.

(3) Subsidiary—Total amount of fund loaning provided by Chailease Consumer Finance Co., Ltd. cannot exceed net worth (\$1,428,259), total amount of fund loaning for short-term financing cannot exceed 40% of net worth (\$571,304) of the most recent financial statement.

(4) Subsidiary—Total amount of fund loaning provided by Chailease International Finance Corporation cannot exceed 40% of net worth (\$6,415,355) of the most recent financial statement.

(5) Subsidiary—Total amount of fund loaning provided by Chailease Specialty Finance Co., Ltd. cannot exceed net worth (\$5,230,672), total amount of fund loaning for short-term financing cannot exceed 40% of net worth (\$2,092,269) of the most recent financial statement.

(6) Special purpose entities—Total amount of fund loaning provided by Chailease Finance Securitization Trust 2016 cannot exceed 10% of securitized financial assets approved by the competent authority.

Note 4: Counter parties

(1) Subsidiary—Chailease Finance Co., Ltd.: There are 3,235 counter parties altogether during the period, the above table only disclosed the related parties and the top 10 counter parties.

(2) Subsidiary—Fina Finance & Trading Co., Ltd.: There are 725 counter parties altogether during the period, the above table only disclosed the related parties and the top 10 counter parties.

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- (3) Subsidiary—Chalease Consumer Finance Co., Ltd.: There are 36 counter parties altogether during the period, the above table only disclosed the related parties and the top 10 counter parties.
- (4) Subsidiary—Chalease International Finance Corporation: There are 108 counter parties altogether during the period, the above table only disclosed the related parties and the top 10 counter parties.
- (5) Subsidiary—Chalease Specialty Finance Co., Ltd.: There are 119 counter parties altogether during the period, the above table only disclosed the related parties and the top 10 counter parties.
- (6) Special purpose entities—Chalease Finance Securitization Trust 2016: There are 89 counter parties altogether during the period, the above table only disclosed the related parties and the top 10 counter parties.

Note 5: Subject to the contracts, we use letters instead of the real name of counter parties.

2. Guarantees and endorsements for other parties:

No.	Endorsement/guarantee provider	Counter-party		Limitation on endorsement/guarantee amount provided to each guaranteed party	Maximum balance for the year	Ending balance	Amount actually drawn	Amount of endorsement/guarantee collateralized by properties	Ratio of accumulated endorsement/guarantee to net equity per latest financial statements	Maximum endorsement guarantee amount allowance	Guarantee provided by parent company	Guarantee provided by a subsidiary	Guarantee provided to subsidiaries in Mainland China
		Name	Nature of relationship (Note1)										
0	The Company	Chalease Finance (BVI) Co., Ltd	2	80,743,146	322,500	303,300	-	-	0.75 %	201,857,864	Y		
"	"	Chalease International Leasing Company Limited (Vietnam)	2	80,743,146	741,750	697,590	605,211	-	1.73 %	201,857,864	Y		
"	"	Chalease International Finance Corporation	2	80,743,146	19,713,297	15,930,556	10,604,952	-	39.46 %	201,857,864	Y		Y
"	"	Chalease Beraya Sdn Bhd	2	20,185,786	1,671,400	1,658,280	814,020	-	4.11 %	201,857,864	Y		
1	Chalease Finance Co., Ltd	Chalease Credit Services Co., Ltd	2	47,190,344	36,000	36,000	13	-	0.15 %	117,975,860	Y		
"	"	Apex Credit Solutions Inc	2	47,190,344	290,000	290,000	-	-	1.23 %	117,975,860	Y		
"	"	Chalease Specialty Finance Co., Ltd	2	47,190,344	900,000	900,000	200,000	-	3.81 %	117,975,860	Y		
"	"	Chalease Consumer Finance Co., Ltd	2	47,190,344	2,350,000	2,350,000	1,670,000	-	9.96 %	117,975,860	Y		
"	"	Chalease Auto Rental Co., Ltd	2	47,190,344	4,030,000	4,030,000	1,895,000	-	17.08 %	117,975,860	Y		
"	"	Chalease Energy Integration Co., Ltd	2	47,190,344	630,000	630,000	50,000	-	2.67 %	117,975,860	Y		
"	"	Chalease Finance (BVI) Co., Ltd	2	47,190,344	1,440,675	1,440,675	424,620	-	6.11 %	117,975,860	Y		
"	"	Yun Tang Inc	2	47,190,344	923,500	898,000	898,000	-	3.81 %	117,975,860	Y		
"	"	Chalease International Leasing Company Limited (Vietnam)	2	47,190,344	4,353,750	4,094,230	2,393,291	-	17.35 %	117,975,860	Y		
"	"	Grand Pacific Finance Corp	5	40,371,573	3,483,000	3,275,640	1,725,777	-	14.76 %	117,975,860			
"	"	Chalease International Financial Services (Libera) Co., Ltd	5	40,371,573	499,875	424,620	424,620	-	2.12 %	117,975,860			
"	"	Chalease International Financial Services Co., Ltd	5	40,371,573	28,697,664	26,659,370	13,478,619	-	121.63 %	117,975,860			
2	Asia Sermaj Leasing Public Co., Ltd	Bangkok Grand Pacific Lease Public Company Limited	2	8,111,905	226,250	221,475	108,523	-	5.46 %	20,279,761	Y		
3	Chalease International Finance Corporation	Chalease International Corp	2	32,076,774	7,688,970	6,387,272	2,340,767	-	39.82 %	80,191,934	Y		Y
"	"	Chalease Finance International Corp	2	32,076,774	4,770,212	4,480,319	2,372,806	-	27.93 %	80,191,934	Y		Y

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No.	Endorsement/guarantee provider	Counter-party		Limitation on endorsement/guarantee amount provided to each guaranteed party	Maximum balance for the year	Ending balance	Amount actually drawn	Amount of endorsement/guarantee collateralized by properties	Ratio of accumulated endorsement/guarantee to net equity per latest financial statements	Maximum endorsement/guarantee amount allowance	Guarantee provided by parent company	Guarantee provided by a subsidiary	Guarantee provided to subsidiaries in Mainland China
		Name	Nature of relationship (Note1)										
3	Chailase International Finance Corporation	DMC Energy Management Services (Shenzhen) Co., Ltd	4	8,019,193	92,340	88,140	9,475	-	0.55 %	80,191,934			Y

Note 1: (1) The Company has business with the receiving parties.

(2) The Company holds directly or indirectly more than 50% of the common stock of the subsidiaries.

(3) The Company hold directly or indirectly more than 50% by the investee.

(4) The stockholders of the Company provide guarantee for the investee to their stockholding percentage.

(5) Others : According to the Regulations Governing Loaning of Funds and Making of guarantees and endorsements by Public Companies article 5, paragraph 2, guarantees made between companies in which the public company holds, directly or indirectly, 100% of the voting shares have no restriction on the guarantees amount.

Note 2: If the financial statements included contingent loss, the amount stated shall be indicated.

Note 3: The maximum guarantees and endorsements cannot exceed five times of net worth of the Company. The maximum guarantees and endorsements for individual counter party cannot exceed 50% of net worth of the Company. The amount of guarantees and endorsements for the subsidiaries in which be hold more than 80% of its outstanding common shares cannot exceed double of net worth of the Company.

Note 4: Subsidiary -- The total amount of guarantees and endorsements provided by Chailase Finance Co., Ltd.(CFC) cannot exceed five times of its net worth, and guarantees for a individual entity cannot exceed 50% of its net worth. The amount of guarantees and endorsements for subsidiaries in which be hold more than 80% of its outstanding common shares cannot exceed double of its net worth; and if the guarantees and endorsements are for business purpose, the amount cannot exceed the transaction amount during last year. The total amount of guarantees and endorsements for the Company holds directly or indirectly 100% of the investee cannot exceed the net worth of the Company, the maximum guarantees and endorsements cannot exceed five times of net worth of CFC.

Note 5: Subsidiary -- The total amount of guarantees and endorsements provided by Chailase Finance Co., Ltd. for Chailase International Financial Services Co. Ltd., Chailase Finance (B.V.I) Company Ltd., Chailase Specialty Finance Co., Ltd. and Chailase Auto Rental Co., Ltd. is \$2,090,675 . The total amount has been adjusted.

Note 6: Subsidiary -- The maximum guarantees and endorsements provided by Asia Sernkij Leasing Public Company Limited cannot exceed five times of its net worth . The maximum of guarantees and endorsements for individual counter party cannot exceed double of its net worth.

Note 7: Subsidiary -- The maximum guarantees and endorsements provided by Chailase International Finance Corporation cannot exceed five times of its net worth. The maximum guarantees and endorsements for individual counter party cannot exceed 50% of its net worth. The individual counter party holding shares to the company are exceed 50% and the maximum guarantees and endorsements cannot exceed double of its net worth.

Note 8: The total amount of guarantees and endorsements provided by the Company for Chailase International Finance Corp. and Chailase International Corp. is CNY170,000 thousand dollars (\$749,190). The total amount has been disclosed in the balance of guarantees and endorsements for Chailase International Corp.

Note 9: The total amount of guarantees and endorsements provided by the Company for Golden Bridge(B.V.I) Corp. and Chailase International Company (Malaysia) Limited is USD10,000 thousand dollars(\$303,300). The total amount has been disclosed in the balance of guarantees and endorsements for Golden Bridge(B.V.I) Corp.

3. Holding of securities at the end of the period (excluding investment in subsidiaries, associates and joint ventures) :

Name of Holding Company	Type and Name of Marketable Securities	Relationship with the company	Financial Statement Account	Ending balance				Note
				Shares/Units	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
Chailase Finance Co., Ltd	Fubon SSE 180 ETF	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	700	18,732	- %	18,732	
"	W I S E Yuanta1p-shares	"	"	900	13,896	- %	13,896	
"	CSI 300 ETF	"	"					
"	Kwong Lung	"	"	120	5,760	- %	5,760	
"	Chicony	"	"	136	10,503	- %	10,503	
"	Yuanta Financial Holdings	"	"	900	11,520	- %	11,520	

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Name of Holding Company	Type and Name of Marketable Securities	Relationship with the company	Financial Statement Account	Ending balance				Note
				Shares/Units	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
Chailease Finance Co., Ltd	Sercomm	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	170	12,920	- %	12,920	
"	AIDC	"	"	135	5,184	- %	5,184	
"	CTBC Holdings	"	"	600	11,256	- %	11,256	
"	China Life Insurance Company	"	"	1,050	31,500	- %	31,500	
"	Cathay Financial Holdings	"	"	600	29,220	- %	29,220	
"	Hon Chuan	"	"	70	4,116	- %	4,116	
"	Chin Poon	"	"	320	19,744	- %	19,744	
"	Holiday	"	"	100	5,370	- %	5,370	
"	Inventec	"	"	400	9,100	- %	9,100	
"	Bank of Panhsin's Beneficial Right of the Real Estate Trust	-	Current financial assets held for trading	-	56,127	- %	56,127	
"	Bank of Panhsin's Beneficial Right of the Real Estate Trust	-	"	-	33,900	- %	33,900	
"	Bank of Panhsin's Beneficial Right of the Real Estate Trust	-	"	-	14,700	- %	14,700	
"	Bank of Panhsin's Beneficial Right of the Real Estate Trust	-	"	-	18,400	- %	18,400	
"	Bank of Panhsin's Beneficial Right of the Real Estate Trust	-	"	-	272,400	- %	272,400	
"	Bank of Panhsin's Beneficial Right of the Real Estate Trust	-	"	-	13,200	- %	13,200	
"	Bank of Panhsin's Beneficial Right of the Real Estate Trust	-	"	-	50,453	- %	50,453	
"	Bank of Panhsin's Beneficial Right of the Real Estate Trust	-	"	-	6,600	- %	6,600	
"	Bank of Panhsin's Beneficial Right of the Real Estate Trust	-	"	-	6,600	- %	6,600	
"	Bank of Panhsin's Beneficial Right of the Real Estate Trust	-	"	-	6,600	- %	6,600	
"	Bank of Panhsin's Beneficial Right of the Real Estate Trust	-	"	-	6,600	- %	6,600	
"	Bank of Panhsin's Beneficial Right of the Real Estate Trust	-	"	-	13,200	- %	13,200	
"	Bank of Panhsin's Beneficial Right of the Real Estate Trust	-	"	-	13,200	- %	13,200	
"	Bank of Panhsin's Beneficial Right of the Real Estate Trust	-	"	-	6,600	- %	6,600	

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Name of Holding Company	Type and Name of Marketable Securities	Relationship with the company	Financial Statement Account	Ending balance				Note
				Shares/Units	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
Chailease Finance Co., Ltd	Bank of TC's Beneficial Right of the Real Estate Trust	-	Current held-to-maturity financial assets	-	2,004	- %	2,004	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	1,718	- %	1,718	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	25,282	- %	25,282	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	446	- %	446	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	6,554	- %	6,555	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	4,364	- %	4,364	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	75,636	- %	75,636	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	34,500	- %	34,500	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	8,680	- %	8,680	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	1,915	- %	1,915	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	6,170	- %	6,170	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	6,180	- %	6,180	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	6,190	- %	6,190	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	6,205	- %	6,205	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	56,500	- %	56,500	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	56,500	- %	56,500	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	40,000	- %	40,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	30,000	- %	30,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	5,800	- %	5,800	

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				Shares/Units	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
Chalease Finance Co., Ltd.	Bank of TC's Beneficial Right of the Real Estate Trust	-	Current held-to-maturity financial assets	-	11,600	- %	11,600	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	5,800	- %	5,800	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	5,800	- %	5,800	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	5,800	- %	5,800	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	12,760	- %	12,760	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	80,000	- %	80,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	43,000	- %	43,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	34,000	- %	34,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	43,819	- %	43,819	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	11,500	- %	11,500	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	3,200	- %	3,200	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	4,400	- %	4,400	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	4,400	- %	4,400	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	3,200	- %	3,200	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	1,500	- %	1,500	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	92,000	- %	92,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	43,000	- %	43,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	34,000	- %	34,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	145,000	- %	145,000	

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				Shares/Units	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
Chalease Finance Co., Ltd	Bank of TC's Beneficial Right of the Real Estate Trust	-	Current held-to-maturity financial assets	-	170,000	- %	170,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	6,450	- %	6,450	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	6,880	- %	6,880	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	10,320	- %	10,320	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	6,450	- %	6,450	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	6,450	- %	6,450	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	3,250	- %	3,250	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	1,500	- %	1,500	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	12,875	- %	12,875	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	3,000	- %	3,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	25,750	- %	25,750	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	24,500	- %	24,500	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	4,000	- %	4,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	4,000	- %	4,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	2,000	- %	2,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	4,000	- %	4,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	2,000	- %	2,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	2,000	- %	2,000	

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				Shares/Units	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
Chailease Finance Co., Ltd	Bank of TC's Beneficial Right of the Real Estate Trust	-	Current held-to-maturity financial assets	-	120,000	- %	120,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	128,800	- %	128,800	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	74,000	- %	74,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	5,000	- %	5,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	14,000	- %	14,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	37,000	- %	37,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	2,350	- %	2,350	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	2,800	- %	2,800	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	2,000	- %	2,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	2,500	- %	2,500	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	37,000	- %	37,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	5,320	- %	5,320	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	6,080	- %	6,080	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	7,600	- %	7,600	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	7,600	- %	7,600	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	7,600	- %	7,600	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	7,600	- %	7,600	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	8,360	- %	8,360	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	9,120	- %	9,120	

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Name of Holding Company	Type and Name of Marketable Securities	Relationship with the company	Financial Statement Account	Ending balance				Note
				Shares/Units	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
Chailase Finance Co., Ltd.	Bank of TC's Beneficial Right of the Real Estate Trust	-	Current held-to-maturity financial assets	-	350	- %	350	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	840	- %	840	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	72,000	- %	72,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	7,400	- %	7,400	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	7,400	- %	7,400	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	6,660	- %	6,660	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	104,340	- %	104,340	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	600	- %	600	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	9,400	- %	9,400	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	600	- %	600	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	29,400	- %	29,400	
"	Bank of Taipei Star's Bank Beneficial Right of the Real Estate Trust	-	"	-	17,333	- %	17,333	
"	Bank of Taipei Star's Bank Beneficial Right of the Real Estate Trust	-	"	-	135,400	- %	135,400	
"	Bank of Taipei Star's Bank Beneficial Right of the Real Estate Trust	-	"	-	135,400	- %	135,400	
"	Bank of Taipei Star's Bank Beneficial Right of the Real Estate Trust	-	"	-	37,200	- %	37,200	
"	Bank of Taipei Star's Bank Beneficial Right of the Real Estate Trust	-	"	-	49,770	- %	49,770	
"	Bank of Taipei Star's Bank Beneficial Right of the Real Estate Trust	-	"	-	26,631	- %	26,631	
"	Bank of Taipei Star's Bank Beneficial Right of the Real Estate Trust	-	"	-	13,314	- %	13,314	
"	Bank of Taipei Star's Bank Beneficial Right of the Real Estate Trust	-	"	-	13,314	- %	13,314	

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				Shares/Units	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
Chailease Finance Co., Ltd	Bank of Taipei Star's Bank Beneficial Right of the Real Estate Trust	-	Current held-to-maturity financial assets	-	6,657	- %	6,657	
"	Bank of Taipei Star's Bank Beneficial Right of the Real Estate Trust	-	"	-	4,438	- %	4,438	
"	Bank of Taipei Star's Bank Beneficial Right of the Real Estate Trust	-	"	-	8,876	- %	8,876	
"	Bank of Taipei Star's Bank Beneficial Right of the Real Estate Trust	-	"	-	7,600	- %	7,600	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	-	"	-	31,000	- %	31,000	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	-	"	-	870	- %	870	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	-	"	-	31,130	- %	31,130	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	-	"	-	800,000	- %	800,000	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	-	"	-	145,000	- %	145,000	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	-	"	-	9,250	- %	9,250	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	-	"	-	7,400	- %	7,400	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	-	"	-	7,400	- %	7,400	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	-	"	-	7,400	- %	7,400	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	-	"	-	7,400	- %	7,400	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	-	"	-	7,400	- %	7,400	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	-	"	-	7,400	- %	7,400	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	-	"	-	5,500	- %	5,500	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	-	"	-	4,625	- %	4,625	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	-	"	-	94,000	- %	94,000	

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				Shares/Units	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
Chailase Finance Co., Ltd	Bank of BEA's Beneficial Right of the Real Estate Trust	-	Current held-to-maturity financial assets	-	60,000	- %	60,000	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	-	"	-	78,000	- %	78,000	
"	Bank of Hwatai's Beneficial Right of the Real Estate Trust	-	"	-	159,970	- %	159,970	
"	Bank of FEI's Beneficial Right of the Real Estate Trust	-	Non-current held-to-maturity financial assets	-	25,900	- %	25,900	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	-	"	-	5,100	- %	5,100	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	-	"	-	7,400	- %	7,400	
"	Bank of BEA's Beneficial Right of the Real Estate Trust	-	"	-	10,400	- %	10,400	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	35,350	- %	35,350	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	35,350	- %	35,350	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	24,750	- %	24,750	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	3,500	- %	3,500	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	3,500	- %	3,500	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	3,500	- %	3,500	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	3,500	- %	3,500	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	43,000	- %	43,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	43,000	- %	43,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	17,996	- %	17,996	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	3,500	- %	3,500	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	3,480	- %	3,480	

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				Shares/Units	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
Chailease Finance Co., Ltd	Bank of TC's Beneficial Right of the Real Estate Trust	-	Non-current held-to-maturity financial assets	-	6,810	- %	6,810	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	5,670	- %	5,670	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	8,830	- %	8,830	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	124,000	- %	124,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	36,000	- %	36,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	180,000	- %	180,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	130,000	- %	130,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	4,500	- %	4,500	
"	Bank of Shin Kong's Beneficial Right of the Real Estate Trust	-	"	-	148,000	- %	148,000	
"	O-Bank	Investee at Fair value	Non-current available-for-sale financial assets	92,694	1,078,885	3.88 %	1,078,885	
"	Bexcom Pte Ltd	"	"	197	-	- %	-	(Note 2)
"	Subtron Technology Co., Ltd	"	"	288	2,426	0.10 %	2,426	
"	Chinglin Biotech Co., Ltd	"	"	57	495	19.00 %	495	
"	TaiGen Biopharmaceuticals	"	"	400	10,520	0.16 %	10,520	
"	Spring House Entertainment Tech Inc	"	"	857	6,355	4.67 %	6,355	
"	Tekcon Electronics Corp	"	"	137	2,377	0.52 %	2,377	
"	Ecomsoftware Inc	"	"	130	2,235	2.60 %	2,235	
"	Information Technology Total Services Corp	"	"	51	698	0.25 %	698	
"	Finex Co., Ltd	"	"	16,642	293,223	16.98 %	293,223	
"	Kingmax Technology Inc	"	"	3,397	28,473	5.79 %	28,473	
"	Inventec energy Corp	"	"	142	493	0.15 %	493	
"	Everterminal Co., Ltd.	"	"	612	6,398	0.50 %	6,398	
"	Crownpo Technology Inc.	"	"	57	734	0.51 %	734	
"	Book4u Co., Ltd	"	"	9	88	0.19 %	88	
"	Enova Technology Corp	"	"	550	2,754	3.07 %	2,754	
"	Webi & Net Internet Services Inc	"	"	250	-	10.53 %	-	(Note 2)
"	East West Pharmaceuticals	"	"	242	-	5.84 %	-	(Note 2)
"	CTCI Corp	"	"	800	42,400	0.10 %	42,400	
"	Transcend Information Inc	"	"	300	29,820	0.07 %	19,820	
"	TECO Nanotech Co., Ltd	"	"	95	-	0.38 %	-	(Note 2)
"	Azanda Network Devices	"	"	714	-	- %	-	(Note 2)

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Chailase Finance Co., Ltd	Deerport Aviation Corp	Investee at Fair Value	Non-current available-for-sale financial assets	-	-	10.48 %	-	(Note 2) shareholding less than 1,000 shares
"	Chin Poon	"	"	125	7,713	0.03 %	7,713	
"	Forcera Materials Co., Ltd	"	"	102	-	0.56 %	-	(Note 2)
"	Rosun Technologies Inc	"	"	182	-	- %	-	(Note 2)
"	Skanhex Technology Inc	"	"	5,273	-	4.53 %	-	(Note 2)
"	Sampotech Co., Ltd.	"	"	369	-	0.10 %	-	(Note 2)
"	Asia Cement Corp	"	"	750	22,950	0.02 %	22,950	
"	Etemal Materials Co., Ltd	"	"	395	13,035	0.04 %	13,035	
"	China Steel Chemical Corp	"	"	135	15,930	0.06 %	15,930	
"	Feng Hsin Steel Co., Ltd	"	"	300	15,540	0.05 %	15,540	
"	Lite-On Technology Corp	"	"	322	16,851	0.01 %	16,851	
"	U-Ming Marine Transport Corp	"	"	270	8,816	0.03 %	8,816	
"	Chicony	"	"	629	48,651	0.09 %	48,651	
Chailase Specialty Finance Co., Ltd	Linkou amusement Co., Ltd. (Stock)	"	"	-	36,708	- %	36,708	shareholding less than 1,000 shares
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	Current held-to-maturity financial assets	-	60,000	- %	60,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	127,000	- %	127,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	75,000	- %	75,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	98,000	- %	98,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	295,000	- %	295,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	160,000	- %	160,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	"	-	280,000	- %	280,000	
"	Bank of TC's Beneficial Right of the Real Estate Trust	-	Non-current held-to-maturity financial assets	-	158,000	- %	158,000	
Bangkok Grand Pacific Lease Public Company Limited	Bangkok Club Co., Ltd. (Stock)	Investee at Fair Value	Non-current available-for-sale financial assets	64	227	0.14 %	227	
Asia Sermkij Leasing Public Co., Ltd	Swe Trans Group Co., Ltd	"	"	950	8,416	19.00 %	8,416	
"	Bumrungrad Hospital Plc (Stock)	Investee company accounted for under the financial assets at fair value through profit or loss	Current financial assets at fair value through profit or loss	59	9,484	0.01 %	9,484	

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Name of Holding Company	Type and Name of Marketable Securities	Relationship with the company	Financial Statement Account	Ending balance				Note
				Shares/Units	Carrying Value	Percentage of Ownership	Market Value (Note 1)	
Grand Pacific Holding Corp	Amlogic, Inc	Investee at Fair Value	Non-current available-for-sale financial assets	500	6,066	1.00 %	6,066	
"	Mobileshift, Inc	"	"	359	7,583	3.45 %	7,583	
"	Stemcyte Inc	"	"	45	1,517	0.15 %	1,517	
Grand Pacific Financing Corp	Swabplus Inc	"	"	10	-	1.00 %	-	
"	Best Elite International	"	"	1,000	33,363	- %	33,363	
"	Best Elite International	"	"	1,400	46,708	- %	46,708	
"	Mobileshift, Inc.	"	"	358	7,582	3.45 %	7,582	
Grand Pacific Financing Corp	Stemcyte Inc	"	"	45	1,516	0.15 %	1,516	
Chailase International Financial Services Co., Ltd	NIP accounts receivables beneficial right	-	Current held-to-maturity financial assets	-	42,771	- %	42,771	

Note 1: Listed companies use price in the open market, and non-listed companies use its net worth. The aforementioned net worths were calculated in financial statements audit by accountants.

Note 2: The chance of recover of the decrease in net worth and continuous losses is insignificant; therefore, they belong to permanent reduction.

Note 3: The aforementioned inter-company transactions have been eliminated upon the consolidation.

4. Aggregate purchases or sales of the same securities reaching NT\$300 million or 20 percent of paid-in capital or more :

Name of Company	Type and Name of Marketable Securities (Note 1)	Financial Statement Account (Note 1)	Counter-party	Nature of Relationship	Beginning Balance		Purchases		Sales				Ending Balance	
					Shares/Units	Amount	Shares/Units	Amount	Shares/Units	Selling Price	Cost	Disposal gain or loss	Shares/Units	Amount
Chailase International Company (Malaysia) Limited	Chailase Royal Leasing Plc	Investments accounted under equity method	-	-	-	-	-	-	-	-	-	-	-	-
Chailase Finance Co., Ltd	Bank of Taipei Star's Beneficial Right of the Real Estate Trust	Current held-to-maturity financial assets	-	-	-	870,000	-	-	-	439,000	439,000	-	-	431,000
Fine Finance & Trading Co., Ltd	Chailase Consumer Finance Co., Ltd	Investments accounted under equity method	-	-	-	-	-	-	-	-	-	-	-	-

Note 1: Securities accounted under equity method only need to fill in the first two columns.

Note 2: The aforementioned inter-company transactions have been eliminated upon consolidation.

5. Acquisition of real estate reaching NT\$300 million or 20 percent of paid-in capital or more: None.

6. Disposal of real estate reaching NT\$300 million or 20 percent of paid-in capital or more: None.

7. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20 percent of paid-in capital or more: None.

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8. Accounts receivable from related parties reaching NT\$100 million or 20 percent of paid-in capital or more:

Name of Related Party	Counter-party	Nature of Relationships	Ending Balance of Receivables Form Related Party	Turnover Rate	Past-due Receivables From Related Party		Amount of Receivables Received in Subsequent Period from Related Party	Allowance for Bad Debts
					Amount	Action Taken		
Chailase Finance Co., Ltd.	Chailase International Finance Corporation	Associates	208,231	-	-		-	-
Chailase Specialty Finance Co., Ltd.	Chailase Finance Co., Ltd.	Subsidiaries	472,563	-	-		-	-
Chailase Finance (B.V.I) Co., Ltd.	Chailase International Financial Services Co. Ltd.	Associates	3,653,335	-	-		-	-
"	Chailase International Financial Services (Liberia) Corp.	Associates	455,781	-	-		-	-
My Leasing (B.V.I.) Corp.	Golden Bridge (B.V.I.) Corp.	Associates	1,645,798	-	-		-	-
Chailase International Financial Services Co., Ltd.	Chailase International Company (Malaysia) Limited	Associates	396,668	-	-		-	-
"	Chailase International Financial Services (Labuan) Co., Ltd.	Subsidiaries	616,249	-	-		-	-
Chailase International Company (Malaysia) Limited	Golden Bridge (B.V.I.) Corp.	Associates	608,063	-	-		-	-
"	Chailase International Company (UK) Limited	Subsidiaries	396,957	-	-		-	-

Note: The aforementioned inter-company transactions have been eliminated upon consolidation.

9. Trading in derivative instruments : Please reference to note (6)(b).

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10. Others: The business relationship between the parent and the subsidiaries and between each subsidiary, and the circumstances and amounts of any significant transactions between them:

No.	Name of Company	Counter-party	Nature of Relationship	Intercompany Transactions			
				Financial Statements Item	Amount	Terms	Percentage of Total Consolidated Revenue or Total Assets
1	Chailease Finance Co., Ltd.	Chailease Berjaya Credit Sdn Bhd, Chailease Finance (B.V.I.) Company Ltd., Chailease Auto Rental Co., Ltd., Chailease Credit Services Co., Ltd., Chailease Finance Securitization Trust 2014, Yun Tang Inc., Chailease Energy Integration Co., Ltd., Chailease Finance Securitization Trust 2016, Chailease International Leasing Company Limited (Vietnam), Chailease Consumer Finance Co., Ltd., Golden Bridge (B.V.I.) Corp., Chailease International Finance Corporation, Chailease International Financial Services Co., Ltd., Chailease International Financial Services (Liberia) Corp., Grand Pacific Holdings Corp., Chailease Insurance Brokers Co., Ltd., Fina Finance & Trading Co., Ltd., Asia Sermkij Leasing Public Company Limited, Bangkok Grand Pacific Lease Public Company Limited	3	Other current financial assets	354,364	Same as normal transactions	0.13 %
1	"	Chailease Specialty Finance Co., Ltd.	3	Payables and notes	472,563	"	0.17 %
1	"	Chailease Auto Rental Co., Ltd., Chailease Energy Integration Co., Ltd., Fina Finance & Trading Co., Ltd., Chailease International Company (UK) Limited, Chailease International Finance Corporation	3	Other current financial liabilities	30,868	"	0.01 %
1	"	Chailease International Company (UK) Limited, Fina Finance & Trading Co., Ltd., Chailease Specialty Finance Co., Ltd., Apex Credit Solutions Inc., Chailease Auto Rental Co., Ltd., Chailease Energy Integration Co., Ltd.	3	Operating cost and expenses	37,770	"	0.40 %

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No.	Name of Company	Counter-party	Nature of Relationship	Intercompany Transactions			
				Financial Statements Item	Amount	Terms	Percentage of Total Consolidated Revenue or Total Assets
1	Chailase Finance Co., Ltd	Fina Finance & Trading Co., Ltd. ∙ Chailase Finance (B.V.I) Co., Ltd. ∙ Chailase Consumer Finance Co., Ltd. ∙ Apex Credit Solutions Inc. ∙ Chailase International Leasing Company Limited (Vietnam) ∙ Chailase Auto Rental Co., Ltd. ∙ Chailase Insurance Brokers Co., Ltd. ∙ Chailase Finance Securitization Trust 2014 ∙ Yun Tang Inc. ∙ Chailase Cloud Service Co., Ltd. ∙ Chailase Credit Services Co., Ltd. ∙ Chailase Specialty Finance Co., Ltd. ∙ Chailase International Financial Services (Liberia) Corp. ∙ Chailase Energy Integration Co., Ltd. ∙ Innovation Energy Integration Co., Ltd. ∙ Chailase Finance Securitization Trust 2016 ∙ Asia Sermkij Leasing Public Co., Ltd. ∙ Bangkok Grand Pacific Lease Public Company Limited ∙ Chailase International Finance Corporation ∙ Chailase International Financial Services Co., Ltd. ∙ Grand Pacific Holdings Corp. ∙ Chailase Berjaya Credit Sdn. Bhd	3	Operation revenues and non-operating income	157,108	Same as normal transactions	1.68 %
2	Chailase Finance (B.V.I) Co., Ltd	Chailase International Financial Services Co., Ltd. ∙ Chailase International Financial Services (Liberia) Corp	3	Financing and interest receivable	4,109,116	"	1.45 %
2	"	Chailase International Financial Services Co., Ltd. ∙ Chailase International Financial Services (Liberia) Corp.	3	Interest revenue-loans	31,375	"	0.33 %
3	Chailase International Finance Corporation	Chailase Finance Co., Ltd. ∙ Chailase International Financial Services Co., Ltd.	3	Other current financial assets	46,511	"	0.02 %
3	"	Chailase Finance Co., Ltd. ∙ Chailase International Corp. ∙ Jirong Real Estate Co., Ltd	3	Other current financial liabilities	232,078	"	0.08 %
3	"	Chailase Finance Co., Ltd. ∙ Jirong Real Estate Co., Ltd	3	Operating expenses	61,831	"	0.66 %
4	Golden Bridge(B.V.I) Corp	Chailase Finance Co., Ltd	3	Other current financial liabilities	30,524	"	0.01 %
4	"	Chailase International Company (Malaysia) Limited. ∙ My Leasing (B.V.I.) Corp. ∙ My Leasing (Mauritius) Corp	3	Borrowings and interest payable	2,345,090	"	0.83 %
5	My leasing (Mauritius) Corp	Golden Bridge(B.V.I) Corp	3	Financing and interest receivable	91,229	"	0.03 %
6	Asia Sermkij Leasing Public Co., Ltd	Bangkok Grand Pacific Lease Public Company Limited	3	Other current financial assets	1,763,214	"	0.62 %

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No.	Name of Company	Counter-party	Nature of Relationship	Intercompany Transactions			
				Financial Statements Item	Amount	Terms	Percentage of Total Consolidated Revenue or Total Assets
7	Chailease International Financial Services Co., Ltd	Chailease International Financial Services (Labuan) Co., Ltd. - Chailease International Company (Malaysia) Limited	3	Financing and interest receivable	401,540	Same as normal transactions	0.14 %
7	"	Chailease International Financial Services (Labuan) Co., Ltd	3	Capital leases receivable	611,377	"	0.22 %
7	"	Chailease Finance (BVI) Company, Ltd	3	Borrowings and interest payable	3,653,335	"	1.29 %
7	"	Chailease Finance Co., Ltd - Chailease International Finance Corporation	3	Other current financial liabilities	41,130	"	0.01 %
8	Chailease International Company (Malaysia) Limited	Chailease International Company (UK) Limited - Golden Bridge (BVI) Corp.	3	Financing and interest receivable	1,005,020	"	0.35 %

Note 1: Descriptions of numbers are as follows:

1. Parent company is coded "0".
2. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Nature of relationship is categorized as follows:

1. Transactions from parent company to subsidiary.
2. Transactions from subsidiary to parent company.
3. Transactions from subsidiary to subsidiary.

Note 3: Business transaction less than 30 millions is not required to be disclosed.

Note 4: The aforementioned inter-company transactions have been eliminated upon consolidation.

(b) Information on investees :

The information on investees of the Group for the three months ended March 31, 2017 is as follows (excluding information on investment in Mainland China) :

Name of Investor Company	Name of Investee Company	Location	Principal Business Activities	Original Investment Amount		Ending Balance			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Notes
				March 31, 2017	December 31, 2016	Shares	Percentage of Ownership	Carrying Value			
Chailease Holding Company Limited	Chailease International Company (Malaysia) Limited	Malaysia	Investment	16,729,815	16,729,815	994,747	100.00 %	26,181,132	1,151,330	1,151,330	
"	Chailease International Financial Services Co., Ltd	British Virgin Islands	Installment sales, leasing overseas and financial consulting	1,122,210	1,122,210	37,000	100.00 %	2,180,813	210,458	210,458	
"	Grand Pacific Holdings Corp and its subsidiaries	U.S	Leasing, real estate, and mortgage	148,344	148,344	3,927	51.00 %	672,017	54,798	27,947	
"	Golden Bridge (B.V.I.) Corp and its subsidiaries	British Virgin Islands	Investment	10,939,060	10,939,060	337,150	100.00 %	16,897,272	806,615	806,615	
Chailease International Company (Malaysia) Limited	Chailease International (B.V.I.) Corp.	British Virgin Islands	Investment	688,795	688,795	22,550	100.00 %	744,681	(12,682)	(12,682)	
"	Asia Sermkij Leasing Public Co., Ltd and its subsidiaries	Thailand	Installment sales of automobiles	447,526	447,526	40,698	11.57 %	487,269	156,149	18,066	

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Name of Investor Company	Name of Investee Company	Location	Principal Business Activities	Original Investment Amount		Ending Balance			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Notes
				March 31, 2017	December 31, 2016	Shares	Percentage of Ownership	Carrying Value			
Chailase International Company (Malaysia) Limited	Chailase International Company (UK) Limited	U K	Consulting, leasing overseas and investment	17,811,778	17,811,778	341,272	100.00 %	24,098,585	1,140,320	1,140,320	
"	Chailase Berjaya Credit Sdn Bhd	Malaysia	Installment sales	230,055	115,028	-	70.00 %	233,988	9,320	6,524	
"	Chailase Royal Leasing Plc	Cambodia	Leasing	363,960	-	-	60.00 %	33,919	(4,194)	(2,536)	
Chailase International Company (UK) Limited	Chailase Finance Co., Ltd	Taiwan	Installment sales, leasing and factoring	20,146,937	20,146,937	1,136,000	100.00 %	24,427,613	1,250,355	1,250,355	
"	C&E Engine Leasing Limited	Ireland	Leasing	151,650	151,650	5,000	50.00 %	154,142	3,990	1,995	
Chailase International (B.V.I.) Corp.	CL Capital Management Company Limited	Cayman Islands	Investment consultant	-	-	-	48.00 %	-	6,244	-	
"	CL Investment Partners Company Limited	Cayman Islands	Investment consultant	-	-	-	48.00 %	-	5,153	-	
"	Chailase Greater China SME Fund, L.P.	Cayman Islands	Investment funds	310,162	426,906	-	48.00 %	325,154	(5,519)	(8,919)	
"	Diamond Rain Group Limited	British Virgin Islands	Investment funds	263,447	263,447	8,686	35.28 %	253,031	(10,617)	(3,745)	
Chailase Finance Co., Ltd	Fina Finance & Trading Co., Ltd	Taiwan	Installment sales, trading and factoring	4,391,242	4,391,242	296,086	100.00 %	7,397,134	363,246	363,246	
"	Chailase Specialty Finance Co., Ltd	Taiwan	Installment sales	5,137,496	5,137,496	201,561	100.00 %	5,268,700	38,028	38,028	
"	My Leasing (B.V.I.) Corp	British Virgin Islands	Investment	515,610	515,610	17,000	100.00 %	1,674,254	10,887	10,887	
"	Asia Sermkij Leasing Public Co., Ltd and its subsidiaries	Thailand	Investment sales of automobiles	745,134	745,134	128,838	36.61 %	1,541,825	156,149	57,166	
"	Chailase Finance (B.V.I.) Co., Ltd	British Virgin Islands	Installment sales, financing overseas and financial consulting	1,240,801	1,240,801	40,910	100.00 %	4,500,632	36,214	36,214	
"	Apex Credit Solutions Inc	Taiwan	Accounts receivable management, debt management, valuation, trading in financial instruments	60,939	60,939	10,000	100.00 %	157,192	7,165	7,165	
"	Chung Hung Corp	Taiwan	Foreign trade of machinery, equipment, transportation and leasing	1,000	1,000	100	28.57 %	1,326	96	27	
"	Chailase International Leasing Company Limited (Vietnam)	Vietnam	Leasing	635,365	635,365	-	100.00 %	955,978	25,836	25,836	

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Name of Investor Company	Name of Investee Company	Location	Principal Business Activities	Original Investment Amount		Ending Balance			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Notes
				March 31, 2017	December 31, 2016	Shares	Percentage of Ownership	Carrying Value			
Chailease Finance Co., Ltd	Chailease International Trading Company Limited (Vietnam)	Vietnam	Trading	134,673	134,673	-	100.00 %	136,760	942	942	
"	Chailease Auto Rental Co., Ltd.	Taiwan	Leasing	952,227	952,227	95,000	100.00 %	944,039	(5,117)	(5,117)	
"	Chailease Credit Services Co., Ltd.	Taiwan	Installment sales and leasing	10,002	10,002	1,000	100.00 %	9,904	290	290	
"	Chailease Insurance Brokers Co., Ltd	Taiwan	Personal and property insurance brokers	8,000	8,000	800	100.00 %	46,304	6,928	6,928	
"	Grand Pacific Holdings Corp. and its subsidiaries	U S	Leasing, real estate, and mortgage	124,618	124,618	3,773	49.00 %	645,663	54,798	26,851	
"	Chailease Cloud Service Co., Ltd	Taiwan	Software of cloud products, leasing and installment sales	10,000	10,000	1,000	100.00 %	5,873	(245)	(245)	
"	Chailease Finance Securitization Trust 2014	Taiwan	Special purpose entity	1,034,797	1,034,797	-	- %	863,658	84,444	84,444	
"	Chailease Finance Securitization Trust 2016	Taiwan	Special purpose entity	880,589	880,589	-	- %	838,559	72,154	72,154	
"	Yun Tang Inc.	Taiwan	Solar power business	445,000	445,000	-	100.00 %	544,273	15,685	15,685	
"	Chailease Energy Integration Co., Ltd	Taiwan	Solar power business	50,000	50,000	5,000	100.00 %	271,550	19,312	19,312	
"	Innovation Energy Integration Co., Ltd	Taiwan	Solar power business	250,000	25,000	25,000	100.00 %	249,840	(85)	(85)	
Fina Finance & Trading Co., Ltd	Chailease Consumer Finance Co., Ltd	Taiwan	Installment sales and factoring	1,252,436	852,436	136,310	100.00 %	2,277,894	49,635	49,635	
Chailease International Financial Services Co., Ltd	Chailease International Financial Services (Liberia) Corp	Liberia	Leasing	304	304	-	100.00 %	90,930	6,772	6,772	shareholding less than 1,000 shares
"	Chailease International Financial Services (Labuan) Co., Ltd	Malaysia	Leasing	910	910	30	100.00 %	4,675	759	759	

Note : The aforementioned inter-company transactions have been eliminated upon consolidation.

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(c) Information on investment in Mainland China:

1. Related information on investment in Mainland China:

Name of the Investee Company	Principal Business Activities	Total Amount of Paid-in Capital	Method of Investment (Note 1)	Accumulated Outflow of Investment from Taiwan as of January 1, 2017	Investment Flows		Accumulated Outflow of Investment from Taiwan as of March 31, 2017	Net Income (Losses) of the Investee	Percentage of Ownership	Share of profits/losses (Note 2)	Carrying Amount as of March 31, 2017	Accumulated Inward Remittance of Earnings as of March 31, 2017
					Outflow	Inflow						
Chailease International Finance Corporation	Leasing	9,402,300	(2)	-	-	-	-	842,677	100.00 %	842,677	18,881,650	3,123,990
Chailease Finance International Corp.	Leasing	1,213,200	(2)	-	-	-	-	69,050	100.00 %	69,050	2,257,731	-
Chailease International Corp.	Trading	881,400	(2)	-	-	-	-	75,010	100.00 %	75,010	2,210,541	-
Jirong Real Estate Co., Ltd.	House property leasing and management	749,190	(2)	-	-	-	-	1,692	100.00 %	1,692	778,248	-
DMC Energy Management Services (Shenzhen) Co., Ltd.	Environment	110,175	(2)	-	-	-	-	(1,639)	20.00 %	(328)	18,988	-

2. Limit on the amount of investment in Mainland China area: None.

Note 1: The methods for engaging in investment in Mainland China include the following:

1. Direct investment in China companies.
2. Indirectly invested in China company through third region.
3. Others.

Note 2: Except the investment gains and losses are recognized for Chailease Finance International Corp., Jirong Real Estate Co., Ltd. and DMC Energy Management Services (Shenzhen) Co., Ltd. based on financial report were not reviewed by certified public accountants. Other subsidiaries investment gains and losses are recognized based on financial reports reviewed by certified public accountants.

Note 3: The limit isn't calculated because the Company is foreign company.

Note 4: All numbers are disclosed in NT dollars. The amounts involved with foreign currency are converted to NT dollars by using exchange rates on the financial report date.

Note 5: Current investment gains and losses and book values at the end of the period are included the amounts of direct and indirect investments.

Note 6: The aforementioned inter-company transactions have been eliminated upon consolidation.

3. Significant transactions:

The aforementioned inter company transaction have been eliminated upon consolidation for the three months ended March 31, 2017, please refer to Note (13) (a).

(14) Segment Information

Operating segments financial information:

	For the three months ended March 31, 2017					
	Taiwan	China	Thailand	Others	Elimination	Total
Revenue						
Revenue from external customers	\$ 4,624,051	3,871,077	627,467	248,456	-	9,371,051
Intersegment revenues	225,347	19,670	-	7,727	(252,744)	-
Total revenue	\$ 4,849,398	3,890,747	627,467	256,183	(252,744)	9,371,051
Reportable segment profit or loss	\$ 1,350,018	817,521	156,149	(85,189)	-	2,238,499

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	For the three months ended March 31, 2016					
	Taiwan	China	Thailand	Others	Elimination	Total
Revenue						
Revenue from external customers	\$ 4,233,981	3,704,885	643,288	189,446	-	8,771,600
Intersegment revenues	<u>234,040</u>	<u>92,022</u>	<u>-</u>	<u>(16,557)</u>	<u>(309,505)</u>	<u>-</u>
Total revenue	\$ <u>4,468,021</u>	<u>3,796,907</u>	<u>643,288</u>	<u>172,889</u>	<u>(309,505)</u>	<u>8,771,600</u>
Reportable segment profit or loss	\$ <u>1,238,990</u>	<u>481,745</u>	<u>161,099</u>	<u>(178,217)</u>	<u>-</u>	<u>1,703,617</u>