TSE：2603

2014
Annual Report

長榮海運股份有限公司
EVERGREEN MARINE CORP. (TAIWAN) LTD.

http://www.evergreen-marine.com　Taiwan Stock Exchange Observation Post System　http://mops.tse.com.tw　Print Date: April 19, 2015

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EMC GDRs

SYMBOL: EGMD

EMC global depositary receipts(GDRs) are listed on

LONDON STOCK EXCHANGE.

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Dear Shareholders,

Another year passed amid depressed and jeopardized global political and economic situations from which industrial oversupply diffused. Spot rate level was tumbling throughout the whole year. The operating results failed to meet expectations. Container shipping business, as a whole, remained in highly competing environment.

To strengthen business competitiveness, Evergreen made significant adjustments on the fleet deployment and service routes. A large number of excellent new ships were launched to rejuvenate fleets. Loading capability was maximized. Fuel consumption improved, saving fuel costs as well as protecting environment. In the meantime, in order to widen the service scope to make full use of the space onboard, more joint ventures were sought after actively laying a good framework for future operations. Under Evergreen's business policy and strategic guidance, in line with sustainable development concept, all colleagues exerted team work spirit to provide dedicated professional customer service.

Evergreen had managed to return profit in year 2014. And with the readjusted structure, all employees are more confident in meeting the challenges of complicated market changes in 2015. Respectfully we present you the following briefs:

I. 2014 Business Report

1. Container shipping market overview

Cargo volume growth

According to the International Monetary Fund (IMF) estimates, the GDP Growth of Republic of China in 2014 only reached 3.3% only on a par with the year of financial crisis 2008, similar to the previous year's growth of 3.3%, but considerably lower than the original estimate of 3.7% at the beginning of the year. World trade volume growth of 3.1% was lower than a year earlier, 3.4%, unable to create powerful volume growth. The 2014 global container volume grew 5.4%, an increase level close to previous year. There was no strong double-digit growth like earlier at the start of the century.

The supply of ship capacity

The 2014 global new capacity amounted to 1.47 million TEU, reached the highest ever. The amount of vessels out of service (including scrapped, converted to non-container and damaged) was lower than year 2013, but still amounted to 394 thousand TEU. Even so, in year 2014, global container capacity increased by 6.3%, amounting to 18.37 million

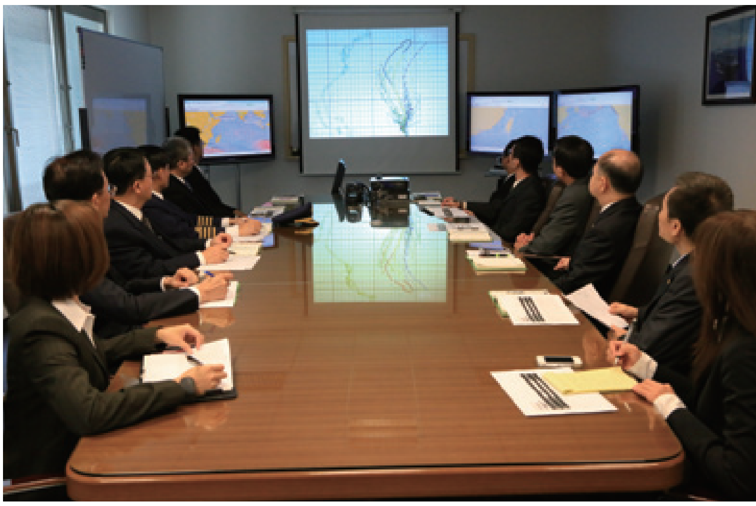
TEU. Growing gap between supply and demand in the market narrowed comparing with the previous 2 years, but carriers were still using measures such as super slow steaming and adding vessels, to manage the excess capacity.

The measures of Super Slow Steaming and adding extra vessels have been implemented for several years. In 2014, it absorbed about 1.3 million extra capacity, which equals to 7% of total market capacity, continued playing a main role in capacity control. At the end of 2014 idling capacity only reached 228 thousand TEU, decreased by 71% than 2013's 780 thousand TEU. In addition to ultra-low speed and launching extra vessels, congestion at West Coast Ports of United States also served to accommodate many ships, reducing the idle capacity in the market at the end of the traditional low season.

Carriers' Performances

In recent years, shipping market has been affected by less than expected demand, large new ship ever delivered, continued freight rates ups and downs. Carriers countered with scrapping, redelivering, dispose of old tonnages, deferring in delivering, adding extra vessels, re-routing and measures such as blank sailings, to meet the actual business requirements.

Although the fuel price had fallen considerably from the begining of the 4th quarter



last year, decreased by 50% than the same period of 2013. It could not divert completely the fact that operating costs continued to rise throughout the year. The Overall operating results of the container shipping industry improved over the previous year, but some shipping lines still failed in making both ends meet due to freight level reduction being higher than the cost changes.

Our Strategy

Evergreen went through important structural transformation last year. Despite the competitive business environment, all employees strived to carry out projected planning, exerted joined efforts to accomplish the goals set by the management. The overall operation improved steadily. It converted gradually from losing to gaining in the third quarter to achieve annual financial goals. Key points are summarized as follows:

(1) Fleet Renewal

Last year a total of seven 8,500 TEU and four 13,800 TEU new vessels were delivered to join Evergreen fleet. New ships upgraded the configuration of main routes, reduced costs and improved competitiveness. Cancelation of 14 lease expiring vessels

reduced high operating costs and charter hire. Organize younger fleets, not only bring operating efficiency, but also quality services. The eco-design equipment onboard the vessel contributes to the protection of marine ecology.

(2) Proactive Cost Reduction

The following measures were adopted to reduce costs:

- Management of key bunker consumption.
- Executing policy of adding extra vessels and slow steaming.
- Tight control of ship speed and select bunkering port.
- Demand terminal operators to improve efficiency and increase incentives.
- Tighten the container supplying ratio.
- Strict control on the global inventory of empty containers.
- Improve trans-shipping efficiency.
- Reduce the cost of inland transportation and stop the accumulation of overdue containers.

(3) Implementation of Key Performance Indicators

Assigning line managers to review loading contributions through computerized systems;

line manager group audit regularly and review the route performance for improvements.

(4) Pro-active in Enhancing Alliances Operation

Last March, CKYHE alliance was formed by Cosco, Kawasaki Kisen, Yang Ming, Hanjin and Evergreen. As from mid-April onwards, the operation of new routes were expanded, including six routes from Asia to Europe and four from Asia to Eastern Mediterranean. After six months operation, Alliance members on October 21 formally announced the extension to the United States market, to optimize United States shipping network. Through the expansion of cooperation programs, Alliance members will work with higher operating flexibility, providing a full range of services, more frequent route schedules and more stable delivery time. Alliance members through closer cooperation, continue to enhance effective measures of energy saving and carbon reduction, preserving sustainable development of marine environment.

2. Fulfillment Ratio of Financial Target

2014 actual consolidated operating income NT$144.28 billion, compared with estimated consolidated operating income NT$144.24 billion, the fulfill rate was 100.03%.

3. Annual Accounts & Profitability Analysis

2014 actual consolidated operating income totaled NT$144.28 billion, compared with year 2013's NT$139.22 billion, increased by NT$5.06 billion. 2014 actual consolidated operating cost was NT$136.94 billion, compared with year 2013's NT$138.83 billion, decreased by NT$1.89 billion.

4. Research & Development

Green Fleet

Eco-friendliness and emission reduction remain our fundamental principles. Along with the deliveries of 20 all-new L-type green ships since July 2012 (totally 17 of them received up to the end of last year), the "optimized ship hull" concept, which emphases on material, configuration, and equipment, etc., is embodied in our fleet designing and shipbuilding to achieve best efficiency and eco-friendly purposes. These design concepts will address ballast water treatment plant, minimum ballast and electronic controlled fuel injection engine with function under low-load condition. Equipped with all the

environmental features, the L-type ships will reduce the drag and cut CO2 emissions by up to 15 percent compared to their S-type predecessors.

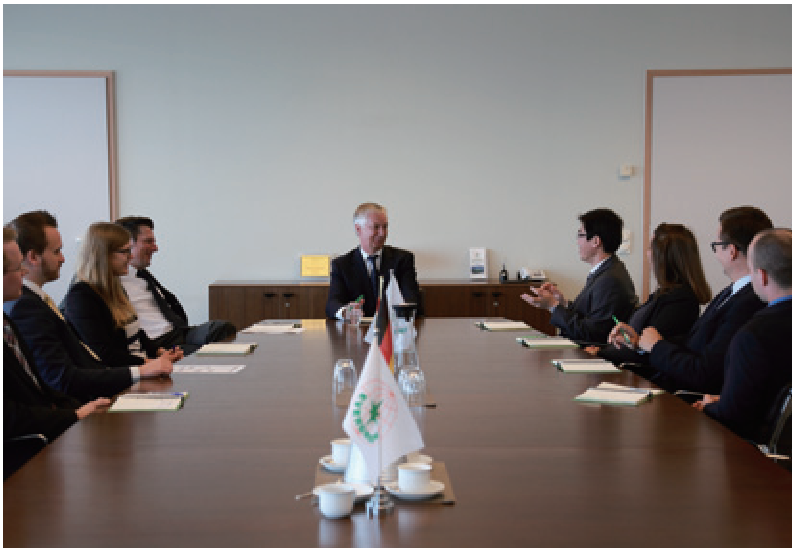
Besides, we continuously maintain the "Environmental Guardians" page on our website so as to proactively share our management of emissions and treatment of ballast and sludge, 19 state-of-the-art designs on L-type and other green instruments for the easy reference of our customers.

Maritime Certification

Evergreen uphold the spirit and vision of sustainable development, committing to professional maritime training and onward. EVERGREEN Seafarer Training Center has full range of training equipment and rigorous, well planning training course, continued to improve professional knowledge and skills, and preventing maritime accidents and environmental pollution.

(1) In 2014, Evergreen Seafarer Training Center organized a total of 32 categories, 307 professional training courses, training up to 2,417 people.

(2) Since 2014, Evergreen started to offer reefer container maintenance training course to enhance the engineer's troubleshooting and repairing skills to ensure the normal



operation of reefer container as well as maintaining good quality of frozen/refrigerated goods.

(3) In March 2014, the HK MARDEP (Hong Kong Marine Department) recognized EVERGREEN Seafarer Training Center for offering the training on the course specification of STCW (International Convention on Standards of Training, Certification and Watchkeeping for Seafarers) 2010 Manila amendments.

E-Commerce Enhancement

(1) Evergreen Shipmentlink adopts a globalized approach of tactical arrangement to provide customer service locally. It had been upgraded and strengthened efficiency in 2014 by installing zero downtime deployment, monitoring and management of performance and availability of software applications and source code analysis tools. Such enhancement is for the purpose to enable Shipmentlink a safer, reliable and friendly e-commerce platform.

(2) For regulatory compliance needs, Evergreen Line "CSR" (Corporate Social Responsibility) web site and "Interested Parties" page were generated, which provide all related details and are downloadable.

Renowned Quality

By devotions to enhancing service quality, Evergreen keeps earning reliance and recognitions from customers, media and organizations worldwide:

- In March 2014, the first green ship "Ever Lasting" built by Taiwan international shipbuilding company under Evergreen's ship-building order was awarded "ship of the year award" by China Shipbuilding Institute of marine engineers. "Ever Lasting" was delivered in August 2013, accommodating 8,508 units of 20 foot standard containers, with length at 334.8 meters and beam at 45.8 meters. It has the best ship design, and is equipped with many advanced environmental protection equipment, currently holding the record of the largest container ship built by the Taiwanese shipyard. In addition, on the hull structure, for the first time, Taiwan Shipyard applied the high tension "HT47" steel which it co-developed with China Steel. By using lighter steel, it achieved the same degree of strength, and met the energy saving and low emissions environmental requirements.
- In June 2014, Evergreen was selected by the well-known shipping media "Bi-weekly Asian freight" (Cargo News Asia) the 28th "Asian freight supply chains Award" as the

best marine company in Asian Shipping (Best Shipping Line- Intra-Asia).

The award selection criteria included the schedule accuracy, scope of e-commerce, customer service and shipping networks projects. In order to provide a better quality of shipping services, Evergreen has being active in replacing older tonnages for new ones, strengthening cooperation with strategic partners, through joint venture and slot swaps, continuous expansion of its network. Presently provides 60 service lines in the Asian shipping market weekly, transporting throughout East Asia, Southeast Asia, India subcontinent, and the Middle East's major ports. The selection as being "Asia's best regional shipping companies" shows the quality of service by Evergreen.

- In October 2014, Evergreen was awarded the "Annual Training" award by Lloyd newspaper media group, "Lloyd's register Asia Awards (Lloyd's List Asia Awards)". This award affirms Evergreen's long-term efforts, dedication in training, off-shore and on-land diligent professionals, commitments to provide quality shipping services and to guarantee operation safety.

II. Our Business Plans for 2015

1. Business Strategy

Promoting economies of scale considerably improved the operational effectiveness of carriers last year. It is expected this year that capacity supply will continue to grow along with the delivering of ultra-large new ships, forming a great challenge to the enhancement of freight rates. The majority of our new ships had been completed to join business operation last year, thereby optimizing the allocation of fleets, reducing operating cost effectively. There will be 3 new deliveries this year. The increase of new capacity is limited. We will try to meet key performance indicators, while the old vessels will also be redelivered to its owners. Our business turned profitable last year. And we are more confident in adopting a more cautious optimism attitude toward this year's operation. Relevant programs are summarized as follows:

(1) Dynamic Efficiency Maximization

There will be 3 new deliveries this year made the overall capacity slight growth till the end of the year than last year. Evergreen will continue streamlining customer service, looking for the most desirable cargo, and maximize the use of every loading space

available onboard the vessel.

(2) Enhanced External Cooperation

Last year the world's top four alliances: 2M, CKYHE, O3 & G6 obtained the in-charge authorities' approval to operate and broaden the scope of services. This year, the Alliances have become the dominant market service providers. The pattern of market competition has formally phased into a new era among Alliances. The CKYHE Alliance, in which Evergreen joined as a member, on the basis of the existing cooperation, has successfully extended the operation to United States market. The expansion of cooperation programs will enable alliance members a higher degree of operational flexibility, providing a full range of services, more frequent schedules and more stable time-table on deliveries to meet customers' service requirements.

(3) Proactive Cost Reduction

The key performance indicators for this year on major cost items have been set by departments in charge. There are specific target figures to meet, be it bunker purchasing, consumption, re-fueling or waste oil management, or the arrival performance rate, the volume incentive from terminal operators and the efficiency of stevedores. It is every

employees responsibility to achieve cost savings on containers usage: faster transship operation, reduce the overdue of empty containers, shorten time length on inland transit and lower the ratio of container supply.

(4) Optimized Fleet Deployment

After several years replacing the old-for-new scheme, Evergreen's performance has been significantly improved. 3 new vessels will be delivered this year, coupled with the continued re-delivering of less competitive vessels. The new fleet configuration will further promote operating efficiency. Fundamental operating adjustments will ensure the competitiveness in meeting the new type of challenges dominated by alliances this year.

2. Industry Outlook

Volume growth

The IMF forecasted 2015 global GDP growth at 3.5%, the Euro-zone and the United States at 1.2% and 3.6% respectively, which are higher than last year's 3.3%, 0.8% and 2.4%. The GDP growth at emerging market and developing economies estimated to be at 4.3%, which is lower than previous two years' 4.4% and 4.7%. IMF forecasts global trade growth

this year at 3.8%, better than last year's 3.1%. Because of slow growth in emerging market and developing economies, the IMF's forecast has been lowered by 1.2%. Global economy led by the developed ones, is on a slow track to recovery.

Per the forecast by Alphaliner this January, the 2015 global container volume growth estimated to be at 5.4%, similar to the year before.

Capacity Supply

From this year on, the markets will face a new status of competition led by the four main Alliances: 2M, CKYHE, O3 and G6. Under the Alliances, carriers are increasingly confident in investing ever larger ships. Late last year, the market had already the 19,000 TEU vessels afloat on regular services. This year, G6 and CKYHE will place new order for ULCV (Ultra Large Container Vessel), the maximum loading capacity will reach 20,000 TEU.

According to Alphaliner's forecast, the overall global new tonnage delivery in 2015 will amount to 1,780,000 TEU. And even after the scrapping of 350,000 TEU capacity and possible delay in delivery of 120,000 TEU, the total vessel capacity can still grow 7.8%; among all these, the Far East - Europe leg will become the competing field for very large ships, capacity growth for the first quarter of this year will reach to 10%. The capacity growth at the eastbound pacific service routes would be milder at about 3% for the first quarter.

Ocean Carriers' Performance

The market supply and demand still remains unbalanced this year. Ocean carriers have become more experienced in the handling of excess capacities. The overall market outlook will be less pessimistic than the year before. Adding that the bunker price has been slashed more than 50% from last June, the business model of ULCV (Ultra Large Container Vessel) and alliances can effectively alleviate the operating costs. A solid improvement on the operating result can be expected this year.

3. Competitive, Regulatory, and Economic Influences on Our Business

External Competitions

(1) This year under the new operating environment formed by the key four Alliances, coupled with the delivery of mega-ships, harsh competition is foreseeable. Carriers will likely to be overwhelmed by the market price volatility.

(2) The adding of vessels and slow-steaming are the industry's effective way to cope with over-tonnage. The ship bunker price fell more than a half since last June to January early this year. Should the sliding persist, there would be resume of sailing speed by the ocean carriers, which would lead to the release of idling space and the consequential pressure on operation would mount.

Regulatory Impact

(1) Effective from 1 January 2015, the ceiling for maximum sulphur content of fuel oil used within the MARPOL Annex VI Emission Control Areas (ECAs) had been limited to 0.10%. The burden is on carriers to increase expenses to comply with these new regulations.

(2) The drastic sliding of oil price has caused tremendous financial pressure on oil exporting countries such as Iran, Russia & Venezuela. The sanction on Iran's oil export ban by the Western world can be lifted if Iran would be willing to restrict its development on nuclear weapons. This will have positive impact on Evergreen's loading factor in the Middle East trade lanes.

Macro Business Operating Environment

(1) According to IMF's Economic Outlook report, prediction for year 2015, the United States will outshine all others in global economy performance. Global economic growth rate estimated to be at 3.5% (where United States 3.6%, Euro zone 1.2%, overall emerging market and developing economies 4.3%). Although higher than the previous year's 3.3% (of which United States 2.4%, Euro zone 0.8%, overall emerging developing countries 4.4%), the overall recovery rate is not as strong as previous predictions. Particularly in emerging markets and developing economies, mainly due to China's entry into structural slowdown, the economy growth turn to mid-rapid stage. Russia affected by the huge drop in oil prices and the currency devaluation, its economy will show negative growth this year. In many other developed countries, because of price decline on commodity trading, economic growth would remain sluggish.

(2) Global quay congestion levels are escalating, affecting the overall development of container transportation industry this year. Draft of the port, navigating channels, climatic factors, labor relations, and so on, will have great impact on port operations under current mega ship trend. Low efficiency port operations will affect subsequent inland delivery, delay cargo on shelf timing, the export of goods will also be affected, all of which would not only increase the operating costs to ocean carriers, in the meantime, hamper global trade volume and economic recovery.

(3) Lower oil prices would benefit the economy development of developed economies such as Japan and the European Union, which rely heavily on crude oil imports. Since last June, the oil price has fallen by more than half, the growth forecasts for the global economy is estimated to increase by 1%, promoting the growth of trade volume and container movements. Lower oil prices would reduce shipping companies operating costs, but would also cause carriers to progressively phase out slow-steaming measures, which in turn will lead to reactivating of idle capacities, affect negatively on the healthy development of maritime industry.

(4) Owing to the growing popularity of Internet, the set up and using of e-commerce platform has gradually turned popular. E-commerce has its advantages in upgrading

efficiency and in shrinking costs, but international shipping involves complicated procedures and due to incomplete cross border state rules and regulations on taxation and financial payments, currently e-commerce main functions are still limited to data transmission and file making. Business marketing, value-added supply chain and the financial service via Internet are still at the exploration stage. None the less, its future developments are too important to be overlooked.

4. Future strategy

All efforts in executing the policy such as deploying extra ships, slow-steaming, improve on time arrival rate, acquiring container terminal handling incentives, bunker consumption monitoring, building more efficient young fleets, reduce container supply ratio, expand cooperation with alliance members, provide customer value-added service, rating charges reasonably, line managers overview route operating, balancing container import and export, and the fully utilization of ship space allocation are targeted on the maximization of operating profits and minimization of costs. Long term stabilized profitability is the key factor to sustainable operations, ensuring the leading position as a worldwide leading brand in container shipping.

5. Conclusion

In pursuit of positive business results, we shall regularly review the execution on quantitative performance of KPI, so that the overall operation can be monitored, analyzed properly. There are clear performing indicators for reference on adjustment of activities. Corporate top management and key staffs have committed to supporting the needed resources after inducing and implementing of quantitative performance measures to achieve operating goals and by implementing all above measures to solidify company policy and consensus, establishing a more robust entity to extend service value and look after the welfare of employees as corporate's social responsibility.

1. Brief Introduction
(1) Registration Date of the Company: September 25, 1968
(2) A Chronology of Evergreen Marine Corporation (Taiwan) Ltd.

1968-1976

- Established with a capital of NT$2 million.
- Launched a Far East/Arabian-Persian Gulf regular liner service.
- Launched a Far East/Caribbean Sea regular liner service.
- Launched a Far East/US East Coast regular full container service.
- Launched a Far East/US West Coast regular full container service.

1977-1986

- Launched a Far East/Persian Gulf regular full container service.
- Launched a Far East/Europe regular full container service.
- Provided free training for maritime navigation and engineering students from the maritime school in Taiwan on board its own, and also the country's first, training vessel.
- Launched the unprecedented Round-the-World service eastbound and westbound regular full container service.
- Launched a Western Mediterranean and US East Coast regular full container service.

1987-1996

- Listed on the Taiwan Stock Exchange with capital totaling NT$10 billion.
- Introduced a Far East/US West Coast refrigerated container service.
- Introduced a Far East/Mediterranean/Europe joint service with Lloyd Triestino.
- Issued Global Depository Receipts to the amount of US$115 million on the London Stock Exchange.

1997-2001

- Introduced a Far East/Mauritius/South Africa/East Coast South America full container liner service, formerly introduced and operated by Uniglory Marine in 1993.
- Awarded ISM CODE (International Safety Management Code) by NK, Japan.
- Introduced a Far East/Australia full container joint service with Lloyd Triestino.
- Colon Container Terminal S.A. in Panama became fully operational as a common user facility.
- Launched a South America Coast /North America liner service.
- Named "Company of the Year 1998" by Containerisation International.
- Introduced a Far East/Australia full container joint service with COSCO.
- Evergreen Container Terminal No. 5, Berth 79, 80 and 81 in Kaohsiung Port became fully operational and Taiwan's customs authorities approved the operation of an "overall self-management" system to improve and upgrade Evergreen's service to shippers.
- Introduced a Southwestern Asia (Sri Lanka and India)/Europe joint service.
- Taranto Container Terminal in the south of Italy, invested in by Evergreen Group, opened for business with comprehensive feeder network serving other Italian ports, the West and East Mediterranean, the Adriatic Sea and the Black Sea.
- The Evergreen Seafarer Training Center was awarded ISO-9001:2000 by DNV. The training center, an Evergreen Group investment opened in 1999, aims to polish the professional skills of the Group's crew members, to reduce the risk of accidents or environmental pollution at sea and to conform to international regulations.

- Jointly established Charng Yang Development Co., Ltd. with Tesco Taiwan to invest in the Tesco Chingkuo Store in Taoyuan City.

2002-2006

- Introduced two pendulum services, the US West Coast/Asia/Europe (WAE) and the North Asia/US East Coast/Europe (NUE), to replace two longstanding Round-the-World Eastbound and Westbound services.
- Launched West Coast of South America service linking the Caribbean hub port in Coco Solo, Panama with five ports in Colombia, Ecuador, Peru and Chile.
- Awarded the first ever recognition for "Environmental Excellence" by Port of Los Angeles.
- Certificated for "Safety, Quality & Environmental Management" by American Bureau of Shipping.
- Awarded ISO-9001:2000 by DNV.
- Named "Excellence in Commitment to Training" by Lloyd's List.
- Awarded the first annual award for "E-commerce Excellence" by LOG-NET.
- Launched a Straits Red Sea express joint service with COSCO, Wan Hai and Hapag-Lloyd.
- Launched a joint service with Simatech to link Asia, India and the Gulf.
- Evergreen Group Orders Ten S-series container vessels from Mitsubishi Heavy Industries Ltd.
- Awarded the second annual award for "E-commerce Excellence" by LOG-NET.
- Launched a North China/Singapore/Malaysia/Hong Kong full container joint service with Wan Hai and Yang Ming.
- Opened the new state-of-the-art Pierce County Container Terminal at the Port of Tacoma, invested in by Evergreen Goup.
- Evergreen, Lloyd Trestino and COSCO upgraded the Far East/South Africa/South America joint service, extend the port coverage to Shanghai, Ningbo and Yantian in China.
- Launched a Japan/Taiwan/Ho Chi Minh Express Service (JHX) with Yang Ming Line.
- Merge the Far East/Red Sea (FRS) service and the Strait/Red Sea Express (SRX) service into a single new FRS service with Hapag-Lloyd and Cosco Container Line.
- Awarded the "Corporate Social Responsibility" by Containerisation International.
- Upgraded a Far East/Red Sea service (FRS) with Cosco Container Lines.
- Launched a Taiwan/Hong Kong/Ho Chi Minh Express Service (THX) with OOCL and Yang Ming Line.
- Launched a China/Panama/US East Coast (CUE) with Cosco Container Lines.
- Entered a slot-charter agreement with Hanjin Shipping Company on the trade lane between the East Coasts of North and South America (ECAS) and another encompassing Asia, South Africa and South America (ESA).

2007-2011

- Launched a Straits/Red Sea Shuttle Service (SRS) with Cosco Container Lines.
- Launched a Japan/Thailand Express Service (NSE/NS6) with Wan Hai Lines.
- Launched a Kaohsiung/Haiphong Shuttle Service (KHP).
- Launched a Taiwan/China/Australia Express Service (TCA).
- Launched a Far East Panama Service (FPS).
- Awarded the International Ocean Carrier of the Year for 2007-2008 by Wal-Mart Stores Inc.
- Launched a Japan/Taiwan/Philippine Service (JTP).
- Launched a China/South US West Coast/China Service (CPS).

- Launched a Taiwan/North China Service(HBT), the first direct shipping service across the Taiwan Straits.
- Launched a North East Asia-South East Asia Service-A (NSA), Korea-North East Asia-South East Asia Service-B (NSB) with Wan Hai Lines.
- Launched a China North Europe (CEM), Asia Mexico US East Coast (AUE2), and Hong Kong, Taiwan-US West Coast (HTW) Services with China Shipping Container Lines.
- Launched a Far East/South America Service (ESA) with Cosco Container Lines.
- Launched a China/South East Asia Express Service (CSE) with Cosco Container Lines.
- Launched a new Trans Atlantic Express Service (TAE) with CKYH Alliance.
- Awarded "The Corporate Social Responsibility Award" by Lloyd's List.
- Launched an Asia and Pacific North West Coast Service (PNW) with China Shipping Container Lines.
- Launched the China/South US West Coast Service 2 (CPS2) with China Shipping.
- Launched the Hwa-Bei Strait Service (HBS) with Wan Hai Lines Ltd.
- Evergreen Group ordered twenty L-series container vessels from Samsung Heavy Industries.
- Launched the ASEAN/Gulf/ISC Service (AGI) with OOCL and Simatech Shipping.
- Launched the Japan/Vietnam/Thailand Service (JVT).
- Evergreen's Dr. Chang Yung-Fa Awarded "Newsmaker of The Year" by Lloyd List Asia.
- Launched the Hwa-Bei (North China) - Hong Kong - Indonesia (HBI) service.
- Launched the Japan-Taiwan-South China Sea (JTS) service.
- Evergreen Group Chairman Dr. Y. F. Chang donates 1 billion Japanese yen ($12.35 million) to Japan Red Cross for the post-disaster reconstruction after the massive earthquake on 11 March 2011.
- Launched the second China-Europe (CES2) service with CSCL and ZIM.
- Launched the Asia-South America West Coast (WSA) service with COSCO, PIL and Wan Hai Lines.
- Ordered ten 8,000 TEU ships from China Shipbuilding Corporation (CSBC) of Taiwan.
- Launched the Kaohsiung-Cebu (KCS) service.
- Received 2011 Clean Air Action Plan Air Quality Awards from the ports of Los Angeles and Long Beach.
- Evergreen Group Chairman Dr. Y. F. Chang was honored with the Dutch Commander in the Order of Orange-Nassau.
- Reorganized the Hua Bei-Hong Kong-Indonesia (HBI) service into the Hua Bei-Hong Kong (HBH) service and the Tanjung Pelepas-Indonesia (PIS) service.
- Joined Cheng Lie to launch China-Philippines-Indonesia (CN1) service.
- Evergreen Group Chairman Dr. Y. F. Chang received Lifetime Achievement Award from Containerisation International.
- Evergreen Marine Corp. Named Benchmark Enterprise by Commonwealth Magazine.

2012-2013

- Launched "ShipmentLink Mobile", an application of its e-commerce system to handheld devices.
- Evergreen Line and CKYH entered into Individual Cooperation Agreements.
- Received the Liner Owner/Operator Award at the Seatrade Asia Awards.
- Launched the West Africa (WAF) service with Hanjin and UASC.
- Evergreen Group Chairman Dr. Yung-Fa Chang honored in Japan with Order of the Rising Sun, Gold and Silver Star.

- Launched the South India – Persian Gulf Express (SGE) service.
- Launched West Coast of Central America (WCA) service with X-Press.
- Evergreen Seafarer Training Center Achieved ClassNK Certification.
- Launched South China–Philippines–East Malaysia (CPM) Service.
- Launched South Red Sea Service (SRS2) with CMA CGM.
- Upgraded Far East–South America (ESA) Service with COSCO and ZIM.
- Launched Asia–West Coast of South America (WSA2) Service with Wan Hai Line, PIL and COSCO.
- Launched China–Pacific South West (CPS2) Service.
- Launched China–Australia–Taiwan (CAT) Service.
- Launched ISC–Bangladesh (IBS) and Intra–Gulf (IGS) Feeder Services.
- Launched the Second West Africa (WAF2) Service with Hanjin and UASC.
- Received “Environment Award” from Lloyd’s List.
- Launched New Ho Chi Minh (NHS) Service.

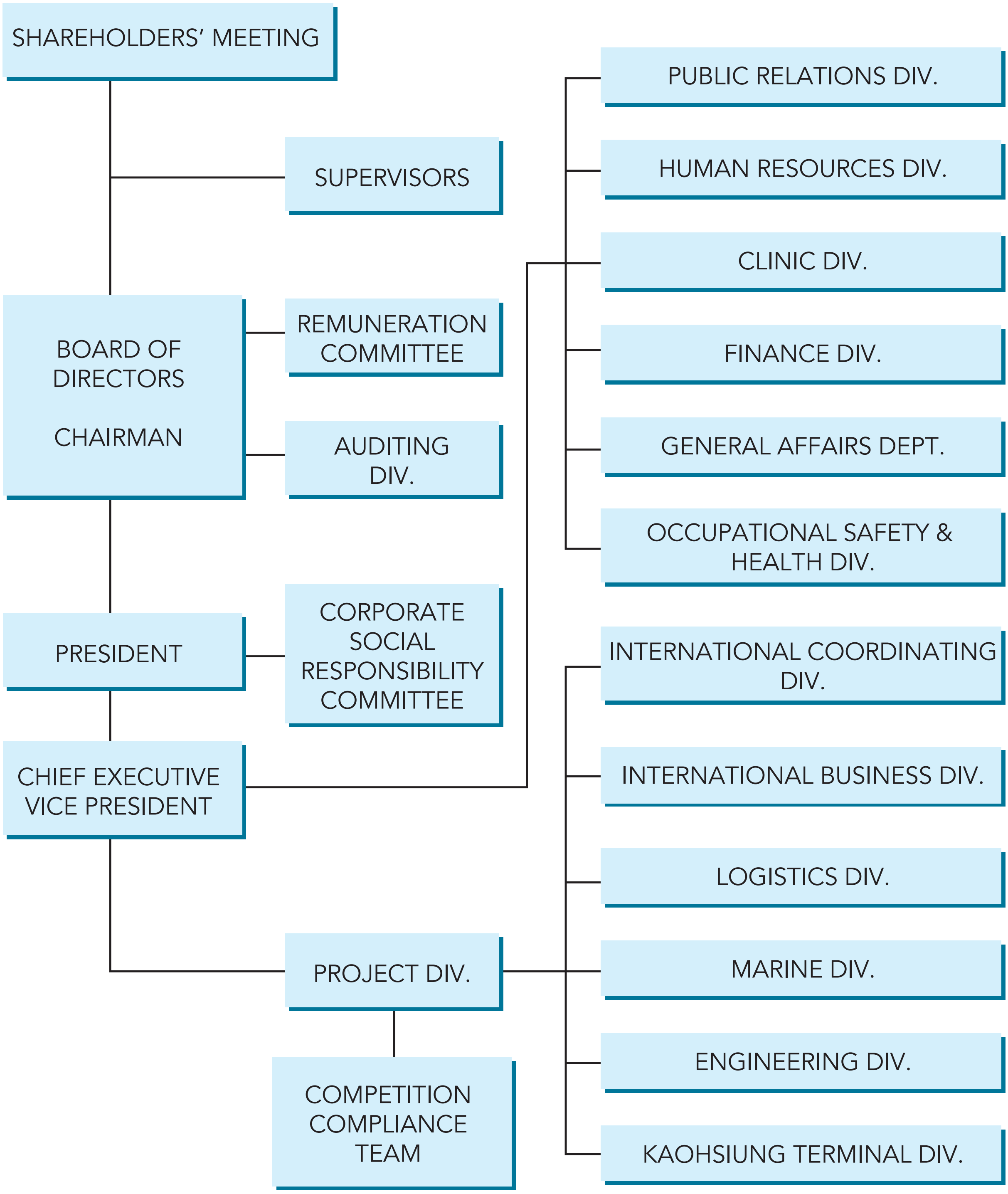
2014

- Evergreen Line signed agreements with Costamare and Shoei Kisen Kaisha to each provide on charter five 14,000 TEU containerships. The ten ships are planned to be delivered during 2016 and 2017.
- Evergreen teamed up with COSCO, K Line, Yang Ming and Hanjin to establish the CKYHE Alliance.
- Evergreen Group Chairman Dr. Chang Yung-Fa was presented with the Federal Republic of Germany’s Commander’s Cross of the Order of Merit in recognition of his contribution to the port of Hamburg; his achievement in the international transportation industry; his devotion to charity and promotion of education and cultural exchange.
- Ever Living, Evergreen’s first L type containership built by CSBC was chosen “Ship of the Year” by Taiwan Society Naval Architects and Marine Engineers.
- Evergreen Line launched a weekly Intra Red Sea feeder service (IRS).
- Evergreen Line cooperated with COSCO and MOL to launch a weekly direct service from Asia to West Africa (WA1).
- Evergreen Line was awarded “Best Shipping Line - Intra-Asia” by Cargonews Asia in the 28st Annual Asian Freight & Supply Chain Awards (AFSCA) sponsored by the publication.
- Evergreen Line launched feeder services to Dublin and Liverpool.
- Evergreen Shipping Agency Indonesia opened five new offices in Panjang, Palembang, Makassar, Banjarmasin and Bandung.
- Evergreen Line partnered with Mariana Express to launch the South China - East Malaysia (SEM) Service.
- Evergreen Line took space on Interasia Lines’ Singapore – Yangon (Burma) – Malaysia (SYM) service based on a slot swap arrangement.
- CKYHE Alliance expanded service scope to North American trade.
- Evergreen received the Training Award in Lloyd List Asia Awards 2014.
- Evergreen Line cooperated with CMA CGM and Emirates Shipping to offer AEF and ASEA services in the Asia – East Africa trade.
- Evergreen Line teamed up with Cheng Lie Navigation (CNC) to launch the China-Philippines Service (CPH).

2015

- Evergreen Group signed time charter agreements with Shoei Kisen Kaisha to charter a total of eleven 18,000 TEU vessels, which include the six units of the same capacity announced by Evergreen Marine Corp. and its subsidiary. The ships are planned to be delivered from 2018 through 2019.
- Evergreen Line and other CKYHE Alliance partners announced service plan in Asia-North Europe/ Mediterranean trades, providing six Asia-North Europe services and three Asia-Mediterranean services from early April of 2015.
- Evergreen Line implemented service enhancements in intra-Asia markets by launching its new Taiwan–Shekou–Malacca Strait Service (TSS) and a dedicated Taiwan – Hong Kong Service (THK) in March 2015.
- Evergreen Line received the 2015 LOG-NET E-Commerce Excellence Award in recognition of the carrier's outstanding e-commerce service in March at the Trans Pacific Maritime conference held by the Journal of Commerce.
- Evergreen Line partnered with Simatech, a leading feeder operator based in Dubai, in launching a joint Chennai–Colombo–Gulf Service (CCG) service.

2. Organization



3. Director & Supervisor

Date: 2015/4/19

Title	Name	Elected Date
Chairman	Mr. Chang, Cheng-Yung (Representative of Evergreen Airline Services Corp.)	2014.06.18
Director	Mr. Chang, Yung-Fa (Representative of Chang Yung-Fa Charity Foundation)	2014.06.18
Director	Mr. Hsieh, Chih-Chien (Representative of Evergreen International S.A.)	2014.06.18
Director	Mr. Lin, Long-Hwa (Representative of Evergreen International S.A.)	2014.06.18
Director	Mr. Chang, Kuo-Hua (Representative of Evergreen International S.A.)	2014.06.18
Director	Mr. Chang, Kuo-Wei (Representative of Evergreen Airline Services Corp.)	2015.01.01
Independent Director	Mr. Wu, Chin-Shun	2014.06.18
Independent Director	Mr. Chang, Chia-Chee	2014.06.18
Independent Director	Mr. Chen, Ching-Kuhn	2014.06.18
Supervisor	Ms. Ko, Lee-Ching (Representative of Evergreen Steel Corp.)	2014.06.18
Supervisor	Ms. Ku Lai, Mei-Hsueh (Representative of Evergreen Steel Corp.)	2014.06.18

Note:

The Board of Directors was re-elected on June 18, 2014.

Mr. Chang, Kuo-Wei was appointed by Evergreen Airline Services Corp. on Jan 1, 2015.

4. Corporate Governance

(1) The Composition and Operations of the Board of Directors

A. The Board of Directors consists of nine directors (three independent directors are included).

B. The re-election of directors was held by the Shareholders' Meeting in 2014. On that re-election, Mr. Wu, Chin-Shun, Mr. Chang, Chia-Chee, Mr. Chen, Ching-Kuhn and Mr. Chang, Kuo-Hua were newly-elected; Mr. Chang, Shin-Yie and Mr. Tai, Jiin-Chyuan were discharged, and the other directors were re-elected.

C. The Board Meetings were convened eight (8) times in 2014. The directors' attendance status are as follows:

Title	Name	Attendance in person	Attendance by proxy	Attendance rate in person (%)
Chairman	Mr. Chang, Cheng-Yung (Representative of Evergreen Airline Services Corp.)	8	0	100%
Director	Mr. Chang, Yung-Fa (Representative of Chang Yung-Fa Charity Foundation)	0	8	0%
Director	Mr. Lin, Sun-San (Representative of Evergreen Airline Services Corp.)	8	0	100%
Director	Mr. Hsieh, Chih-Chien (Representative of Evergreen International S.A.)	7	1	87.5%
Director	Mr. Lin, Long-Hwa (Representative of Evergreen International S.A.)	5	3	62.5%
Director	Mr. Chang, Kuo-Hua (Representative of Evergreen International S.A.)	0	5	0%
Independent Director	Mr. Wu, Chin-Shun	5	0	100%
Independent Director	Mr. Chang, Chia-Chee	5	0	100%
Independent Director	Mr. Chen, Ching-Kuhn	5	0	100%
Discharged Directors				
Director	Mr. Chang, Shin-Yie (Representative of Evergreen International S.A.)	3	0	100%
Director	Mr. Tai, Jiin-Chyuan (Representative of Evergreen Airline Services Corp.)	3	0	100%

(2) The Composition and Operations of the Supervisors

A. The Company's two supervisors were re-elected by the Shareholders' meeting in 2014.

B. According to Article 218-2 of the Company Law, the Supervisors of the Company may attend the meeting of the board of directors to express their opinions. The Supervisors' attendance status in 2014 are as follows:

Title	Name	Attendance in person	Attendance by proxy	Attendance rate in person (%)
Supervisor	Ms. Ko, Lee-Ching (Representative of Evergreen Steel Corp.)	5	0	100%
Supervisor	Ms. Ku Lai, Mei-Hsueh (Representative of Evergreen Steel Corp.)	5	0	100%
Discharged Supervisors				
Supervisor	Ms. Ko, Lee-Ching (Representative of Ultra International Investments Ltd.)	3	0	100%
Supervisor	Ms. Ku Lai, Mei-Hsueh (Representative of Ultra International Investments Ltd.)	3	0	100%

C. The Supervisors understand the finance and business status of the Company by communicating with the internal auditors and the independent accountants. The internal auditors have submitted the audit reports to the supervisors periodically, and the Company's independent accountants have presented the financial report and audit status to the supervisors periodically.

(3) The Composition and Operations of the Remuneration Committee

A. The Remuneration Committee was composed of three independent directors in 2014.

B. The duties of the Remuneration Committee are as follows:

(a) Establish and periodically review the performance evaluation and remuneration policy, system, standards, and structure for directors, supervisors and managerial officers.

(b) Periodically evaluate and establish the remuneration of directors, supervisors, and managerial officers.

C. The Meeting of the Remuneration Committee was convened three (3) times in 2014. The members' attendance status are as follows:

Title	Name	Attendance in person	Attendance by proxy	Attendance rate in person (%)
Convener	Mr. Wu, Chin-Shun	3	0	100%
Member	Mr. Chang, Chia-Chee	3	0	100%
Member	Mr. Chen, Ching-Kuhn	3	0	100%
Discharged Members				
Convener	Mr. Hsu, Shui-Teh	0	0	-
Member	Mr. Eugene Chien	0	0	-
Member	Mr. Tai, Jiin Chyuan	0	0	-

(4) Internal Control System Execution Status

Evergreen Marine Corp. (Taiwan) LTD.
Internal Control Statement

Date: Mar. 27, 2015

The Company states the following with regard to its internal control system during the period from 01 Jan. 2014 to 31 Dec. 2014, based on the findings of a self-evaluation:

1. The Company is fully aware that establishing, operating, and maintaining an internal control system are the responsibility of its Board of Directors and management. The Company has established such a system aimed at providing reasonable assurance of the achievement of objectives in the effectiveness and efficiency of operations (including profits, performance, and safeguard of asset security), reliability of financial reporting, and compliance with applicable laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three goals mentioned above. Furthermore, the effectiveness of an internal control system may change along with changes in environment or

circumstances. The internal control system of the Company contains self-monitoring mechanisms, however, and the Company takes corrective actions as soon as a deficiency is identified.

3. The Company judges the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies promulgated by the Securities and Futures Commission, Ministry of Finance (hereinbelow, the "Regulations"). The internal control system judgment criteria adopted by the Regulations divide internal control into five elements based on the process of management control: 1. control environment 2. risk assessment 3. control activities 4. information and communications 5. monitoring. Each element further contains several items. Please refer to the Regulations for details.
4. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.
5. Based on the findings of the evaluation mentioned in the preceding paragraph, the Company believes that during the stated time period its internal control system (including its supervision of subsidiaries), encompassing internal controls for knowledge of the degree of achievement of operational effectiveness and efficiency objectives, reliability of financial reporting, and compliance with applicable laws and regulations, was effectively designed and operating, and reasonably assured the achievement of the above-stated objectives.
6. This Statement will become a major part of the content of the Company's Annual Report and Prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
7. This statement has been passed by the Board of Directors Meeting of the Company held on 27 Mar. 2015, where zero of the 9 attending directors (include commissioned to attend) expressed dissenting opinions, and all affirmed the content of this Statement.

Evergreen Marine Corp. (Taiwan) LTD.

Chairman:

President:

(5) Risk management systems in relation to the financial reporting process

A.The affections and future protections of company's profit and loss which caused from the fluctuation of interest rate, exchange rate, and inflation.

As the freight income is mainly in USD, therefore we pay attention to the exchange rate fluctuation all the time and do the following actions:

(a) Use professional financial information system and keep close contact with financial institution to get the most update exchange rate information and act proactively.

(b) Use the same currency of revenue to pay the expense if possible in order to do the natural hedge to prevent the exchange rate risk.

(c) Open foreign currency accounts to buy or sell the foreign currencies.

B.Guidelines for entering into high risk, high leverage investment, lending to other parties, providing guarantees, and doing derivative transactions:

Currently there is no outstanding for providing loan to other parties. All endorsements and guarantees are provided to the subsidiaries and affiliates. All related transactions are arranged according to our guidelines of providing loan, endorsements and guarantees to other parties.

All derivatives trades are dealt for hedging purposes. Interest rate and fuel swaps agreements are to hedge risk derived from market volatilities and fluctuations.

I. Business Highlights

1. Business Item & scope

Evergreen's core business is international container shipping. Container carrying capacity ranked fifth in the world at the end of 2014. All container shipping routes are run on a regular liner basis. We also offer inland transport, stevedoring, and logistics support services. Our clients cover areas such as manufacturing, trading and retail, locating all over the world. Our business performance is highly related to the global economy. Maritime business environment is still facing harsh challenge of capacity oversupply in the coming year. Shipping lines have to be very well prepared to ride the head winds. After becoming a member of CKYHE alliance, Evergreen still maintains its robust and flexible strategies, optimizing the allocation of service routes. Related course adjustments are summarized as follows:

Transpacific strings

1. Asia-US West Coast Service (HTW): HTW is a joint service operated by COSCO Container Line and Evergreen Line and agreement took effect from May of 2014.
2. Asia-US East Coast Service (AUE/NUE2): Evergreen Line has reached agreement with COSCO Container Line and Hanjin Shipping to jointly operate two Asia – USEC services and slot swap. The agreement became effective from May of 2014.
3. Asia-US East Coast Service (NUE4): Evergreen also swaps total 1,590 TEU on NUE4 by exchange AUE/NUE2 services effect from May of 2014.
4. Japan-US West Coast Service (JPX): Slot chartering agreement with Hanjin Shipping from July of 2014.

Far East-Europe/Mediterranean strings

1. COSCO, K LINE, YANGMING, HANJIN and EVERGREEN LINE announced that the five parties have agreed to establish the CKYHE Alliance effected from March 1, 2014, and provides six Asia-North Europe services (NE2/NE3/NE5-CEM/NE6/NE7/NE8-CES) and three Asia-Mediterranean services (MD1/MD2/UAM) from middle of April 2014.
2. Intra-Europe Feeder Services (IES1/IES2/BAL1/BAL2/BAL3/NDS1/NDS2): To correspond with capacity recovery of Asia-Europe main strings, in May 2012 we also increased slots for regional feeder services to Spain & Portugal (IES1/IES2) and services to Russia and Finland (BAL1/BAL2/BAL3), followed by extra slots and discharging port added to services of Denmark and Norway (NDS1/NDS2) in June, to cope with market demands.
3. Mediterranean Feeder Services (LYS3/EBS/PAL/GCY/AMS, new services launched in 2013):

   To keep strengthening feeder services to emerging markets in North Africa and Black Sea area, we launched 3rd Libyan loop service (LYS 3) in November 2013 calling at Tripoli; in July 2013 we opened a new Joint Feeder Service (EBS) with UFS extending our scope to Poti in Georgia.

In May 2013, we became operator in the Algerian market changing from previous swap service with EMES (SAL) to current independent service (PAL).

In April 2013, we launched a new service (GCY) to better connect the Thessaloniki and Cyprus markets to Piraeus; on the same service we swapped slots with X-Press to re-open the Malta market (AMS) in June 2013.

Far East-Latin America/Africa strings

1. Far East-South America West Coast Service (WSA): From June 2012, PIL had been withdrawn from the service; we and COSCO deploy one vessel each as to increase our weekly allocation to 2,040 TEU.
2. Far East-South America West Coast Service (WSA2): To enhance our competition on this trade lane, we join the WSA2 service with one vessel which BSA is 422 TEU.
3. Far East-South America East Coast Service (ESA): From May 2012, to enlarge market share, we deploy 8,000 TEU capacity vessels to cooperate with COSCO and ZIM with weekly allocation 3,750 TEU.
4. West Coast Central America Service (WCA): To further reinforce EMC service network of Central America market, we cooperated with CMA/CSAV to slot exchange 300 TEU on their WCA2 service (Mexico-Guatemala Express) and extend our integrated shipping service from Far East to Central America.
5. Asia-East Africa Service (AEF): A joint venture service we run with X-Press and COSCO. From the end of September 2012, we enlarged size of our three deployed ships thus increased weekly allocation up to 1,050TEU in order to meet business demands.
6. Far East-West Africa (WA1): We cooperate with MOL and COSCO to launch new service with effect from June 2014 to enlarge the business scope between Far East and West Africa.

Intra-Asia/Middle East & Red Sea/Indian Sub-continent strings

1. China-Philippines (CPH): In response to the volume growth among "China - ASEAN Free Trade Area"and enhance service competitiveness from China to the Philippines, we launch the (China-Philippines/CPH Service) direct service from the beginning of December with CNC.
2. Arabian Persian Gulf Service (APG): The APG service change to be Joint-venture with HMM (Hyundai Merchant Marine Co., Ltd) from March 2014. Evergreen deploy six vessels and HMM deploy one but the original swap 300 TEU with HMM's KMS service remain unchanged.
3. South China-East Malaysia Service (SEM): To strengthen the market

competitiveness from South China to East Malaysia, we co-operated with Mariana Express to operate SEM from the early of September 2014.

2. General Conditions of the Container Shipping Industry

Industry Status and Development

(1) Low volume growth era

Per International Monetary Fund (IMF) estimates, Global GDP growth rate in 2014 only reached 3.3%. Comparing with the past decade, only reached to the same level as the year of financial crisis, and close to the previous year's 3.3%, which is still lower than the estimates of 3.7% earlier at the year. Global trade volume grew 3.1%, lower than a year earlier at 3.4%, which was unable to create a dynamic cargo volume growth. In 2014, global container grew 5.4%; an increase of just the same as previous year, there was no strong double-digit growth like earlier at the decade.

(2) The main forms of traditional east-west market gradually entered into alliances operating environment

On March 1, 2014, Evergreen teamed up with Cosco, Kawasaki Kisen, Yang Ming and Hanjin to officially establish CKYHE Alliance. As from mid-April onwards, the operation of new routes were expanded, including six routes from Asia to Europe and four routes from Asia to Eastern Mediterranean. After six months operation, on October 21, alliance members formally announced the extension to the United States market, to optimize United States shipping network. And the G6 alliance as composed by NYK, MOL, Oriental overseas, Hyundai, APL, and Hapag-Lloyd, also enlarged the cooperation from U.S. East coast and Far East -Europe routes to U.S. West coast and Atlantics routes; shortly thereafter Maersk and Mediterranean Shipping announced the composition of 2M. CSCL, UASC and CMA CGM announced the joint venture of O3. O3 and 2M has passed the auditing of relative authorities. The new cooperation networks will be launched this year. A new era competition of container shipping on the key east-west trade route has come to life.

(3) ULCV joined operations

In order to reduce costs and improve competitiveness, shipping lines will continue launching high efficiency ultra large ships. Those younger fleets of 10,000-TEU plus, not only possess the operating efficiency, maintaining quality shipping services, are also equipped with eco-design, contributing to the sustainable development for protection of marine ecology.

Relation of Industry Segments

Maritime transport is the main mode of transport for international trade, while proportion of transportation volume via container ships and the total cargo tonnage rose year by year, it covers most of the finished consumer products. The relevance of the industry chain concentration is high and closely related to consumer's livelihood. It is summarized below:

(1) Upstream industry

- The shipyards
- Transporting machines and equipment manufacturers
- Ship or transport equipment rental providers

(2) Middle streams

- The marine fuel suppliers
- Shipping machines and equipment repairer
- The terminal operators
- Land transport logistics providers
- The alliance or slot purchasing partners

(3) Downstream industries

- Direct shippers (manufacturers, retailers, service provider)
- Freight forwarding and logistics industry

3. Technological Developments & Researching

Expenditures and Results of R&D during the Reporting Year

We have spent around NT$110 million of related labor expenditures on below R&D accomplishments in 2014:

(1) Green Fleet

Eco-friendliness and emission reduction remain our fundamental principles. Along with the deliveries of 20 all-new L-type green ships since July 2012 (and totally 17 of them received up to the end of last year), the "optimized ship hull" concept, which emphases on material, configuration, and equipment, etc., is embodied in our fleet designing and shipbuilding to achieve best efficient and eco-friendly purposes. These design concepts will address ballast water treatment plant, minimum ballast and electronic controlled fuel injection engine with function under low-load condition. Equipped with all the environmental features, the L-type ships will reduce the drag and cut CO_2 emissions by up to 15 percent compared to their S-type predecessors.

Besides, we continuously maintain the "Environmental Guardians" page on our company website so as to proactively share our management of emissions and treatment of ballast and sludge, 19 state-of-the-art designs on L-type and other green instruments for the easy reference of our customers.

(2) Maritime Certification

Evergreen uphold the spirit and vision of sustainable development, committing to the professional maritime training and onward. EVERGREEN Seafarer Training Center has full range of training equipment and rigorous, well planning training course, continued to improve professional knowledge and skills, and preventing maritime accidents and environmental pollution.

In 2014, Evergreen Seafarer Training Center organized a total of 32 categories, 307 professional training courses, training up to 2,417 people.

Due to increasing demand on reefer containers and to ensure the quality of goods, from 2014, Evergreen started to offer reefer container maintenance training course to enhance the engineer's troubleshooting and fault repair skills to ensure the normal operation of reefer container and prevent cargo losses.

In March 2014, the HK MARDEP (Hong Kong Marine Department) recognized EVERGREEN Seafarer Training Center for offering the training on the course specification of STCW (International Convention on Standards of Training, Certification and Watchkeeping for Seafarers) 2010 Manila amendments.

(3) E-Commerce

Evergreen Shipmentlink adopts a globalized approach of tactical arrangement to provide customer service locally. It had been upgraded and strengthened efficiency in 2014 by installing zero downtime deployment, monitoring and management of performance and availability of software applications and source code analysis tools. Such enhancement is for the purpose to enable Shipmentlink to be a safer, reliable and friendly e-commerce platform.

Our R&D accomplishments in 2014 are listed below:

R&D Accomplishments	Summary
Japanese manifest advance filing	Built up advance filing 24 hours before vessels' arrival through EDI to obey Japanese customs regulation.
Set up DRM (Digital Rights Management) Server and system	Building up confidential documentation security and management system.
Firewall set up to defend hacker's attack.	Internal server security system to prevent hacker's attack.
Developing fleet integrated control monitor system	Fleet remote condition monitoring on the follows: 1. Engine log 2. Fuel Tank consumption 3. Remote diagnosis 4. Fleet analysis

Future R&D Plans

(1) We are budgeting below future R&D projects with NT$85 million of related labor expenditures:

R&D Projects	Summary	ETC	Description of Progress up to 2015/4/19
Installment of Auto Stowage Engine	To have an auto stowage plan system for large size vessels, e.g., T, L, V, S… types, in order for decreasing manpower and possible error.	2015/03~2015/05	Test finished. Under process of procurement.
New stocktaking system on vessel's spare parts	Using bar-code and bar-code reader for more efficient checking on spare parts inventory.	2015/06~2015/12	Test ongoing.
Utilization data communication of integrate digital control instrument system in vessel maintenance	To maximize the employment of group resource on ship fleet by using the digital control instrument system.	2015/04~2015/06	Test ongoing.
To set new management and monitoring system for V type and T type vessels	To well control vessel's operation on ship machinery, fuel consumption, engine.	2015/01~2015/12	Installation to be completed by Apr. 2015. Software of data exchange to be completed by end of May 2015.
EVERMAIL project	Using Microsoft EVERMAIL platform to replace the current Notes Mail that will integrate with Windows office software.	Starting from Jan. 2015	Under process and to be completed by end of Apr. 2015.

R&D Projects	Summary	ETC	Description of Progress up to 2015/4/19
New leasing contract on overseas WI-FI service and international roaming SIM card	The WI-FI router and handset international roaming SIM card can provide cheaper and more convenient facility to users during their overseas business trip.	2015/04~2015/12	Under process of procurement.
Multiple resource domain system	To build two different IT infrastructures situated in two different geographical locations and keeping high availability and best practices in mind it is recommended to have dual connectivity links between two locations. This will provide network connectivity services, planning network connectivity should include the redundancy of every component of the network, firewall, routers, switches, network cards etc.	2015/02~2015/04	Under process of procurement.
Installation of 2nd time login verification mechanism	Two-step verification is a process involving two subsequent but dependent stages to check the identity of an entity trying to access services in a computer or in a network with just one factor or secret, whilst there is no proof obtained that the bearer of the unit is identical to the owner of the unit.	2015/04	Proposed to be process during Aug. ~ Oct. 2015.

R&D Projects	Summary	ETC	Description of Progress up to 2015/4/19
Upgrading cyber multi-voice communication system	To save phone charge, provide higher quality and reduce suddenly shut down, especially on international phone calls.	2015/04	Proposed to be process during Sep. ~ Oct. 2015.
Expanding cloud archive access server and procurement of new access software	To build up centralized archive management of global offices and provide efficient access.	2015/02~2015/06	Under process of procurement.
Access log audit on department archives	To build access log of department archives for easier sorting, analysis and auditing as well as higher security and risk control.	2015/04~2015/08	Under process of production.
Computer facilities center changes new monitoring system	To replace the current aged one.	2015/03~2015/05	Under process of procurement.
Project for The Customs, Port and Trade (CPT) Single Window	To cope with Taiwanese Customs' new policy by using XML file for EDI data transmission.	2015/05	Under process of program develop and test.

(2) Factors leading to Success in Future R&D Projects

A. Support from Top Management;

B. Knowledge of Tendencies;

C. Deliberation for Planning;

D. Coordination in Execution.

4. Our Business Plans in the Short & Long Terms

Short-Term: Enhance Competitiveness and maintain growth momentum

(1) Mastering Fleet Adaptabilities: Including enhancements of schedule accuracy, loading efficiency, and fleet flexibility, etc.

(2) Enlarging joint venture partnership: To work out best routes and widen scope coverage with improved service.

(3) Performance review of each service: To provide solutions for any individual service that failed to meet KPI target.

(4) Gripping Rate Opportunities: Including mastering of market situations, rate recoveries, and customer communications, etc.

Long-Term: Reduce Operating Cost and Pursue Sustainable Profitability

(1) Pressing Cost Efficiencies: Including improvements of computerized modulation, unit cost reduction, and equipment turnaround, etc.

(2) Embracing fleet renovation: To maximize revenue income with total elevated operating terms.

(3) Upholding Service Innovation: Including fine-tunings of service process, user interface, and customization output, etc.

(4) Training courses: Evergreen believes that employees are the key to sustainability. Training of employees should always be executed on long term basis.

II. Trade Environment

1. Market Analysis

(1) Key Performance Indicators (KPI) of Main Service Scopes

Unit: Thousand NTD

Item / Service routes	Revenue of the Group for 2013	Revenue of the Group for 2014
America	55,220,754	51,668,711
Europe	28,252,479	31,796,130
Asia	24,399,868	29,146,452
Others	20,547,257	19,872,581

(2) Major National Competitors & Global Market (Fleet Capacity) Shares

Year/Item Taiwan-based Shipping lines	March, 2014		Mach, 2015	
	Capacity (TEU)	Market Share (%)	Capacity (TEU)	Market Share (%)
Evergreen(Group)	867,836	4.9	951,776	5.0
Yang Ming Lines	363,761	2.0	443,616	2.3
Wan Hai Lines	167,233	0.9	203,521	1.1
TS Lines	47,067	0.3	63,237	0.3

Data Source: Evergreen Group & Alphaliner

(3) Market Outlook on Supply-Demand

Far East to North America Trade

In 2015, the estimated GDP growth rate of the U.S. is 3.1%, and the economic growth is 3.6%. The low level of fuel price will further stimulate consumer purchase and commercial activities. As the main export country, China's GDP growth rate will be higher than 2014 as well. According to Alphaliner, the space increase will be 5.5% - 6% in terms of supply side, and cargo volume increase will be 6.84% in demand, according to JOC. Although the USWC port congestion incurred by labor issue is not yet solved, it may not affect customers' export volume, instead, it may be beneficial for stable O.F. level. Overall, it is estimated that, in 2015, the cargo volume on F.E./N. America trade keeps rising as Q4 of 2014, or even better than 2014.

North America to Far East Trade

Owing to slowing down GDP growth among Far East countries who depend on imported raw materials, the US import demand has been decreased or shifted to countries who offer lower price; the continuance of U.S. Dollar appreciation is going to cause extra procurement cost for buyers and then dampening the exports; and some basic commodities are expected to be switched to break bulk to save cost and to remain competitive. This will have further impacts on container shipping. China, the biggest single country that imports US supplies, is expected to continuously ban U.S. GMO grains and poultry import. What's more, the green fence policy that regulates quality of recycled goods imports remains in force. These all post negative influence to US export volume. Furthermore, the slump in oil prices may be in favor of most of the productions, however, it causes severe impact on North America petrochemical industry. Resin price dropped dramatically along with fuel price, resin export is thus almost killed as it is getting difficult in covering its own cost. To summarize aforesaid, it is expected the 2015 U.S. export market to maintain the same at best, or the declining trend of 2014 could continue.

Far East to Europe/Mediterranean Trades

The economic conditions in European and Mediterranean regions have been gradually out of the shadow of debt crisis since the year of 2014. According to the data published by CTS (Container Trade Statistics), total allocation in the market for year 2014 increased by 3.7% than 2013. Meanwhile, there was 9.8% of growth in terms of cargo volume. Nevertheless, as a result of launching mega-vessels into the loops by carriers, most of services in the market could not be fully loaded. Following lack of confidence to push up the rate, ocean freight is as fair as that in 2013. With regard to the market in 2015, competition remains grim and fierce because carriers are encountered with the pressure to maintain the rate level, which is supposed to be affected by wrestle of geopolitics, uncertainty of economic recovery, EURO depreciation, and oversupply of space.

Europe/Mediterranean to Far East Trades

Although CTS' data indicates the cargo volume of Europe/Mediterranean east bound trade for year 2014 increased by 9% than 2013, ocean freight slightly dropped because of trade imbalance between west & east bounds and the enlargement of west bound space supply. In 2015, the demand of domestic market in China is one of the critical index to observe the possible growth of this trade, driven by domestic-demand-led growth policy in China and currency depreciation out of debt crisis in Europe. For this reason, the demand of Europe-export commodity is supposed to gradually increase.

Europe to North America Trade

Containerization demand from Europe to US was growing after Q2 in 2014. The consumer confidence and disposable expenditure ability were supported by increasing employment. In 2014, Evergreen loading factor is 95% which is higher than market average. In 2015, the cargo volume is expected to keep growing by the strong US dollar, however, the space supply will be affected by carriers' vessel cascading plans. The overall prospect of performance will be heading to look for the growth of cargo volume and profit in 2015.

North America to Europe Trade

Due to severe weather condition in Atlantic Ocean at the beginning of 2014, vessel schedule became unstable, together with vessel adjustment on TAE, 2014 EB lifting was affected. Market outlook for 2015 may curbed by Euro zone slow recovery and strong dollar not benefitting US export, however we will actively increase cargo source and improve cargo structure, the performance in 2015 is expected to be better than last year.

Far East to Caribbean Trade

In 2014, in addition to continued instability of political and economic situation in Venezuela among the Caribbean region, the majority of the country's economic growth was steady. After the routing reshuffle of AUE service by Suez Canal in May, coupled with the annual volume of buoyant shipment to the East Coast of United State, the ocean freight to Caribbean region was kept at high-end level due to supply was reduced, and full year market stability since May. For the outlook of 2015, the overall economy is expected to moderate growth in Caribbean sea region, forecasting economic growth of 1.9 percent.

Far East-Central/South America West Coast Trades

In 2014, with the continued intense competition from each shipping companies in this area, more and more shipping lines adjusted their own space by offering flexibility policy to meet market demand properly. The cargo volume has been keeping full made the annual ocean freight continued upward. For the outlook of 2015, the economic growth of this region is steady, the predictable new tonnage will be invested in this route, and we will adjust the fleet deployment to meet the challenge.

Far East-South America East Coast Trades

With regard to East Coast of South America trade of 2015, it will be a balance year in respect of supply-demand by disciplined of new capacity. The space utilization of Evergreen in first quarter is expected to stick on 90%, compared with same period of last year 70-80% loading. In spite of weak economic growth of Brazil and Argentina in 2015, the market outlook is still positive owing to the trade enhancement due to Chinese President visit Latin America in 2014 as well as the event of 2016 Olympic games in Brazil. In the meantime, the tradition peak season will push the rate increase by implementing GRR program from July to September in order to make ECSA more profitable for this trade.

Far East to Africa Trade

Due to the continuous expansion of the service routes and African local markets, the growth rate of overall volume has been increased more than 25% in 2014. Broader and more stable service networks to East and South African have been brought to customers through the upgrade of the fleets and the restructures of the services, whilst the launch of the direct service to West Africa has well lifted the quality of the service to this region. Evergreen's share in major markets has come to a higher level with such improvements. Based on IMF's projection for 2015, major countries in Africa will produce an average GDP growth of around 5%, with the exception of Republic of South Africa which will still see a 3% growth. This has again shown a strong sign of high-level economic growth with powerful momentum of this continent. We will continue the improvements on the service routes to offer better service to our customers.

Far East-Australia Trades

In 2014, as shipping lines keep expanding the capacity, the growth of supply has outpaced the market growth which resulted in substantial rate dropping, unsatisfactory revenue and suspension of our NEAX joint service in November. It is expected that the market will be still depressed in the short term and the turning point will be depended on when the market supply can be rationalized to improve the supply and demand situation. In order to enhancing the trade performance, we will keep optimizing the cargo structure and looking for space exchange chances with other carriers to strengthen service frequency and port coverage.

Far East-Middle East/Red Sea/Indian Subcontinent Trades

Due to the ease of UN sanctions against Iran, market demand to Middle East becomes stronger and service revenue grows in 2014. As to the Red Sea Market, after throat cutting competition and losses, carriers' service rationalization and re-structure from 2nd quarter has brought market supply/demand and service income to a better status. In 3rd quarter of 2014, Evergreen has launched a new service from Far East to Port Sudan and Djibouti through space swap with UASC's AEX2 service to uplift Evergreen's competitiveness in this market. Regarding India Subcontinent trades, it is witnessed a weak demand at the first half of 2014 due to the devaluation of currency. However, the market demand is picking up from 2nd half of 2014. Looking ahead to 2015, the GDP growth of Middle East's petroleum exporting countries are expected to be slow down due to the sharp dropping of oil price. However, as per IMF's prediction, the GDP growth of Middle East countries is still expected to be positive with range averagely among 2.8% to 3.3%. Thus, as long as the market supply does not lose control, we are still cautiously optimistic about Far East to Middle East and Red Sea Trades. As for Indian Subcontinent trades, the market is anticipated to keep steady in 2015 and we will seek for the opportunities to launch a new joint service to Indian Subcontinent, in order to expand our service networks to clients.

Intra-Asia Trades

The global market is recovery at a slow rate because of the QE shrink, wars, political conflicts, as well as a myriad of other potential risks in 2014. Simultaneously, with the stagnation of shipbuilding prices, there is a surplus of fleet provided by carriers which has caused intensive competitions in the marketplace as a result. According to the Intra-Asia Discussion Agreement (IADA), the supply capacity for Intra-Asia is still greater than the demand at a ratio of 1.38:1. According to "World Economic Situation and Prospects 2015" published by the UN on January 19, 2015, East-Asia still remain the world's fastest growing region. The growth rate of its economic is about 6.1%, and the marketplace of Intra-Asia is expected to grow slightly in the future. In addition with the decline in oil prices, there will be more and more new services to be launched in Intra-

Asia. The key points in order to stay competitive in the marketplace are the following: manage the miscellaneous costs, maintain the punctual sailing schedule and to better the cargo structure.

Reefer Cargo Business

Reefer business in 2014 was affected by various factors such as High fuel cost, slow steaming, China ban on U.S. poultry import, and Labor dispute issue in US. West Coast since the 4th Quarter, 2014.

The slump of fuel price in 2015 will reduce the reefer power supply cost and stimulate consumption to boost the reefer demand.

The alliance with CYKH is showing a positive result. With the increasing national incomes and flourishing infrastructural projects among emerging countries, reefer demands in the north-south trade lanes and inter-regional markets are active. The reefer break bulk fleet has been on the decline and some reefer cargoes are being diverted to use reefer containers continuously.

In 2015, we will keep processing the renewal of reefer equipment, and deploy the equipment in high reefer revenue contribution trades as first priority to optimize the income of reefer equipment.

Special equipment business

The global need for special equipment is still growing. To meet the trend of ULCV and market demand, Evergreen Line will continue with the investment on all types of flat and open top containers to explore more cargo sources.

(4) A niche for competition

Innovative Thinking

Many carriers rushed for new ship orders at the time when the market was bullish. However, the cost for shipbuilding was high then. It is not the best timing in pursuit of profit. Especially markets at the end of 2008 encountered the financial crisis, poor loading accommodation needed. Evergreen was able to remain resilient fleet configuration. The order for hiring or constructing this group of new ships, not only saves cost, also enjoys economies of scale. And its energy-saving effect is also in line with expectations, innovative in the timing of shipbuilding. Evergreen’s low operating costs, strengthened its competitiveness in the shipping market.

Meanwhile, as the international shipping market is constantly changing, it requires creative thinking to meet the challenges. Such as assigning “line managers” and through (KPI) Key Performing Indicators system to monitor the performance and make necessary adjustments, to make the best use of corporate assets and create the best interests.

Renowned Quality

Evergreen Marine quality of service enhancement efforts, in addition to winning customer trust and affirmation, has continued to gain international recognition and certification of media and organizations:

(1) In March 2014, the first green ship “Ever Lasting” built by Taiwan international shipbuilding company under Evergreen’s ship-building order was awarded “ship of the year award” by China Shipbuilding Institute of marine engineers. “Ever Lasting” was delivered in August 2013, accommodating 8,508 units 20 foot standard container, with length at 334.8 meters and beam at 45.8 meters. It has the best ship design, and is equipped with many advanced environmental protection equipment, currently holding the record of the largest container ship built by the Taiwanese shipyard. In addition, on the hull structure, for the first time, Taiwan Shipyard applied the high tension “HT47” steel which it co-developed with China Steel. By using lighter steel, it achieved the same degree of strength, and met the energy saving and low emissions environmental requirements.

(2) In June 2014, Evergreen was selected by the well-known shipping media “Bi-weekly Asian freight” (Cargonews Asia) the 28th “Asian freight supply chains Award” as the best marine company in Asian Shipping (Best Shipping Line-Intra-Asia).

The award selection criteria include the schedule accuracy, scope of e-commerce, customer service and shipping networks projects. In order to provide a better quality of shipping services, Evergreen has being active in replacing older tonnages for new ones, strengthening cooperation with strategic partners, through joint venture and slot swaps, continuous expansion of its network. Presently provides 60 service lines in the Asian shipping market weekly, transporting throughout East Asia, Southeast Asia, India subcontinent, and the Middle East’s major ports. The selection as being “Asia’s best regional shipping companies” shows the quality of service by Evergreen.

(3) In October 2014, Evergreen was awarded the “Annual Training” award by Lloyd newspaper media group, “Lloyd’s register Asia Awards (Lloyd’s List Asia Awards)”. This award affirms Evergreen’s long-term efforts, dedication in training, off-shore and on-land diligent professionals, commitments to provide quality shipping services and to guarantee operation safety.

E-Commerce

Evergreen Shipmentlink adopts a globalized approach of tactical arrangement to provide customer service locally. It has been upgraded and strengthens efficiency in 2014 by installing zero downtime deployment, monitoring and management of performance and availability of software applications and source code analysis tools. Such enhancement is for the purpose to enable Shipmentlink to be a safer, reliable and friendly e-commerce platform.

For regulatory compliance needs, Evergreen Line web site has generated a “CSR” (Corporate Social Responsibility) and “Interested Parties” page which published all related details and are downloadable.

Eco-Friendliness

Eco-friendliness and emission reduction remain our fundamental principles. Along with the deliveries of our group's 20 all-new L-type green ships since July 2012 (and totally 17 of them received up to the end of last year), the "optimized ship hull" concept, which emphases on material, configuration, and equipment, etc., is embodied in our fleet designing and shipbuilding to achieve best efficient and eco-friendly purposes. These design concepts will address ballast water treatment plant, minimum ballast and electronic controlled fuel injection engine with function under low-load condition. Equipped with all the environmental features, the L-type ships will reduce the drag and cut CO2 emissions by up to 15 percent compared to their S-type predecessors.

Besides, the "Environmental Guardians" pages on our website are continuously maintained so as to proactively share with customers our management of emissions, treatment of ballast and sludge, 19 state-of-the-art designs on L-type and other green instruments.

(5) Advantages, Disadvantages and Managing Strategies for Future Developments

Advantages

(1) After the financial crisis in year 2008, the global economy tumbled for several years, and is on a steady road to recovery. Although the bounce has been slower than expected, but per latest IMF forecasts, global economy whether in mature economies or emerging market and developing economies, will have positive development in the next 3 years. Global trade volume will grow.

(2) Since vessel rejuvenation scheme started, the deliveries of new vessels subsequently effected from 2012. Ship types are more comprehensive for better fleet structure and promoted significantly the overall operating efficiency.

(3) Evergreen is now formally a member of the CKYHE Alliance, service scope covering the three main traditional markets. Through the extended cooperation programs, alliance members will work with high operating flexibility, provide a full range of services, more populated route schedules and more stable time of delivery. Alliance members through close cooperation, continue to enhance the effective measures of energy saving and carbon reduction, preserving sustainable development of the marine environment.

Disadvantages

(1) Global boom will continue toward positive development, but a number of variables still underlie, such as: movements in international oil prices is highly uncertain, the Eurozone deflation problem, debt crisis in countries dependent on raw material exports, China economic slowdown larger than anticipated, geopolitical risks, all still

required close attention.

(2) Although the mega ship can promote economies of scale, reduce operating costs, but the market glut of space will create structural problem in the coming years, and building a more competitive environment.

(3) Due to unsufficient Major port facilities around the world and the slow progress on sailing channel dredging, combined with sometimes harsh climate and strained labor relations, the congestion of the Terminals is expected to surface in varying degrees in today's trend of mega-ships, resulting in increased cost to shipping lines, affecting the container import and export business.

Managing Strategies

(1) Not withstanding Evergreen is now a CKYHE member, in order to provide customers with quality services, all carriers that can serve to enhance port coverage, reduce costs, optimize the fleet structure and enhance competitiveness, can be partners to be considered. As long as they can provide more value added services, any form of joint service, such as joint vessel sharing, space swap and purchasing can be our options. Continue to provide better service routes according to customer's demand.

(2) Younger fleets can serve to promote Evergreen fleet configuration on the main routes, reduce costs and enhance competitiveness. We are now building and leasing fleet of 14 thousand TEU vessels, at the same time continue to find ship owners that can provide right conditions, to build more efficient fleets with economies of scale.

(3) Either leaders or basic employees, all should exert to carry out all Quantitative performance targets, KPI management and adjustment will make the overall operation easier to master. Thorough and successful implementation of the policy will be the backbone of a sustainable business enterprises.

2. Key usage and Manufacturing Process of Main Products

(1) Function of main products

Main Product	Functions
Container Shipping	Global transportation services of standard and special containerized cargoes.

(2) Manufacturing Process of Main Products

Being a container shipping transportation service provider, our disclosed service string and their adjustments are the detail process of our main products.

3. Supply of Main Materials

Being a container shipping transportation service provider, we do not have raw materials as manufacturers do, however we do have to use substantial fuels for transport equipment's consumption which can be deemed as main materials. Currently fuel cost takes more than 20% of our total operating costs while the percentage fluctuates with fuel price. Except being stably supplied by renowned vendors at major ports, we also tactically adjust fueling port rotations upon favorable fuel price in addition to strategic slow steaming measures for cost saving.

4. Main Customers Who Purchased over 10% of Total Sales in Recent 2 Years and their individual Purchase Amount and Share: None.

5. Company's total expense for environmental protection in 2014

In 2014, no major environmental pollution incident had occurred in our fleet vessels, and there was no loss and penalty fine happened. During year 2014, we simply spent on the routine maintenance of equipment, and additional costs for using low pollutant fuel and modifing one existing fuel oil storage tank. The details of expenses are listed below:

(1) The cost of maintenance and parts for equipment on board concerning environmental protection and modified fuel storage tank as Low-Sulfur amounted to USD 599,961.67.

(2) The cost for vessels using low-sulfur fuel for M/E, Generator Engine and Aux. boiler while sailing in Emission Control Area to comply with IMO regulation & CARB requirements of US west coast amounted to USD 29,726,109.76.

(3) The cost for vessels M/E, Generator and Aux. Boiler using Marine Gas oil when berthing EU port and using low-sulfur fuel oil while sailing in Emission control Amounted to USD 29,347,844.72.

6. Company's environmental protection policies and measures

The Company has established environmental protection policy based on caring for ocean, continuously upgrades shipboard equipment to reduce air pollution emission and manages its own fleets with requirements exceeding international regulation. The Company is currently undertaking the following measures for environmental protection:

(1) In compliance with the California Air Resources Board (CARB) regulation, fleet vessels sailing through the West Coast of U.S., within 24 nautical miles of the California baseline should use Marine Gas Oil for M/E, Generator Engines and Aux. Boiler as from July 1, 2009.

(2) Conduct strict audit and corrective action for fleet and make preparation beforehand in order to prevent deficiency and pollution occurring.

(3) All seafarers are given thoroughly environmental educations and training courses to

acquire correct environmental awareness and knowledge.

(4) Keep all environmental equipment on board in good condition for crew to operate smoothly.

(5) Continuously monitor the operating condition of vessel's main engine and auxiliary machineries. Take necessary actions immediately for efficiently using the fuel to reach the goal of energy conservation and carbon emission reduction.

(6) Maintain the validity of the statutory certificates such as IOPP, IAPP and ISPP for all vessels.

(7) Continuously join the GARD Protection and Indemnity (GARD P&I) insurance.

(8) Provide the Vessel Certificate of Financial Responsibility (COFR) for all vessels trading to United States to undertake the responsibilities and obligations if oil pollution occurs in US water.

(9) Voluntary join "Fair Winds Charter Program" to use 0.1 % m/m low sulfur fuel oil at berth for ocean-going vessels calling Hong Kong.

(10) Voluntary join "PANYNJ Ocean-Going Vessel Low-Sulfur Fuel Program" to use 0.2 % m/m low sulfur fuel oil at berth in New York/New Jersey, and reduce ship's speed to 10 knots or less in participation zone.

(11) Carry out M/E turbocharger cut-out operation to cooperate with vessel's slow steaming in order to reduce fuel oil consumption and GHG emission.

(12) Pay close attention to the development of international regulations for environmental protection. Complying with the new regulations allows the fleet to meet the requirements for environmental protection in ports and around the world.

(13) All ships sailing in Turkish waters must use Low Sulfur (Max. 0.1% m/m S) Marine Gas Oil (MGO) & Marine Diesel Oil (MDO) as from January 1, 2012.

(14) The North American Emission Control Area (ECA) entered into force on August 1, 2012. Upon that date, ships entering the ECA (200 miles offshore) will be required to use fuel with maximum sulfur content of 1.0% or use alternative compliance technology such as exhaust gas cleaning system.

(15) Commission AMP system and use shore power for all S-Type vessels berthing in port of USLAX as from December 2013.

(16) North Atlantic Right Whale Seasonal Speed Restrictions are in effect. Restrictions imposed by the NOAA require vessels to proceed at 10 knots or less in restricted areas during specific times of the year (from Nov. to Apr.) in the Mid-Atlantic and Southeast U.S. Seasonal Management Areas (SMAs) of the U.S. East Coast.

Vessels are allowed to operate at speeds greater than 10 knots, if necessary to maintain a safe maneuvering speed in areas where conditions are severely restricting ship's maneuverability. Any deviation from the speed restriction should be entered in the logbook.

(17) Commission AMP system and use shore power for all L-Type and S-Type vessels

berthing in port of USKOKL as from October 2014.

(18) After January 1, 2015, Vessels sailing and berthing in EU (SECA) must use Low-sulfur fuel oil (Max. 0.1% m/m S).

7. New international environmental protection regulations

(1) As part of the International Maritime Organization's (IMO) program to reduce the global sulfur content of marine fuels (Regulation 14 of MARPOL Annex VI), the global limit of sulfur content in marine fuels shall not exceed 3.5% as from January 1, 2012. This aims to reduce the sulfur oxides emitted by ships.

(2) Amendment of the Regulation on Fuel Sulfur and Other Operational Requirements for Ocean-Going Vessels within California Waters and 24 Nautical Miles of the California Baseline by California's ARB take effect from January 1, 2014:

a. Marine gas oil (DMA) at or below 1.5% sulfur is effective from July 1, 2009.

b. Marine gas oil (DMA) at or below 1.0% sulfur is effective from August 1, 2012.

c. Marine gas oil (DMA) or marine diesel oil (DMB) at or below 0.1% sulfur is effective from January 1, 2014.

The regulatory boundary is expanded in Southern California to be consistent with the Contiguous Zone. This new boundary includes the region 24 nautical miles from the California shoreline, including 24 nautical miles from the shoreline of the Channel Islands.

(3) According to the U.S. EPA 2013 VGP for vessels greater than 400 gross tons that have the capacity to store gray water, grey water must be discharged greater than 1 nm from shore while the vessel is underway as from December 19, 2013.

IMO	–	International Maritime Organization
MEPC	–	Maritime Environment Protect Committee
IOPP	–	International Oil Pollution Prevention
IAPP	–	International Air Pollution Prevention
ISPP	–	International Sewage Pollution Prevention

8. Code of Conduct/ Courtesy

As a leading container carrier, the Company consistently uphold the attitude of integrity, transparency and responsible to engage in business activities.

The Company establish "Guidelines for the Adoption of Codes of Ethical Conduct" in December 2014. The Guidelines are adopted for the purpose of encouraging directors, supervisors, and managerial officers to act in line with ethical standards, and to help interested parties better understand the ethical standards of the company. Beside this, for the implementation of the company philosophy and core values, all employees are required to:

(1) Observe the company's regulations and working manual as well as act loyally, responsibly and under the supervisors' orders, directions and supervision.

(2) Conduct themselves in an impartial, prudent and self-disciplined manner, protect the company's reputation, disregard bad habits, and respect fellow members.

(3) Perform their duties and responsibilities; cooperate and coordinate with interrelated departments to achieve the goals the company set.

(4) Commit to providing all its services strictly without any practices that could be construed as bribery and/or corruption.

(5) Strictly prohibited from discriminating against any employee, contractor or customer.

(6) Comply with any and all competition law regimes that are relevant to its countries of operation.

9. Protection Measures for Safe Work Environment and Labors Safety

The Company set up Occupational Safety and Health Division in accordance with the Occupational Safety and Health Act for the purpose of enhancing a complete occupational training mechanism and providing labors with a safe and healthy place of working environment. Continuous promotion of safety and health education is adopted to reduce the possibility of occupational accidents. The main functions of Occupational Safety and Health Division are described as below:

(1) Employees are required to observe Safety and Health Work Rules, as the Law is effective from its date of promulgation.

(2) Occupational Safety and Health Division is obliged to perform its duty and follow Occupational Safety and Health Act, arranging safety and health education and training for new and current employees.

(3) Regularly hold fire safety training education or drill under the Fire Service Act to employees.

(4) Clinic Division is established to provide periodic health examination, health care and medical assistance.

(5) Security guards are deployed day and night to protect the company's properties and labors' safety against occupational hazards.

(6) Sexual harassment is a violation of law. The company emphasizes its importance and set up designated telephone and e-mail address to handle the complaints concerning sexual harassment.

10. Social Responsibility

Evergreen Group is dedicated to social and charitable causes such as medical aid, emergency relief and promotion of education and cultural activities. Evergreen Marine Corporation has also worked closely with maritime schools in Taiwan to support marine education.

As a leading shipping company, Evergreen Line has adopted the most advanced shipbuilding design and technology to protect the environment. For example, Evergreen Line's latest vessels, the L-series containerships, are designed to minimize their impact on the environment. The line has introduced many measures aimed at reducing carbon emissions. More information about Evergreen's efforts for environmental protection and sustainable future is available at the company's website www.evergreen-line.com.

The ports of Los Angeles and Long Beach presented Evergreen Line with a 2011 Clean Air Action Plan Air Quality Awards, an honor given to those taking extraordinary measures to cut greenhouse gas emissions, modernize facilities and implement innovative operations to reduce air pollution. Evergreen Line was the sole maritime recipient of the Air Quality Improvement Leadership at the Corporate Level recognition.

At the 2013 Lloyd's List Global Awards Ceremony held in London, Evergreen Line was presented with the Environment Award. This Award recognizes our commitment to bring the highest quality of service to our customers while preserving the global ecosystem.

Evergreen Line was presented the Training Award in Lloyd List Asia Awards 2014 in Singapore. The Award in the Training Category is bestowed on the organization which has shown outstanding commitment in training its employees ashore and at sea and has demonstrated a significant contribution towards improving training standards.

11. Important Agreement

(1) Short-haul Agreements

AGREEMENT	THE 'PARTY'	DURATION	CONTENT	REMARK
Slot Exchange Agreement	YANG MING MARINE TRANSPORT CORP.	From : 2009.09.04 Till : Can be extended. It is subject to 60 days pre-notice prior to termination.	EMC slot exchanges with YML. (Pan Asia Services)	Slot guaranteed.
Slot Charter Agreement	FUJIAN FOREIGN TRADE CENTRE SHIPPING CO.	From: 2008.03.01 Till : 2009.02.28 Can be extended. It is subject to 90 days pre-notice prior to termination.	EMC slot charter from Fujian Foreign Trade Centre Shipping Co. (Fuzhou- Kaohsiung Shuttle Service)	Slot guaranteed.
Vessel Sharing Agreement	NINGBO OCEAN SHIPPING CO., LTD.	From: 2010.05.13 Till: 2011.05.12 Can be extended. It is subject to 90 days pre-notice prior to termination.	EMC is as slot charterer on Qingdao/Ningbo sector.	Slot guaranteed.
Slot Charter Agreement	CHINA UNITED LINES LTD.	From: 2010.09.27 Till: 2011.09.26 Can be extended. It is subject to 90 days pre-notice prior to termination.	EMC is as slot charterer on Shanghai, Ningbo/Taiwan sector.	Slot guaranteed.
Vessel Sharing Agreement	WAN HAI LINES LTD.	From: 2002.09.01 Till : 2003.08.31 Can be extended. It is subject to 90 days pre-notice prior to termination.	Operated by EMC and WHL jointly. (Japan-Taiwan/Hong Kong Service)	Slot guaranteed.

AGREEMENT	THE 'PARTY'	DURATION	CONTENT	REMARK
Vessel Sharing Agreement	WAN HAI LINES LTD.	From : 2008.09.12 Till : 2009.09.11 Can be extended. It is subject to 90 days pre-notice prior to termination.	Operated by EMC and WHL jointly. (Japan/Taiwan/ Philippines Service)	Slot guaranteed.
Vessel Sharing Agreement	1. OOCL (ASIA PACIFIC) LTD. 2. YANGMING (UK) LTD.	From: 2006.04.30 Till : 2007.04.29 Can be extended. It is subject to 90 days pre-notice prior to termination.	Operated by EMC, OOCL, YM (UK) Ltd. jointly. (Taiwan/Hong Kong/Viet-nam Service)	Slot guaranteed.
Vessel Sharing Agreement	1. WAN HAI LINES LTD. 2. HAPAG LLOYD CONTAINER LINE	From : 2006.04.30 Till : 2007.04.29 Can be extended. It is subject to 90 days pre-notice prior to termination.	Operated by EMC, WHL and HLCL jointly. (Taiwan/Mainland/Singa-pore/Malaysia/India Service)	Slot guaranteed.
Slot Exchange Agreement	WAN HAI LINES LTD.	From: 2009.02.22 Till : 2009.08.23 Can be extended. It is subject to 45 days pre-notice prior to termination.	EMC slot exchanges with WHL. (North East Asia/South East Asia/Korea/South East Asia Service)	Slot guaranteed.
Vessel Sharing Agreement	1. COSCO CON-TAINER LINES SOUTH EAST ASIA PTE. LTD. 2. SIMATECH SHIPPING	From : 2013.11.29 Till : 2014.05.28 Can be extended. It is subject to 60 days pre-notice prior to termination.	Operated by EMC, COSCONSEA and SSF jointly. (ASEAN-Persian Gulf-ISC Service)	Slot guaranteed.

AGREEMENT	THE 'PARTY'	DURATION	CONTENT	REMARK
Slot Exchange Agreement	SIMATECH SHIPPING & FORWARDING L.L.C.	From : 2009.10.17 Till : 2010.10.16 Can be extended. It is subject to 90 days pre-notice prior to termination.	EMC slot exchanges with SSF. (Intra Persian Gulf Service)	Slot guaranteed.
Slot Exchange Agreement	MCC TRANS-PORT SINGA-PORE PTE LTD.	From : 2011.12.09 Till: 2012.06.08 Can be extended. It is subject to 60 days pre-notice prior to termination.	EMC slot exchanges with MCC. (Vietnam-Malaysia-Indo-nesia Service vs Vietnam-Singapore Service)	Slot guaranteed.
Slot Exchange Agreement	CNC LINE (CMA CGM GROUP)	From: 2015.07.10 Till: 2016.01.09 Can be extended. It is subject to 60 days pre-notice prior to termination.	EMC slot exchanges with CNC. (China-Korea, Taiwan-Indo-nesia, Taiwan-Vietnam)	Slot guaranteed.
Vessel Sharing Agreement	1. SIMATECH SHIPPING PTE LTD. 2. K LINE 3. YANG MING LINES 4. HAPAG LLOYD	From: 2013.08.01 Till: 2014.07.31 Can be extended. It is subject to 90 days pre-notice prior to termination.	Operated by EMC, SSF, K Line, Yang Ming Lines and Hapag Lloyd (North China-India)	Slot guaranteed.
Vessel Sharing Agreement	COSCO CONTAINER LINES COMPANY LIMITED	From: 2011.09.09 Till: 2012.03.08 Can be extended. It is subject to 90 days pre-notice prior to termination.	Operated by EMC and COSCON. (China-Red Sea)	Slot guaranteed.

AGREEMENT	THE 'PARTY'	DURATION	CONTENT	REMARK
Slot Charter Agreement	WAN HAI LINES LTD.	From: 2014.09.01 Till: 2015.02.28 Can be extended. It is subject to 60 days pre-notice prior to termination.	EMC charter from WHL. (Japan-South China-Thai-land)	Slot guaranteed.
Slot Charter Agreement	WAN HAI LINES LTD.	From: 2014.09.01 Till: 2015.02.28 Can be extended. It is subject to 60 days pre-notice prior to termination.	EMC charter from WHL. (Korea - South East Asia)	Slot guaranteed.
Slot Exchange Agreement	HYUNDAI MER-CHANT MARINE CO., LTD.	From: 2012.05.08 Till: 2013.05.07 Can be extended. It is subject to 90 days pre-notice prior to termination.	EMC slot exchanges with HMM. (Asia – Middle East)	Slot guaranteed.
Slot Exchange Agreement	ACL	From: 2012.08.06 Till: 2013.02.05 Can be extended. It is subject to 90 days pre-notice prior to termination.	EMC slot exchanges with ACL. (Singapore/Malaysia/ Myanmar, Indonesia Service)	Slot guaranteed.
Vessel Sharing Agreement	1. KAWASAKI KISAN KAISHA LTD. 2. NIPPON YU-SEN KAISHA 3. MITSUI O.S.K. LINES LTD. 4. OOCL	From: 2011.09.01 Till: Subsequently extended. It is subject to 180 days pre-notice prior to termination.	Operated by EMC, K Line, NYK & OOCL jointly. (Asia/Australia service)	Slot guaranteed.

AGREEMENT	THE 'PARTY'	DURATION	CONTENT	REMARK
Vessel Sharing Agreement	1. YANG MING LINES 2. SINOTRANS 3. PIL	From: 2013.06.07 Till: 2014.06.07 Can be extended. It is subject to 90 days pre-notice prior to termination.	Operated by EMC, YML, SINOTRANS & PIL jointly.	Slot guaranteed.
Slot charter Agreement	MAERSK	From: 2007.12.01 Till: 2008.11.30 Can be extended and subject to 90 days pre-notice prior to termination.	EMC slot charter from Maersk. (South East Asia/Australia service)	Slot guaranteed. Terminated on 2014.06.30
Vessel Sharing Agreement	CMA CGM	From: 2013.05.02 Till: 2013.12.31 Can be extended. It is subject to 180 days pre-notice prior to termination.	Operated by EMC, CMACGM.	Slot guaranteed.
Vessel Sharing Agreement	HANJIN SHIPPING	From: 2013.11.22 Till: 2014.06.22 Can be extended. It is subject to 60 days pre-notice prior to termination.	Operated by EMC and Hanjin Shipping.	Slot guaranteed.
Vessel Sharing Agreement	Mariana Express	From: 2014.09.09 Till: 2015.03.08 Can be extended. It is subject to 60 days pre-notice prior to termination.	Operated by EMC and Mariana Express. (South China - East Malaysia service)	Slot guaranteed.

(2) Long-haul Agreements

AGREEMENT	THE 'PARTY'	DURATION	CONTENT	REMARK
Slot Exchange Agreement	CMA CGM S.A.	From: 2002.03.15 Till: 2003.03.31 Subsequently extended. It is subject to 90 days pre-notice prior to termination.	EMC slot exchange with CMA-CGM. (Far East / Europe service)	Slot guaranteed.
Vessel Sharing Agreement	1. COSCO CONTAINER LINE 2. ZIM LINE	From: 2013.05.11 Till: 2015.05.10 90 days pre-notice prior to termination.	Operated by EMC, COSCON & ZIM jointly (Far East/ S. America service)	Slot guaranteed.
Vessel Sharing Agreement	COSCO CONTAINER LINE	From : 2014.09.29 Till: It is subject to 90 days pre-notice prior to termination.	Operated by EMC & COSCON jointly. (Far East/ S. Africa)	Slot guaranteed.
Vessel Sharing Agreement	CKYH	From:2009.09.21 Till : 2011.09.20 Subsequently extended. It is subject to a 6-month pre-notice and such notice of termination may not be given prior to the end of the 6th month after deployment of the first vessel to the service, in principle on March 21, 2010.	Operated by ELJSA & CKYH JV. (Europe/East cost of America)	Slot guaranteed.

AGREEMENT	THE 'PARTY'	DURATION	CONTENT	REMARK
Slot Exchange Agreement	MITSUI O.S.K. LINES LTD.	From : 2010.04.10 Till: 2011.04.09 Subsequently extended. It is subject to a 3-month pre-notice prior to termination, not to be given earlier than 9 months after commencement.	ELJSA slot exchange with MOL. (Far East/USWC)	Slot guaranteed.
Vessel Sharing Agreement	MITSUI O.S.K. LINES LTD.	From : 2012.06.01 Till: 2013.05.31 Subsequently extended. It is subject to a 3-month pre-notice prior to termination, not to be given earlier than 9 months after commencement.	Operated by ELJSA & MOL. (Far East/USEC)	Slot guaranteed.
Slot Exchange Agreement	CHINA SHIPPING CONTAINER LINES	From : 2009.06.15 Till: 2011.06.14 Subsequently extended. It is subject to a 6-month pre-notice prior to termination, not to be given earlier than 18 months after commencement.	ELJSA slot exchange with CSCL. (Far East/USWC Service)	Slot guaranteed.
Slot Exchange Agreement	MAERSK	From : 2011.05.08 Till : 2012.05.07 Subsequently extended. It is subject to a 3-month pre-notice prior to termination, not to be given earlier than 9 months after commencement.	ELJSA slot exchange with Maersk. (Far East/USWC)	Slot guaranteed.

AGREEMENT	THE 'PARTY'	DURATION	CONTENT	REMARK
Vessel Sharing Agreement	1. COSCO CONTAINER LINE 2. WAN HAI LINES 3. PACIFIC INTERNATION-AL LINES	From : 2013.05.03 Till : 2014.05.02 It is subject to a 3-month pre-notice prior to termination, not to be given earlier than 3 months after commencement.	Operated by ELJSA & COSCON& WHL & PIL.	Slot guaranteed.
Vessel Sharing Agreement	1. COSCO CONTAINER LINE 2. WAN HAI LINES 3. PACIFIC INTERNATION-AL LINES	From : 2011.04.30 Till : 2012.04.30 It is subject to a 3-month pre-notice prior to termination, not to be given earlier than 3 months after commencement.	Operated by ELJSA & COSCON& WHL & PIL.	Slot guaranteed. WHL withdrawn on 2012.04.21. PIL withdrawn on 2013.06.15.
Slot Exchange Agreement	KAWASAKI KISAN KAISHA LTD.	From : 2011.12.11 Till : 2012.03.31 Subsequently extended. It is subject to 45 days pre-notice. Terminated in Apr. 2014.	ELJSA slot exchange with K Line. (Far East/Europe & Medi-terranean)	Slot guaranteed.
Slot Exchange Agreement	YANG MING (UK) LTD.	From : 2012.04.05 Till : 2013.04.05 Subsequently extended, it is subject to a 45 days pre-notice. Terminated in Apr. 2014.	ELJSA slot exchange with Yang Ming. (Far East/Mediterranean)	Slot guaranteed.
Vessel Sharing & Slot Exchange Agreement	HANJIN SHIPPING CO., LTD.	From: 2012.03.01 Till : 2013.03.01 Subsequently extended. It is subject to a 6-month pre-notice. Terminated in Apr. 2014.	Operated by ELJSA, HJS jointly, and ELJSA slot ex-change with Hanjin. (Far East/Europe & Medi-terranean)	Slot guaranteed.

AGREEMENT	THE 'PARTY'	DURATION	CONTENT	REMARK
Slot Exchange Agreement	COSCO CONTAINER LINES	From : 2012.04.01 Till : 2013.04.01 Subsequently extended. It is subject to a 6-month pre-notice. Terminated in Apr. 2014.	ELJSA slot exchange with COSCON.	Slot guaranteed.
Vessel Sharing & Slot Exchange Agreement	CKYHE Alliance	From : 2014.03.01 Till : 2016.02.28 Automatically extended by another two years, subject to a 6 months pre-notice.	Operated by CKYHE members including COSCON/K Line, YML, Hanjin, and ELJSA.	Slot guaranteed.
Vessel Sharing Agreement	1. HANJIN SHIPPING CO., LTD. 2. UASC	From: 2013.08.09 Till : 2014.08.09 Subsequently extended. It is subject to a 6-month pre-notice. Terminated in Aug. 2014.	Operated by ELJSA, HJS, and UASC jointly. (Europe / West Africa)	Slot guaranteed.
Slot Exchange Agreement	1. HANJIN SHIPPING CO., LTD. 2. UASC 3. MOL	From: 2014.02.28 Till : Aug. 2014.	WAF+WAF2 slot exchange with ARS. (Europe / West Africa)	Slot guaranteed.
Slot Exchange Agreement	COSCO CONTAINER LINES	From: 2014.05.15 Till : 2015.05.14 Subsequently extended, it is subject to a 3 months day pre-notice prior to termination.	ELJSA slot exchange with COS. (FE / USWC)	Slot guaranteed.
Slot Exchange Agreement	HANJIN SHIPPING CO., LTD.	From: 2014.05.19 Till : 2015.05.18 Subsequently extended, it is subject to a 3 months day pre-notice prior to termination.	ELJSA slot exchange with HJS. (FE / USWC)	Slot guaranteed.

AGREEMENT	THE 'PARTY'	DURATION	CONTENT	REMARK
Slot Chartering Agreement	HANJIN SHIPPING CO., LTD.	From: 2014.07.23 Till : It is subject to a 3 months pre-notice.	ELJSA slot chartering with HJS. (FE / USWC)	Slot guaranteed.
Vessel Sharing Agreement	COSCO CONTAINER LINES	From: 2014.05.16 Till : 2015.05.15 Subsequently extended. It is subject to a 6-month pre-notice.	Operated by ELJSA and COS jointly. (FE / USWC)	Slot guaranteed.
Vessel Sharing Agreement	1. HANJIN SHIPPING CO., LTD. 2. COSCO CONTAINER LINES	From: 2014.05.13 Till : 2015.05.12 Subsequently extended. It is subject to a 6-month pre-notice.	Operated by ELJSA, HJS, and COS jointly. (FE / USEC)	Slot guaranteed.
Vessel Sharing Agreement	1. HANJIN SHIPPING CO., LTD. 2. COSCO CONTAINER LINES	From: 2014.05.11 Till : 2015.05.10 Subsequently extended. It is subject to a 6-month pre-notice.	Operated by ELJSA, HJS, and COS jointly. (FE / USEC)	Slot guaranteed.
Slot Exchange Agreement	1. KLINE 2. Yang Ming	From: 2014.05.17 Till : 2015.05.16 Subsequently extended. It is subject to a 3-month pre-notice.	ELJSA slot exchange with K Line /Yang Ming. (FE / USEC)	Slot guaranteed.

1. The Brief Financial Statements For Recent Five Years - IFRSs

(1) Brief Consolidated Balance Sheets

Unit: Thousand NTD

Items \ Year		Financial Date From 2010 To 2014					The year ended March 31, 2015
		2010	2011	2012	2013	2014	
Current assets		The Group adopted R.O.C. GAAP for the preparation of consolidated financial statements for years 2010 ~ 2011.		55,558,966	56,741,092	57,268,959	56,606,808
Property, plant and equipment				57,895,081	76,169,083	99,524,289	101,882,577
Intangible assets				6,214	9,658	22,578	20,945
Other assets				41,739,461	42,089,458	32,110,533	32,498,183
Total assets				155,199,722	175,009,291	188,926,359	191,008,513
Current liabilities	Before distribution			30,233,250	34,276,386	40,653,084	42,156,326
	After distribution			-	-	-	-
Non-current liabilities				64,207,223	80,563,316	83,408,432	81,845,700
Total liabilities	Before distribution			94,440,473	114,839,702	124,061,516	124,002,026
	After distribution			-	-	-	-
Equity attributable to owners of the parent				57,492,204	57,242,048	60,909,295	62,910,268
Common stock				34,749,407	34,749,523	34,775,802	34,775,802
Capital surplus				7,271,879	7,271,957	7,292,458	7,985,241
Retained earnings	Before distribution			17,817,994	16,049,508	17,214,584	18,711,037
	After distribution			-	-	-	-
Other equity interest				(2,347,076)	(828,940)	1,626,451	1,438,188
Treasury shares				-	-	-	-
Non-controlling interest				3,267,045	2,927,541	3,955,548	4,096,219
Total equity	Before distribution			60,759,249	60,169,589	64,864,843	67,006,487
	After distribution			-	-	-	-

(2) Brief Consolidated Statements of Comprehensive Income

Unit: Thousand NTD

Items / Year	Financial Date From 2010 To 2014					The year ended March 31, 2015
	2010	2011	2012	2013	2014	
Operating revenue	The Group adopted R.O.C. GAAP for the preparation of consolidated financial statements for years 2010 ~ 2011.		141,026,391	139,216,384	144,284,374	35,304,000
Gross Profit			4,162,373	388,745	7,344,812	3,150,313
Operating income (loss)			(1,116,030)	(773,161)	3,786,089	1,823,194
Non-operating income and expenses			1,161,030	(815,986)	(546,231)	267,316
Profit (loss) before income tax			45,000	(1,589,147)	3,239,858	2,090,510
Profit (loss) from continuing operations			(211,671)	(2,046,804)	2,055,164	1,856,562
Profit (loss) from discontinued operation			-	-	-	-
Profit (loss) for the period			(211,671)	(2,046,804)	2,055,164	1,856,562
Other comprehensive income (loss), net of income tax			(2,829,994)	1,457,237	2,593,310	(379,191)
Total comprehensive income (loss)			(3,041,665)	(589,567)	4,648,474	1,477,371
Profit (loss), attributable to owners of the parent			312,544	(1,497,304)	1,176,039	1,525,952
Profit (loss), attributable to non-controlling interest			(524,215)	(549,500)	879,125	330,610
Comprehensive income (loss), attributable to owners of the parent			(1,942,231)	(250,135)	3,620,467	1,336,700
Comprehensive income (loss), attributable to non-controlling interest			(1,099,434)	(339,432)	1,028,007	140,671
Earnings per share (in dollars)			0.09	(0.43)	0.34	0.44

(3) Brief Parent Company Only Balance Sheets

Unit: Thousand NTD

Items		Financial Date From 2010 To 2014				
		2010	2011	2012	2013	2014
Current assets		The Company adopted R.O.C. GAAP for the preparation of financial statements for years 2010 ~ 2011.		16,938,622	19,271,637	20,382,555
Property, plant and equipment				9,686,753	14,006,137	20,522,164
Intangible assets				3,571	7,118	9,705
Other assets				67,997,143	65,551,503	63,378,770
Total assets				94,626,089	98,836,395	104,293,194
Current liabilities	Before distribution			7,102,223	9,192,585	13,740,189
	After distribution			-	-	14,087,947
Non-current liabilities				30,031,662	32,401,762	29,643,710
Total liabilities	Before distribution			37,133,885	41,594,347	43,383,899
	After distribution			-	-	43,731,657
Common stock				34,749,407	34,749,523	34,775,802
Capital surplus				7,271,879	7,271,957	7,292,458
Retained earnings	Before distribution			17,817,994	16,049,508	12,664,584
	After distribution			-	-	11,969,068
Other equity interest				(2,347,076)	(828,940)	1,626,451
Treasury shares				-	-	-
Total equity	Before distribution			57,492,204	57,242,048	60,909,295
	After distribution			-	-	60,561,537

(4) Brief Parent Company Only Statements of Comprehensive Income

Unit: Thousand NTD

Items \ Year	Financial Date From 2010 To 2014				
	2010	2011	2012	2013	2014
Operating revenue	The Company adopted R.O.C. GAAP for the preparation of financial statements for years 2010 ~ 2011.		16,220,232	19,508,830	26,151,838
Gross Profit			1,165,800	1,224,693	3,175,509
Operating income (loss)			(254,522)	(222,418)	3,588,070
Non-operating income and expenses			471,597	(1,229,184)	(1,646,500)
Profit (loss) before income tax			217,075	(1,451,602)	1,941,570
Profit (loss) from continuing operations			312,544	(1,497,304)	1,176,039
Profit (loss) from discontinued operation			-	-	-
Profit (loss) for the year			312,544	(1,497,304)	1,176,039
Other comprehensive income			(2,254,775)	1,247,169	2,444,428
Total comprehensive income			(1,942,231)	(250,135)	3,620,467
Earnings per share (in dollars)			0.09	(0.43)	0.34

2. The Brief Financial Statements For Recent Five Years - R.O.C. GAAP

(1) Brief Consolidated Balance Sheets

Unit: Thousand NTD

Items		Financial Date From 2010 To 2014				
	Year	2010	2011	2012	2013	2014
Current assets		44,000,391	46,094,690	55,769,066	The Group adopted IFRSs for the preparation of consolidated financial statements for years 2013 ~ 2014.	
Funds and investments		36,061,272	26,471,311	26,612,918		
Fixed assets		49,088,835	64,762,841	71,944,088		
Intangible assets		59,300	61,058	458,670		
Other assets		355,685	395,559	513,096		
Total assets		129,565,483	137,785,459	155,297,838		
Current liabilities	Before distribution	29,399,653	28,455,150	30,044,382		
	After distribution	32,557,197	-	-		
Long-term liabilities		26,358,127	39,816,885	58,742,282		
Other liabilities		3,586,138	3,911,889	4,082,333		
Total liabilities	Before distribution	59,343,918	72,183,924	92,868,997		
	After distribution	62,501,462	-	-		
Common stock		31,248,395	34,734,581	34,749,407		
Capital surplus		7,202,990	7,480,392	7,489,891		
Retained earnings	Before distribution	31,951,458	22,544,132	22,672,661		
	After distribution	28,793,914	-	-		
Unrealized gain (loss) on financial instruments		1,184,125	292,733	347,247		
Cumulative translation adjustments		(5,055,677)	(2,656,053)	(4,877,940)		
Unrecognized pension cost		(707,771)	(1,229,959)	(1,284,299)		
Minority interest		4,398,045	4,435,709	3,331,874		
Total stockholders' equity	Before distribution	70,221,565	65,601,535	62,428,841		
	After distribution	67,064,021	-	-		

(2) Brief Consolidated Statements of Income

Unit: Thousand NTD

Items \ Year	Financial Date From 2010 To 2014				
	2010	2011	2012	2013	2014
Operating income	109,353,176	108,156,058	141,028,128	The Group adopted IFRSs for the preparation of consolidated financial statements for years 2013 ~ 2014.	
Gross profit (loss)	17,830,972	(168,977)	4,079,204		
Operating income (loss)	12,718,697	(5,117,703)	(1,271,373)		
Non-operating income and gains	6,699,048	4,179,753	2,515,331		
Non-operating expenses and losses	662,168	2,481,205	1,399,136		
Income (loss) from continuing operations before income tax	18,755,577	(3,419,155)	(155,178)		
Income (loss) from continuing operations	17,772,567	(3,679,802)	(418,637)		
Income (loss) from discontinued operation	-	-	-		
Net income (loss)	17,772,567	(3,679,802)	(418,637)		
Earnings per share (in dollars)	4.49	(0.89)	0.04		

(3) Brief Non-Consolidated Balance Sheets

Unit: Thousand NTD

Items \ Year		Financial Date From 2010 To 2014				
		2010	2011	2012	2013	2014
Current assets		9,968,985	13,194,442	17,223,561	The Company adopted IFRSs for the preparation of financial statements for years 2013 ~ 2014.	
Funds and investments		68,104,188	64,053,206	60,961,730		
Fixed assets		11,360,775	15,007,157	17,566,708		
Intangible assets		16,072	14,465	12,858		
Other assets		206,384	191,923	173,250		
Total assets		89,656,404	92,461,193	95,938,107		
Current liabilities	Before distribution	10,636,628	7,152,186	7,074,119		
	After distribution	13,794,172	-	-		
Long-term liabilities		10,457,355	21,209,534	27,232,594		
Other Liabilities		2,738,901	2,933,647	2,534,428		
Total liabilities	Before distribution	23,832,884	31,295,367	36,841,141		
	After distribution	26,990,428	-	-		
Common stock		31,248,395	34,734,581	34,749,407		
Capital surplus		7,202,990	7,480,392	7,489,891		
Retained earnings	Before distribution	31,951,458	22,544,132	22,672,660		
	After distribution	28,793,914	-	-		
Unrealized gain (loss) on financial instruments		1,184,125	292,733	347,247		
Cumulative translation adjustments		(5,055,677)	(2,656,053)	(4,877,940)		
Unrecognized pension cost		(707,771)	(1,229,959)	(1,284,299)		
Total stockholders' equity	Before distribution	65,823,520	61,165,826	59,096,966		
	After distribution	62,665,976	-	-		

(4) Brief Non-Consolidated Statements of Income

Unit: Thousand NTD

Items \ Year	Financial Date From 2010 To 2014				
	2010	2011	2012	2013	2014
Operating income	17,026,011	15,361,235	16,220,232	The Company adopted IFRSs for the preparation of financial statements for years 2013 ~ 2014.	
Gross profit	1,773,310	730,144	1,143,262		
Operating income (loss)	84,967	(775,318)	(332,834)		
Non-operating income and gains	16,395,786	1,630,140	1,147,943		
Non-operating expenses and losses	615,871	4,001,530	774,643		
Income (loss) from continuing operations before income tax	15,864,882	(3,146,708)	40,466		
Income (loss) from continuing operations	15,165,451	(3,092,361)	128,531		
Income (loss) from discontinued operation	-	-	-		
Net income (loss)	15,165,451	(3,092,361)	128,531		
Earnings per share (in dollars)	4.49	(0.89)	0.04		

3. The Financial Analysis For Recent Five Years

(1) Consolidated Financial Analysis - IFRSs

Items / Year	2010	2011	2012	2013	2014	The year ended March 31, 2015
Capital structure analysis (%)	The Group adopted R.O.C. GAAP for the preparation of consolidated financial statements for years 2010 ~ 2011.					
Debt ratio			60.85	65.62	65.67	64.92
Long-term funds to property, plant and equipment			215.85	184.76	148.98	146.10
Liquidity analysis (%)						
Current ratio			183.77	165.54	140.87	134.28
Quick ratio			163.88	147.73	127.35	123.02
Times interest earned (times)			1.10	(2.86)	7.01	10.61
Operating performance analysis						
Receivable turnover (times)			13.20	10.46	10.30	2.57
Average collection days			28	35	35	35
Accounts payable turnover (times)			10.16	10.21	9.78	2.00
Property, plant and equipment turnover (times)			2.66	2.08	1.64	0.35
Total assets turnover (times)			0.96	0.84	0.79	0.19
Profitability analysis (%)						
Return ratio on total assets			0.11	(1.03)	1.38	1.07
Return ratio on total equity			(0.34)	(3.39)	3.29	2.82
Income before tax to capital stock			0.13	(4.57)	9.32	6.01
Profit after tax to net sales			(0.15)	(1.47)	1.42	5.26
Earnings per share (NT$)			0.09	(0.43)	0.34	0.44
Cash flow (%)						
Cash flow ratio			24.95	6.44	27.54	12.86
Cash flow adequacy ratio			34.33	32.97	68.43	46.60
Cash flow reinvestment ratio			4.35	1.16	5.57	2.67
Leverage						
Operating leverage			(8.63)	(9.66)	4.17	2.99
Financial leverage			0.71	0.65	1.17	1.14

(2) Parent Company Only Financial Analysis - IFRSs

Items \ Year	2010	2011	2012	2013	2014
Capital structure analysis (%)	The Company adopted R.O.C. GAAP for the preparation of financial statements for years 2010 ~ 2011.				
Debt ratio			39.24	42.08	41.59
Long-term funds to property, plant and equipment			903.54	640.03	441.24
Liquidity analysis (%)					
Current ratio			238.50	209.64	148.34
Quick ratio			229.55	201.42	142.61
Times interest earned (times)			151.71	(280.05)	510.31
Operating performance analysis					
Receivable turnover (times)			18.35	15.02	13.27
Average collection days			20	24	28
Accounts payable turnover (times)			7.64	9.64	10.35
Property, plant and equipment turnover (times)			1.81	1.65	1.51
Total assets turnover (times)			0.18	0.20	0.25
Profitability analysis (%)					
Return ratio on total assets			0.71	(1.22)	1.54
Return ratio on total equity			0.53	(2.61)	1.99
Income before tax to capital stock			0.62	(4.18)	5.58
Profit after tax to net sales			1.93	(7.68)	4.49
Earnings per share (NT$)			0.09	(0.43)	0.34
Cash flow (%)					
Cash flow ratio			53.04	32.96	22.97
Cash flow adequacy ratio			24.09	97.03	81.88
Cash flow reinvestment ratio			3.79	3.03	3.24
Leverage					
Operating leverage			(10.64)	(13.39)	3.10
Financial leverage			0.38	0.37	1.42

(3) Consolidated Financial Analysis – R.O.C. GAAP

Items \ Year	2010	2011	2012	2013	2014
Capital structure analysis (%)				The Group adopted IFRSs for the preparation of consolidated financial statements for years 2013 ~ 2014.	
Debt ratio	45.80	52.47	59.80		
Long-term funds to fixed assets	196.74	162.78	168.42		
Liquidity analysis (%)					
Current ratio	149.66	161.50	185.62		
Quick ratio	135.23	142.21	165.54		
Times interest earned (times)	39.73	(7.22)	0.66		
Operating performance analysis					
Receivable turnover (times)	12.32	12.09	13.20		
Average collection days	30	30	27		
Accounts payable turnover (times)	23.07	21.98	28.35		
Fixed assets turnover (times)	2.19	1.84	2.06		
Total assets turnover (times)	0.90	0.81	0.96		
Profitability analysis (%)					
Return ratio on total assets	14.91	(2.49)	(0.03)		
Return ratio on stockholders' equity	27.94	(5.42)	(0.65)		
Income before tax to capital stock	60.02	(9.84)	(0.45)		
Profit after tax to net sales	16.25	(3.40)	(0.30)		
Earnings per share (NT$)	4.49	(0.89)	0.04		
Cash flow (%)					
Cash flow ratio	76.82	(2.18)	26.26		
Cash flow adequacy ratio	80.83	56.88	46.69		
Cash flow reinvestment ratio	15.95	(2.44)	4.57		
Leverage					
Operating leverage	1.61	(0.48)	(5.50)		
Financial leverage	1.04	0.92	0.74		

(4) Non-Consolidated Financial Analysis – R.O.C. GAAP

Items \ Year	2010	2011	2012	2013	2014
Capital structure analysis (%)				The Company adopted IFRSs for the preparation of financial statements for years 2013 ~ 2014.	
Debt ratio	26.58	33.85	38.40		
Long-term funds to fixed assets	671.44	548.91	491.43		
Liquidity analysis (%)					
Current ratio	93.72	184.48	243.47		
Quick ratio	89.36	177.42	234.66		
Times interest earned (times)	49.85	(8.22)	1.10		
Operating performance analysis					
Receivable turnover (times)	21.75	18.27	18.34		
Average collection days	17	19	19		
Accounts payable turnover (times)	11.68	9.65	11.17		
Fixed assets turnover (times)	1.53	1.17	0.99		
Total assets turnover (times)	0.20	0.17	0.17		
Profitability analysis (%)					
Return ratio on total assets	18.14	(3.08)	0.50		
Return ratio on stockholders' equity	25.22	(4.87)	0.21		
Income before tax to capital stock	50.77	(9.06)	0.11		
Profit after tax to net sales	89.07	(20.13)	0.79		
Earnings per share (NT$)	4.49	(0.89)	0.04		
Cash flow (%)					
Cash flow ratio	45.28	27.67	56.89		
Cash flow adequacy ratio	49.82	35.54	20.92		
Cash flow reinvestment ratio	5.24	(1.19)	3.90		
Leverage					
Operating leverage	37.47	(2.79)	(8.13)		
Financial leverage	(0.35)	0.69	0.44		

4. Consolidated Financial Statements and Report of Independent Accountants

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Shareholders of Evergreen Marine Corporation (Taiwan) Ltd.

We have audited the accompanying consolidated balance sheets of Evergreen Marine Corporation (Taiwan) Ltd. and subsidiaries as of December 31, 2014 and 2013, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years ended December 31, 2014 and 2013. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these consolidated financial statements based on our audits. We did not audit the financial statements of all the consolidated subsidiaries. Those financial statements and the information disclosed in Note 13 were audited by other independent accountants whose reports thereon have been furnished to us, and our audit expressed herein is based solely on the audit reports of other independent accountants. The statements reflect total assets of NT$71,566,218 thousand and NT$63,885,643 thousand, constituting 37.88% and 36.50% of the total consolidated assets as of December 31, 2014 and 2013, respectively, and net operating revenues of NT$58,276,108 thousand and NT$46,627,813 thousand, constituting 40.39% and 33.49% of the total consolidated net operating revenues for the years ended December 31, 2014 and 2013, respectively. In addition, we did not audit the financial statements of all the investee companies accounted for using equity method. Those statements were audited by other independent accountants, whose reports thereon have been furnished to us, and our audit expressed herein, insofar as it relates to the amounts included for those investee companies accounted for using equity method and information disclosed in Note 13 relating to these long-term equity investments, is based solely on the audit reports of other independent accountants. Long-term investments in these investee companies amounted to NT$13,407,449 thousand and NT$14,323,875 thousand, constituting 7.10% and 8.18% of total consolidated assets as of December 31, 2014 and 2013, respectively, and comprehensive loss (including share of profit or loss and share of other comprehensive income of associates and joint ventures accounted for using equity method) was NT$1,992,235 thousand and NT$1,416,777 thousand for the years ended December 31, 2014 and 2013, respectively.

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and reports of other independent accountants provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of the other independent accountants, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Evergreen Marine Corporation (Taiwan) Ltd. as of December 31, 2014 and 2013, and the financial performance and cash flows for the years ended December 31, 2014 and 2013 in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

We have also audited the parent company only financial statements of Evergreen Marine Corporation (Taiwan) Ltd. as of and for the years ended December 31, 2014 and 2013, on which we have issued an unqualified opinion with explanatory paragraph thereon.

PricewaterhouseCoopers, Taiwan
March 31, 2015
Taipei, Taiwan
Republic of China

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.
As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan Dollars)

Assets	Notes	December 31, 2014 AMOUNT	%	December 31, 2013 AMOUNT	%
Current assets					
Cash and cash equivalents	6(1)	$ 32,826,541	17	$ 33,502,442	19
Financial assets at fair value through profit or loss - current	6(2)	-	-	5,172	-
Notes receivable, net		68,095	-	102,378	-
Accounts receivable, net	6(5)	14,167,175	8	12,873,750	7
Accounts receivable, net - related parties	7	451,085	-	351,973	-
Other receivables		441,545	-	503,412	-
Other receivables - related parties	7	318,063	-	344,493	-
Current income tax assets		2,788	-	9,225	-
Inventories	6(6)	4,492,807	2	5,181,840	3
Prepayments		1,005,630	1	924,452	1
Other current assets	6(7), 7 and 8	3,495,230	2	2,941,955	2
Current assets		57,268,959	30	56,741,092	32
Non-current assets					
Available-for-sale financial assets - non-current	6(3)	2,211,369	1	1,933,369	1
Held-to-maturity financial assets - non-current	6(4)	370,000	-	370,000	-
Investments accounted for using equity method	6(8)	23,550,100	13	23,900,852	14
Property, plant and equipment, net	6(9) and 8	99,524,289	53	76,169,083	44
Investment property, net	6(10) and 8	1,987,214	1	2,012,006	1
Intangible assets		22,578	-	9,658	-
Deferred income tax assets		377,361	-	487,294	-
Other non-current assets	6(11) and 8	3,614,489	2	13,385,937	8
Non-current assets		131,657,400	70	118,268,199	68
Total assets		$ 188,926,359	100	$ 175,009,291	100

(Continued)

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan Dollars)

Liabilities and Equity	Notes	December 31, 2014 AMOUNT	%	December 31, 2013 AMOUNT	%
Current liabilities					
Short-term loans	6(12)	$ -	-	$ 596,860	-
Accounts payable		14,385,006	8	12,225,896	7
Accounts payable - related parties	7	667,569	-	738,470	1
Other payables		2,399,967	1	1,981,136	1
Other payables - related parties	7	118,835	-	136,125	-
Current income tax liabilities		900,973	1	192,053	-
Other current liabilities	6(13) and 7	22,180,734	12	18,405,846	11
Current liabilities		40,653,084	22	34,276,386	20
Non-current liabilities					
Corporate bonds payable	6(14)	3,000,000	1	3,000,000	2
Long-term loans	6(15)	61,022,348	32	56,930,059	32
Deferred income tax liabilities		1,197,778	1	1,248,772	1
Other non-current liabilities	6(16)(17)	18,188,306	10	19,384,485	11
Non-current liabilities		83,408,432	44	80,563,316	46
Total liabilities		124,061,516	66	114,839,702	66
Equity attributable to owners of the parent					
Capital	6(19)				
Common stock		34,775,802	18	34,749,523	20
Capital surplus	6(20)				
Capital surplus		7,292,458	4	7,271,957	4
Retained earnings	6(21)				
Legal reserve		9,115,638	5	9,115,638	5
Special reserve		828,940	-	5,814,993	3
Unappropriated retained earnings		7,270,006	4	1,118,877	1
Other equity interest	6(22)				
Other equity interest		1,626,451	1	(828,940)	-
Equity attributable to owners of the parent		60,909,295	32	57,242,048	33
Non-controlling interest		3,955,548	2	2,927,541	1
Total equity		64,864,843	34	60,169,589	34
Significant Contingent Liabilities And Unrecognized Contract Commitments	9				
Significant Events After The Balance Sheet Date	11				
Total liabilities and equity		$ 188,926,359	100	$ 175,009,291	100

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 31, 2015.

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan Dollars, except earnings (loss) per share)

		For the years ended December 31			
		2014		2013	
	Notes	AMOUNT	%	AMOUNT	%
Operating revenue	6(23) and 7	$ 144,284,374	100	$ 139,216,384	100
Operating costs	6(28)(29) and 7	(136,937,563)	(95)	(138,827,639)	(99)
Gross profit		7,346,811	5	388,745	1
Unrealized profit from sales		(2,104)	-	-	-
Realized profit on from sales		105	-	-	-
Gross profit - net		7,344,812	5	388,745	1
Operating expenses	6(28)(29) and 7	(5,726,223)	(4)	(5,496,528)	(4)
Other gains - net	6(24)	2,167,500	1	4,334,622	3
Operating profit (loss)		3,786,089	2	(773,161)	-
Non-operating income and expenses					
Other income	6(25)	1,260,546	1	640,324	-
Other gains and losses	6(26)	253,192	-	62,308	-
Finance costs	6(27)	(539,372)	-	(412,086)	-
Share of loss of associates and joint ventures accounted for using equity method		(1,520,597)	(1)	(1,106,532)	(1)
Total non-operating income and expenses		(546,231)	-	(815,986)	(1)
Profit (loss) before income tax		3,239,858	2	(1,589,147)	(1)
Income tax expense	6(30)	(1,184,694)	(1)	(457,657)	-
Profit (loss) for the year		$ 2,055,164	1	($ 2,046,804)	(1)
Other comprehensive income (loss)					
Exchange differences on translating the financial statements of foreign operations		$ 2,072,748	2	$ 1,197,486	1
Unrealized gain on valuation of available-for-sale financial assets		235,857	-	392,306	-
Actuarial gain (loss) on defined benefit plan		7,582	-	(126,233)	-
Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method		278,822	-	(10,124)	-
Income tax relating to the components of other comprehensive (loss) income		(1,699)	-	3,802	-
Other comprehensive income for the year, net of income tax		$ 2,593,310	2	$ 1,457,237	1
Total comprehensive income (loss) for the year		$ 4,648,474	3	($ 589,567)	-
Profit (loss), attributable to:					
Owners of the parent		$ 1,176,039	-	($ 1,497,304)	(1)
Non-controlling interest		$ 879,125	1	($ 549,500)	-
Comprehensive income (loss) attributable to:					
Owners of the parent		$ 3,620,467	2	($ 250,135)	-
Non-controlling interest		$ 1,028,007	1	($ 339,432)	-
Earnings (loss) per share (in dollars)	6(31)				
Basic earnings (loss) per share		$ 0.34		($ 0.43)	
Diluted earnings (loss) per share		$ 0.34		($ 0.43)	

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 31, 2015.

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent										
				Retained Earnings			Other equity interest					
	Notes	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translating the financial statements of foreign operations	Unrealized gain or loss on available-for-sale financial assets	Hedging instrument gain (loss) on effective hedge of cash flow hedges	Total	Non-controlling interest	Total equity
Year 2013												
Balance at January 1, 2013		$ 34,749,407	$ 7,271,879	$ 9,102,785	$ 3,593,280	$ 5,121,929	($ 1,867,363)	($ 490,002)	$ 10,289	$ 57,492,204	$ 3,267,045	$ 60,759,249
Appropriations of 2012 earnings												
Legal reserve		-	-	12,853	-	(12,853)	-	-	-	-	-	-
Special reserve		-	-	-	2,221,713	(2,221,713)	-	-	-	-	-	-
Conversion of convertible bonds into common stock	6(19)(20)	116	99	-	-	-	-	-	-	215	-	215
Stock warrants of convertible bonds	6(20)	-	(21)	-	-	-	-	-	-	(21)	-	(21)
Adjustments to share of changes in equity of associates and joint ventures		-	-	-	-	(215)	-	-	-	(215)	(72)	(287)
Net loss for the year		-	-	-	-	(1,497,304)	-	-	-	(1,497,304)	(549,500)	(2,046,804)
Other comprehensive income (loss) for the year	6(22)	-	-	-	-	(270,967)	1,062,548	453,546	2,042	1,247,169	210,068	1,457,237
Balance at December 31, 2013		$ 34,749,523	$ 7,271,957	$ 9,115,638	$ 5,814,993	$ 1,118,877	($ 804,815)	($ 36,456)	$ 12,331	$ 57,242,048	$ 2,927,541	$ 60,169,589
Year 2014												
Balance at January 1, 2014		$ 34,749,523	$ 7,271,957	$ 9,115,638	$ 5,814,993	$ 1,118,877	($ 804,815)	($ 36,456)	$ 12,331	$ 57,242,048	$ 2,927,541	$ 60,169,589
Appropriations of 2013 earnings												
Reversal of special reserve		-	-	-	(4,986,053)	4,986,053	-	-	-	-	-	-
Conversion of convertible bonds into common stock	6(19)(20)	26,279	23,555	-	-	-	-	-	-	49,834	-	49,834
Stock warrants of convertible bonds	6(20)	-	(4,632)	-	-	-	-	-	-	(4,632)	-	(4,632)
Adjustments to share of changes in equity of associates and joint ventures	6(20)	-	1,578	-	-	-	-	-	-	1,578	-	1,578
Net profit for the year		-	-	-	-	1,176,039	-	-	-	1,176,039	879,125	2,055,164
Other comprehensive income (loss) for the year	6(22)	-	-	-	-	(10,963)	2,160,524	672,975	(378,108)	2,444,428	148,882	2,593,310
Balance at December 31, 2014		$ 34,775,802	$ 7,292,458	$ 9,115,638	$ 828,940	$ 7,270,006	$ 1,355,709	$ 636,519	($ 365,777)	$ 60,909,295	$ 3,955,548	$ 64,864,843

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 31, 2015.

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan Dollars)

	Notes	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES			
Consolidated profit (loss) before tax for the year		$ 3,239,858	($ 1,589,147)
Adjustments			
Income and expenses having no effect on cash flows			
Financial assets at fair value through profit or loss	6(26)	5,258	(18,963)
Depreciation	6(9)(10)	7,709,649	6,782,004
Amortization	6(28)	13,557	11,431
Bad debts expense	6(5)	27,675	25,442
Amortization of bond discounts		7,293	12,426
Interest income	6(25)	(326,060)	(249,529)
Interest expense	6(27)	539,372	412,086
Dividend income	6(25)	(142,227)	(122,975)
Gain on disposal of available-for-sale financial assets		-	(574)
Share of loss of associates and joint ventures accounted for using equity method		1,520,597	1,106,532
Net gain on disposal of property, plant and equipment		(2,167,500)	(4,342,038)
Gain on disposal of investments		(69,269)	-
Realized income with affiliated companies		(8,932)	-
Unrealized income with affiliated companies		1,999	-
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets at fair value through profit or loss		-	1,498,428
Notes receivable, net		40,481	32,366
Accounts receivable		(768,100)	418,160
Accounts receivable, net - related parties		(101,828)	(178,243)
Other receivables		83,980	229,180
Other receivables - related parties		43,800	(116,075)
Inventories		971,906	181,659
Prepayments		(51,905)	(127,821)
Other current assets		(428,385)	(875,519)
Other non-current assets		16,342	15,710
Net changes in liabilities relating to operating activities			
Accounts payable		1,547,335	(1,372,570)
Accounts payable - related parties		(89,658)	40,586
Other payables		178,044	(264,110)
Other current liabilities		269,268	1,297,728
Other non-current liabilities		(104,840)	62,343
Cash generated from operations		11,957,710	2,868,517
Interest received		326,060	249,529
Interest paid		(650,467)	(565,812)
Income tax paid		(435,765)	(343,972)
Net cash provided by operating activities		11,197,538	2,208,262

(Continued)

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan Dollars)

	Notes	2014	2013
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of available-for-sale financial assets		$ -	$ 586
Acquisition of investments accounted for using equity method	6(8)	(898,976)	(1,832,052)
Proceeds from disposal of investments accounted for using equity method		19,293	-
Disposal of subsidiaries		(151,665)	-
Acquisition of property, plant and equipment	6(32)	(4,102,999)	(9,997,442)
Proceeds from disposal of property, plant and equipment		2,802,660	6,309,585
Acquisition of intangible assets		(24,895)	(14,088)
Increase in other non-current assets	6(32)	(13,384,377)	(14,907,723)
Dividend received		487,877	436,503
Net cash used in investing activities		(15,253,082)	(20,004,631)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term loans		2,408,174	3,861,978
Decrease in short-term loans		(3,041,904)	(4,757,268)
Decrease in other payables	7	(4,779)	(29,326)
Increase in long-term loans		17,634,695	42,331,999
Decrease in long-term loans		(11,995,770)	(23,622,220)
Decrease in corporate bonds payable		(523,200)	-
(Decrease) increase in other non-current liabilities		(2,168,276)	1,179,565
Net change in non-controlling interest		-	(72)
Net cash provided by financing activities		2,308,940	18,964,656
Effect of exchange rate changes		1,070,703	349,447
(Decrease) increase in cash and cash equivalents		(675,901)	1,517,734
Cash and cash equivalents at beginning of year		33,502,442	31,984,708
Cash and cash equivalents at end of year		$ 32,826,541	$ 33,502,442

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 31, 2015.

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in thousands of New Taiwan Dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

Evergreen Marine Corporation (Taiwan) Ltd. (the "Company") was established in the Republic of China. The Company and its subsidiaries (collectively referred herein as the "Group") are mainly engaged in domestic and international marine transportation, shipping agency services, and the distribution of containers. The Company was approved by the Securities and Futures Bureau (SFB), Financial Supervisory Commission, Executive Yuan, R.O.C. to be a public company on November 2, 1982 and was further approved by the SFB to be a listed company on July 6, 1987. The Company's shares have been publicly traded on the Taiwan Stock Exchange since September 21, 1987.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorized by the Board of Directors on March 27, 2015.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS") as endorsed by the Financial Supervisory Commission ("FSC")

None.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

According to Financial-Supervisory-Securities-Auditing No. 1030010325 issued on April 3, 2014, commencing 2015, companies with shares listed on the TWSE or traded on the Taiwan GreTai Securities Market or Emerging Stock Market shall adopt the 2013 version of IFRS (not including IFRS 9, 'Financial instruments') as endorsed by the FSC and the "Regulations Governing the Preparation of Financial Reports by Securities Issuers " effective January 1, 2015 (collectively referred herein as the "2013 version of IFRSs") in preparing the consolidated financial statements. The related new standards, interpretations and amendments are listed below：

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Limited exemption from comparative IFRS 7 disclosures for first-time adopters (amendment to IFRS 1)	July 1, 2010
Severe hyperinflation and removal of fixed dates for first-time adopters (amendment to IFRS 1)	July 1, 2011
Government loans (amendment to IFRS 1)	January 1, 2013
Disclosures－Transfers of financial assets (amendment to IFRS 7)	July 1, 2011

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Disclosures－Offsetting financial assets and financial liabilities (amendment to IFRS 7)	January 1, 2013
IFRS 10, 'Consolidated financial statements'	January 1, 2013 (Investment entities: January 1, 2014)
IFRS 11,'Joint arrangements'	January 1, 2013
IFRS 12,'Disclosure of interests in other entities'	January 1, 2013
IFRS 13, 'Fair value measurement'	January 1, 2013
Presentation of items of other comprehensive income (amendment to IAS 1)	July 1, 2012
Deferred tax: recovery of underlying assets (amendment to IAS 12)	January 1, 2012
IAS 19 (revised), 'Employee benefits'	January 1, 2013
IAS 27,'Separate financial statements' (as amended in 2011)	January 1, 2013
IAS 28,'Investments in associates and joint ventures' (as amended in 2011)	January 1, 2013
Offsetting financial assets and financial liabilities (amendment to IAS 32)	January 1, 2014
IFRIC 20, 'Stripping costs in the production phase of a surface mine'	January 1, 2013
Improvements to IFRSs 2010	January 1, 2011
Improvements to IFRSs 2009－2011	January 1, 2013

Based on the Group's assessment, the adoption of the 2013 version of IFRS has no significant impact on the consolidated financial statements of the Group, except for the following：

A.IAS 19 (revised), 'Employee benefits'

The revised standard eliminates the corridor approach and requires actuarial gains and losses to be recognised immediately in other comprehensive income. Past service cost will be recognised immediately in the period incurred. Net interest expense or income, calculated by applying the discount rate to the net defined benefit asset or liability, replace the finance charge and expected return on plan assets. The return of plan assets, excluding net interest expenses, is recognised in other comprehensive income. An entity is required to recognise termination benefits at the earlier of when the entity can no longer withdraw an offer of those benefits and when it recognises any related restructuring costs. Additional disclosures are required to present how defined benefit plans may affect the amount, timing and uncertainty of the entity's future cash flows.

The Group expected to recognise previously unrecognised past service cost. Net interest expense or income, calculated by applying the discount rate to the net defined benefit asset or liability, replace the finance charge and expected return on plan assets. The Group increased deferred tax assets by $1,913 and accrued pension liabilities by $11,251 and decreased unappropriated earnings by $9,338 at January 1, 2014. The Group increased deferred tax assets by $6,735, accounts payable by $339, accrued pension liabilities by $26,507 and exchange differences on translation of foreign financial statements by $989 and decreased deferred tax liabilities by $939 and unappropriated earnings by $46 at December 31, 2014. The Group increased operating expenses by $28,490 and share of loss of associates and joint ventures accounted for using equity method by $40 and decreased operating costs by $415 and income tax expense by $8,000 for the year ended December 31, 2014.

B.IAS 1, 'Presentation of financial statements'

The amendment requires entities to separate items presented in OCI classified by nature into two groups on the basis of whether they are potentially reclassifiable to profit or loss subsequently when specific conditions are met. If the items are presented before tax then the tax related to each of the two groups of OCI items (those that might be reclassified and those that will not be reclassified) must be shown separately. Accordingly, the Group will adjust its presentation of the statement of comprehensive income.

C.IFRS 12, 'Disclosure of interests in other entities'

The standard integrates the disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured entities. Also, the Group will disclose additional information about its interests in consolidated entities and unconsolidated entities accordingly.

D.IFRS 13, 'Fair value measurement'

The standard defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The standard sets out a framework for measuring fair value using the assumptions that market participants would use when pricing the asset or liability; for non-financial assets, fair value is determined based on the highest and best use of the asset. Also, the standard requires disclosures about fair value measurements. Based on the Group's assessment, the adoption of the standard has no significant impact on its consolidated financial statements, and the Group will disclose additional information about fair value measurements accordingly.

(3) Effect of IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the 2013 version of IFRS as endorsed by the FSC:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
IFRS 9, 'Financial instruments'	January 1, 2018
Sale or contribution of assets between an investor and its associate or joint venture (amendment to IFRS 10 and IAS 28)	January 1, 2016
Investment entities: applying the consolidation exception (amendments to IFRS 10, IFRS 12 and IAS 28)	January 1, 2016
Accounting for acquisition of interests in joint operations (amendment to IFRS 11)	January 1, 2016
IFRS 14, 'Regulatory deferral accounts'	January 1, 2016
IFRS 15, 'Revenue from contracts with customers'	January 1, 2017
Disclosure initiative (amendment to IAS 1)	January 1, 2016
Clarification of acceptable methods of depreciation and amortisation (amendments to IAS 16 and IAS 38)	January 1, 2016
Agriculture: bearer plants (amendments to IAS 16 and IAS 41)	January 1, 2016
Defined benefit plans: employee contributions (amendment to IAS 19R)	July 1, 2014
Equity method in separate financial statements (amendment to IAS 27)	January 1, 2016
Recoverable amount disclosures for non-financial assets (amendment to IAS 36)	January 1, 2014
Novation of derivatives and continuation of hedge accounting (amendment to IAS 39)	January 1, 2014
IFRIC 21, 'Levies'	January 1, 2014
Improvements to IFRSs 2010-2012	July 1, 2014
Improvements to IFRSs 2011-2013	July 1, 2014
Improvements to IFRSs 2012-2014	January 1, 2016

The Group is assessing the potential impact of the new standards, interpretations and amendments above and has not yet been able to reliably estimate their impact on the consolidated financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

These consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs").

(2) Basis of preparation

A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:

(a)Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b)Available-for-sale financial assets measured at fair value.

(c)Liabilities on cash-settled share-based payment arrangements measured at fair value.

(d)Defined benefit liabilities recognized based on the net amount of pension fund assets plus unrecognized past period's service cost and unrecognized actuarial losses, and less present value of defined benefit obligation.

B. The preparation of financial statements in compliance with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group' accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements

(a)All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies. In general, control is presumed to exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. The existence and effect of potential voting rights that are currently exercisable or convertible have been considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

(b)Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

(c)Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(d)Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.

(e)When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss, on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

			Ownership (%)		
Name of Investor	Name of Subsidiary	Main business activities	December 31, 2014	December 31, 2013	Description
The Company	TTSC	Cargo loading and discharging	55.00	55.00	
The Company	Peony	Investments in transport-related business	100.00	100.00	
The Company	ETS	Terminal Services	100.00	100.00	
Peony	GMS	Container Shipping	100.00	100.00	
Peony	Clove	Investments in container yards and port terminals	100.00	100.00	
Peony	Vigor	Investment activities	-	100.00	(a)
Peony	EMU	Container shipping	51.00	51.00	
Peony	EHIC(M)	Manufacturing of dry steel containers and container parts	84.44	84.44	
Peony	Armand N.V.	Investments in container yards and port terminals	70.00	70.00	
Peony	KTIL	Loading, discharging, storage, repairs and cleaning of containers	20.00	20.00	(b)

Name of Investor	Name of Subsidiary	Main business activities	Ownership (%) December 31, 2014	Ownership (%) December 31, 2013	Description
Peony	MBPI	Containers storage and inspections of containers at the customs house	95.03	95.03	
Peony	MBT	Inland transportation, repairs and cleaning of containers	17.39	17.39	
Peony	EGS	Agency services dealing with port formalities	51.00	51.00	
Peony	EGK	Agency services dealing with port formalities	100.00	100.00	
Peony	EMI	Agency services dealing with port formalities	49.00	51.00	(c)
Peony	EGT	Agency services dealing with port formalities	51.00	51.00	
Peony	EGI	Agency services dealing with port formalities	99.99	99.99	
Peony	EMA	Agency services dealing with port formalities	67.50	67.50	
Peony	EIT	Agency services dealing with port formalities	55.00	55.00	
Peony	EES	Agency services dealing with port formalities	55.00	55.00	
Peony	ERU	Agency services dealing with port formalities	51.00	51.00	
Peony	EGD	Agency services dealing with port formalities	100.00	100.00	
Peony	EGUD	Agency services dealing with port formalities	100.00	100.00	
Peony	EGD-WWX	Agency services dealing with port formalities	100.00	100.00	
Peony	EGF	Agency services dealing with port formalities	100.00	100.00	
Peony	EGN	Agency services dealing with port formalities	100.00	100.00	

Name of Investor	Name of Subsidiary	Main business activities	Ownership (%) December 31, 2014	Ownership (%) December 31, 2013	Description
Peony	EGV	Agency services dealing with port formalities	51.00	51.00	
Peony	ESA	Agency services dealing with port formalities	55.00	55.00	
Peony	EGB	Real estate leasing	95.00	95.00	
EMU	Island	Investments in operating machinery and equipment of port terminals	15.00	15.00	
EMU	KTIL	Loading, discharging, storage, repairs and cleaning	20.00	20.00	(b)
EMU	EGU	Agency services dealing with port formalities	100.00	100.00	
EGD	EGDL	Agency services dealing with port formalities	100.00	100.00	
EGD	EGDV	Agency services dealing with port formalities	100.00	100.00	
Clove	Island	Investments in operating machinery and equipment of port terminals	36.00	36.00	
Armand N.V.	Armand B.V.	Investments in container yards and port terminals	100.00	100.00	
Island	Whitney	Investments and leases of operating machinery and equipment of port terminals	100.00	100.00	
Island	Hemlock	Investments and leases of operating machinery and equipment of port terminals	100.00	100.00	
MBPI	MBT	Inland transportation, repairs and cleaning of containers	72.95	72.95	

(a)On December 31, 2014, the shareholders have resolved to liquidate the indirect subsidiary – Vigor and the liquidation was completed on that date.

(b)The Group shall present consolidated financial statements in which it consolidates its investments in KTIL since control is presumed to exist when the Group merely owns 40% interests of the entity and when there is power to cast the majority of votes at meetings of the Board of Directors.

(c)On December 27, 2013, the Board of Directors has resolved that, on January 1, 2014, the subsidiary Peony Investment S.A. would sell 2 % of shares in the indirect subsidiary EMI at USD 11 thousand per share. The sale amounted to USD 193 thousand. The shareholding ratio was 49% after the sale, and the Group has lost the majority voting rights in the Board of Directors. Therefore, the Group has determined that it has lost control in the indirect subsidiary and the investment is accounted for using the equity method.

C. Subsidiary not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Nature and extent of the restrictions on fund remittance from subsidiaries to the parent company: None.

(4) <u>Foreign currency translation</u>

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in New Taiwan Dollars, which is the Company's functional and the Group's presentation currency.

A. Foreign currency transactions and balances

(a)Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

(b)Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.

(c)Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d)All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within ‘other gains and losses’.

B. Translation of foreign operations

(a)The operating results and financial position of all the group entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

(b)When the foreign operation partially disposed of or sold is an associate, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group still retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.

(c)When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Group still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(5) <u>Classification of current and non-current items</u>

A.Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a)Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;

(b)Assets held mainly for trading purposes;

(c)Assets that are expected to be realised within twelve months from the balance sheet date;

(d)Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

B.Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a)Liabilities that are expected to be paid off within the normal operating cycle;

(b)Liabilities arising mainly from trading activities;

(c)Liabilities that are to be paid off within twelve months from the balance sheet date;

(d)Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits with original maturities of one year or less that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(7) Financial assets at fair value through profit or loss

A.Financial assets at fair value through profit or loss are financial assets held for trading or financial assets designated as at fair value through profit or loss on initial recognition. Financial assets are classified in this category of held for trading if acquired principally for the purpose of selling in the short-term. Derivatives are also categorized as financial assets held for trading unless they are designated as hedges. Financial assets that meet one of the following criteria are designated as at fair value through profit or loss on initial recognition:

a)Hybrid (combined) contracts; or

b)They eliminate or significantly reduce a measurement or recognition inconsistency; or

c)They are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.

B.On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.

C.Financial assets at fair value through profit or loss are initially recognised at fair value. Related transaction costs are expensed in profit or loss. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognised in profit or loss.

(8) Available-for-sale financial assets

A.Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

B.On a regular way purchase or sale basis, available-for-sale financial assets are recognised and derecognised using trade date accounting.

C.Available-for-sale financial assets are initially recognised at fair value plus transaction costs. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognised in other comprehensive income. Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are presented in ‘financial assets carried at cost’.

(9) Held-to-maturity financial assets

A.Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturity date that the Group has the positive intention and ability to hold to maturity other than those that meet the definition of loans and receivables and those that are designated as at fair value through profit or loss or as available-for-sale on initial recognition.

B.On a regular way purchase or sale basis, held-to-maturity financial assets are recognised and derecognised using trade date accounting.

C.Held-to-maturity financial assets are initially recognised at fair value on the trade date plus transaction costs and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Amortisation of a premium or a discount on such assets is recognised in profit or loss.

(10) Notes, accounts and other receivables

Notes and accounts receivable are claims resulting from the sale of goods or services. Receivables arising from transactions other than the sale of goods or services are classified as other receivables. Notes, accounts and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. However, short-term accounts receivable without bearing interest are subsequently measured at initial invoice amount as effect of discounting is immaterial.

(11) Impairment of financial assets

A.The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired as a result of one or more events that occurred after the initial recognition of the asset (a ‘loss event’) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

B.The criteria that the Group uses to determine whether there is objective evidence of an impairment loss is as follows:

(a)Significant financial difficulty of the issuer or debtor;

(b)A breach of contract, such as a default or delinquency in interest or principal payments;

(c)The Group, for economic or legal reasons relating to the borrower’s financial difficulty, granted the borrower a concession that a lender would not otherwise consider;

(d)It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;

(e)The disappearance of an active market for that financial asset because of financial difficulties;

(f)Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial asset in the group, including adverse changes in the payment status of borrowers in the group or national or local economic conditions that correlate with defaults on the assets in the group;

(g)Information about significant changes with an adverse effect that have taken place in the technology, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in the equity instrument may not be recovered; or

(h)A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

C.When the Group assesses that there has been objective evidence of impairment and an impairment loss has occurred, accounting for impairment is made as follows according to the category of financial assets:

(a)Financial assets measured at cost

The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at current market return rate of similar financial asset, and is recognised in profit or loss. Impairment loss recognised for this category shall not be reversed subsequently. Impairment loss is recognised by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(b)Available-for-sale financial assets

The amount of the impairment loss is measured as the difference between the asset's acquisition cost (less any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss, and is reclassified from 'other comprehensive income' to 'profit or loss'. If, in a subsequent period, the fair value of an investment in a debt instrument increases, and the increase can be related objectively to an event occurring after the impairment loss was recognised, then such impairment loss is reversed through profit or loss. Impairment loss of an investment in an equity instrument recognised in profit or loss shall not be reversed through profit or loss. Impairment loss is recognised and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(12) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

A.The contractual rights to receive cash flows from the financial asset expire.

B.The contractual rights to receive cash flows from the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.

C.The contractual rights to receive cash flows from the financial asset have been transferred; however, the Group has not retained control of the financial asset.

(13) Leases (lessor)

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(14) Inventories

Inventories refer to fuel inventories and steel inventories. Fuel inventories are physically measured by the crew of each ship and reported back to the Head Office through telegraph for recording purposes at balance sheet date. Valuation of inventories is based on the exchange rate prevailing at balance sheet date.

The perpetual inventory system is adopted for steel inventory recognition. Steel inventories are stated at cost. The cost is determined using the weighted-average method. At the end of period, inventories are evaluated at the lower of cost or net realisable value, and the individual item approach is used in the comparison of cost and net realisable value. The calculation of net realisable value should be based on the estimated selling price in the normal course of business, net of estimated costs of completion and estimated selling expenses.

(15) Investments accounted for using equity method / associates

A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

C. When changes in an associate's equity that are not recognised in profit or loss or other comprehensive income of the associate and such changes not affecting the Group's ownership percentage of the associate, the Group recognises the Group's share of change in equity of the associate in 'capital surplus' in proportion to its ownership.

D. Unrealised gains and loss on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for using equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

F.Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.

G.When the Group disposes its investment in an associate, if it loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it still retains significant influence over this associate, then the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

H.When the Group disposes its investment in an associate, if it loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it still retains significant influence over this associate, then the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(16) Property, plant and equipment

A.Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.

B.Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C.Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D.The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings	20 ~ 60 years
Loading and unloading equipment	2 ~ 20 years
Ships	18 ~ 25 years
Transportation equipment	6 ~ 10 years
Lease assets	3 ~ 90 years
Other equipment	1 ~ 15 years

(17) Leased assets/ leases (lessee)

A.Based on the terms of a lease contract, a lease is classified as a finance lease if the Group assumes substantially all the risks and rewards incidental to ownership of the leased asset.

(a)A finance lease is recognised as an asset and a liability at the lease's commencement at the lower of the fair value of the leased asset or the present value of the minimum lease payments.

(b)The minimum lease payments are apportioned between the finance charges and the reduction of the outstanding liability. The finance charges are allocated to each period over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(c)Property, plant and equipment held under finance leases are depreciated over their estimated useful lives. If there is no reasonable certainty that the Group will obtain ownership at the end of the lease, the asset shall be depreciated over the shorter of the lease term and its useful life.

B.Payments made under an operating lease (net of any incentives received from the lessor) are recognised in profit or loss on a straight-line basis over the lease term.

C.The accounting treatment of sale and leaseback transactions depends on the substance of the transaction. If sale and finance leaseback is in substance a financing transaction, the difference between the sales proceeds and the carrying value of the asset is deferred and amortised to the income statement over the lease term. If the sale price is below the fair value, the difference between sale price and carrying amount should be recognised immediately except that, if a loss arising is compensated by future rent at below market price, it should be deferred and amortised in proportion to the rent payments over the period for which the asset is expected to be used. If the sale price is above the fair value, the excess of proceeds over fair value should be deferred and amortised over the period for which the asset is expected to be used.

(18) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 50 ~ 60 years.

(19) Intangible assets

Computer software is stated at cost and amortised on a straight-line basis over its estimated useful life of 3 years.

(20) Impairment of non-financial assets

The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

(21) Loans

A.Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

B.Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

(22) Accounts payable

Notes and accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. However, short-term accounts payable without bearing interest are subsequently measured at initial invoice amount as effect of discounting is immaterial.

(23) Financial liabilities at fair value through profit or loss

A.Financial liabilities at fair value through profit or loss are financial liabilities held for trading or financial liabilities designated as at fair value through profit or loss on initial recognition. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorized as financial liabilities held for trading unless they are designated as hedges. Financial liabilities that meet one of the following criteria are designated as at fair value through profit or loss on initial recognition:

(a)Hybrid (combined) contracts; or

(b)They eliminate or significantly reduce a measurement or recognition inconsistency; or

(c)They are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management policy.

B. Financial liabilities at fair value through profit or loss are initially recognised at fair value. Related transaction costs are expensed in profit or loss. These financial liabilities are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial liabilities are recognised in profit or loss. Derivative liabilities that are linked to equity instruments which do not have a quoted market price in an active market and whose fair value cannot be reliably measured, and that must be settled by delivery of such unquoted equity instruments are presented in 'financial liabilities measured at cost'.

(24) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(25) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(26) Financial liabilities and equity instruments

A. Ordinary corporate bonds issued by the Group are initially recognised at fair value, net of transaction costs incurred. Ordinary corporate bonds are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is accounted for as the premium or discount on bonds payable and presented as an addition to or deduction from bonds payable, which is amortised in profit or loss as an adjustment to the 'finance costs' over the period of bond circulation using the effective interest method.

B. Convertible corporate bonds issued by the Group contain conversion options (that is, the bondholders have the right to convert the bonds into the Group's common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Group classifies the bonds payable and derivative features embedded in convertible corporate bonds on initial recognition as a financial asset, a financial liability or an equity instrument. Convertible corporate bonds are accounted for as follows:

(a) Call options and put options embedded in convertible corporate bonds are recognised initially at net fair value as 'financial assets or financial liabilities at fair value through profit or loss'. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognised as 'gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss'.

(b) Bonds payable of convertible corporate bonds is initially recognised at fair value and subsequently stated at amortised cost. Any difference between the proceeds and the redemption value is accounted for as the premium or discount on bonds payable and presented as an addition to or deduction from bonds payable, which is amortised in profit or loss as an adjustment to the 'finance costs' over the period of bond circulation using the effective interest method.

(c)Conversion options embedded in convertible corporate bonds issued by the Group, which meet the definition of an equity instrument, are initially recognised in ‘capital surplus—stock warrants’ at the residual amount of total issue price less amounts of ‘financial assets or financial liabilities at fair value through profit or loss’ and ‘bonds payable—net’ as stated above. Conversion options are not subsequently remeasured.

(d)Any transaction costs directly attributable to the issuance of convertible corporate bonds are allocated to the liability and equity components in proportion to the allocation of proceeds.

(e)When bondholders exercise conversion options, the liability component of the bonds (including ‘bonds payable’ and ‘financial assets or financial liabilities at fair value through profit or loss’) shall be remeasured on the conversion date. The book value of common shares issued due to the conversion shall be based on the adjusted book value of the above-mentioned liability component plus the book value of capital surplus - stock warrants.

(27) Derivative financial instruments and hedging activities

A.Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Any changes in the fair value are recognised in profit or loss.

B.The Group designates certain derivatives as hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge).

C.The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

D.The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as current assets or liabilities.

E.Cash flow hedge

(a)The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the statement of comprehensive income within ‘other gains and losses’.

(b)Amounts accumulated in other comprehensive income are reclassified into profit or loss in the periods when the hedged item affects profit or loss. The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the statement of comprehensive income within ‘finance costs’. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or financial liability, the gains and losses previously deferred in other comprehensive income are reclassified into profit or loss in the periods when the asset acquired or the liability assumed affects profit or loss. The deferred amounts are ultimately recognised in operating costs.

(c)When a hedging instrument expires, or is sold, cancelled or executed, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in other comprehensive income at that time remains in other comprehensive income. When a forecast transaction occurs or is no longer expected to occur, the cumulative gain or loss that was reported in other comprehensive income is transferred to profit or loss in the periods when the hedged forecast cash flow affects profit or loss.

(28) Employee benefits

A.Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expenses in that period when the employees render service.

B.Pensions

(a)Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expenses when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b)Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised past service costs. The defined benefit net obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Group uses interest rates of government bonds (at the balance sheet date) instead.

ii. Actuarial gains and losses arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and adjust to undistributed earnings.

iii. Past service costs are recognised immediately in profit or loss if vested immediately; if not, the past service costs are amortised on a straight-line basis over the vesting period.

C.Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Group's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Group recognises termination benefits when it is demonstrably committed to a termination, when it has a detailed formal plan to terminate the employment of current employees and when it can no longer withdraw the plan. In the case of an offer made by the Group to encourage voluntary termination of employment, the termination benefits are recognised as expenses only when it is probable that the employees are expected to accept the offer and the number of the employees taking the offer can be reliably estimated. Benefits falling due more than 12 months after balance sheet date are discounted to their present value.

D.Employees' bonus and directors' and supervisors' remuneration

Employees' bonus and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal obligation or constructive obligation and those amounts can be reliably estimated. However, if the accrued amounts for employees' bonus and directors' and supervisors' remuneration are different from the actual distributed amounts as resolved by the stockholders at their stockholders' meeting subsequently, the differences should be recognised based on the accounting for changes in estimates. The Group calculates the number of shares of employees' stock bonus based on the fair value per share at the previous day of the stockholders' meeting held in the year following the financial reporting year, and after taking into account the effects of ex-rights and ex-dividends.

(29) <u>Income tax</u>

A.The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B.The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional 10% tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C.Deferred income tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

D.Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognised and recognised deferred income tax assets are reassessed.

E.Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

(30) Dividends

Dividends are recorded in the Company’s financial statements in the period in which they are approved by the Company’s shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(31) Revenue recognition

A.Sales of goods

Revenue is measured at the fair value of the consideration received or receivable taking into account of value-added tax, returns, rebates and discounts for the sale of goods to external customers in the ordinary course of the Group’s activities. Revenue arising from the sales of goods should be recognised when the Group has delivered the goods to the customer, the amount of sales revenue can be measured reliably and it is probable that the future economic benefits associated with the transaction will flow to the entity. The delivery of goods is completed when the significant risks and rewards of ownership have been transferred to the customer, the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the customer has accepted the goods based on the sales contract or there is objective evidence showing that all acceptance provisions have been satisfied.

B.Sales of services

Revenue from delivering services is recognised under the percentage-of-completion method when the outcome of services provided can be estimated reliably. The stage of completion of a service contract is measured by the percentage of the actual services performed as of the financial reporting date to the total services to be performed. If the outcome of a service contract cannot be estimated reliably, contract revenue should be recognised only to the extent that contract costs incurred are likely to be recoverable.

(32) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

(1) Critical judgements in applying the Group's accounting policies

Financial assets—impairment of equity investments

The Group follows the guidance of IAS 39 to determine whether a financial asset—equity investment is impaired. This determination requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the fair value of an equity investment is less than its cost and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

If the decline of the fair value of an individual equity investment below cost was considered significant or prolonged, the Group would transfer the accumulated fair value adjustments recognised in other comprehensive income on the impaired available-for-sale financial assets to profit or loss or being the recognition of the impairment loss on the impaired financial assets measured at cost in profit or loss. For the year ended December 31, 2014, the Group did not recognise any impairment loss on financial assets-equity investment.

(2) Critical accounting estimates and assumptions

A.Revenue recognition

Revenue from delivering services and related costs are recognised under the percentage-of-completion method when the outcome of services provided can be estimated reliably. The stage of completion of a service contract is measured by the percentage of the actual services performed as of the financial reporting date to the total services to be performed.

B.Impairment assessment of tangible and intangible assets (excluding goodwill)

The Group assesses impairment based on its subjective judgement and determines the separate cash flows of a specific group of assets, useful lives of assets and the future possible income and expenses arising from the assets depending on how assets are utilized and industrial characteristics. Any changes of economic circumstances or estimates due to the change of Group strategy might cause material impairment on assets in the future.

C.Impairment assessment of investments accounted for using equity method

The Group assesses the impairment of an investment accounted for using equity method as soon as there is any indication that it might have been impaired and its carrying amount cannot be recoverable. The Group assesses the recoverable amounts of an investment accounted for using equity method based on the present value of the Group's share of expected future cash flows of the investee, and analyzes the reasonableness of related assumptions.

D.Realisability of deferred income tax assets

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. Assessment of the realisability of deferred income tax assets involves critical accounting judgements and estimates of the management, including the assumptions of expected future sales revenue growth rate and profit rate, tax exempt duration, available tax credits, tax planning, etc. Any variations in global economic environment, industrial environment, and laws and regulations might cause material adjustments to deferred income tax assets.

As of December 31, 2014, the Group recognised deferred income tax assets amounting to $377,361.

E.Calculation of accrued pension obligations

When calculating the present value of defined pension obligations, the Group must apply judgements and estimates to determine the actuarial assumptions on balance sheet date, including discount rates and expected rate of return on plan assets. Any changes in these assumptions could significantly impact the carrying amount of defined pension obligations.

As of December 31, 2014, the carrying amount of accrued pension obligations was $2,840,806.

F.Financial assets—fair value measurement of unlisted stocks without active market

The fair value of unlisted stocks held by the Group that are not traded in an active market is determined considering those companies' recent funding raising activities, fair value assessment of other companies of the same type, market conditions and other economic indicators existing on balance sheet date. Any changes in these judgements and estimates will impact the fair value measurement of these unlisted stocks. Please refer to Note 12(3) for the financial instruments fair value information.

As of December 31, 2014, the carrying amount of unlisted stocks was $944,879.

G. Impairment assessment of financial assets without active markets

When there is an impairment indication that a financial instrument is impaired so the carrying amount of such investment may not be recoverable, the Group would assess the impairment loss of the investment accordingly. For a financial asset without an active market, the Group assesses its impairment based on the present value of estimated future cash flows from the expected cash dividends and disposal value discounted using the market rate of return at the balance sheet date for a similar financial instrument to determine its recoverable amount as well as by analysing the reasonableness of the related assumptions used.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2014	December 31, 2013
Cash on hand and petty cash	$ 16,994	$ 19,343
Checking accounts and demand deposits	8,404,158	6,123,427
Time deposits	24,075,581	27,269,759
Cash equivalents	329,808	89,913
	$ 32,826,541	$ 33,502,442

A. The Group transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote. The Group's maximum exposure to credit risk at balance sheet date is the carrying amount of all cash and cash equivalents.

B. The Group has no cash and cash equivalents pledged to others.

(2) Financial assets at fair value through profit or loss

Items	December 31, 2014	December 31, 2013
Current items:		
Financial assets held for trading		
Embedded derivatives	$ -	$ 5,172
Valuation adjustment	-	-
	$ -	$ 5,172

A. The Group recognised net loss of $5,258 and $4,389 on financial assets held for trading for the years ended December 31, 2014 and 2013, respectively, and recognised net gain of $23,352 on financial assets designated as at fair value through profit or loss on initial recognition for the year ended December 31, 2013.

B. The counterparties of the Group's debt instrument investments have good credit quality. The maximum exposure to credit risk at balance sheet date is the carrying amount of financial assets at fair value through profit or loss—debt instruments.

C. The Group has no financial assets at fair value through profit or loss pledged to others.

(3) Available-for-sale financial assets

Items	December 31, 2014	December 31, 2013
Non-current items:		
Listed (TSE and OTC) stocks	$ 490,801	$ 490,801
Emerging stocks	1,250,000	1,250,000
Unlisted stocks	268,972	258,845
	2,009,773	1,999,646
Valuation adjustment	203,440	(64,433)
Accumulated impairment	(1,844)	(1,844)
	$ 2,211,369	$ 1,933,369

A. The Group recognised $267,873 and $393,414 in other comprehensive income for fair value change for the years ended December 31, 2014 and 2013, respectively.

B. The Group recognised impairment loss of $1,844 on unlisted stocks.

(4) Held-to-maturity financial assets

Items	December 31, 2014	December 31, 2013
Non-current items:		
Financial bonds	$ 370,000	$ 370,000

A. The Group recognised interest income of $10,271 and $10,272 for amortised cost in profit or loss for the years ended December 31, 2014 and 2013, respectively.

B. The counterparties of the Group's investments have good credit quality. The maximum exposure to credit risk at balance sheet date is the carrying amount of held-to-maturity financial assets.

C. The Group has no held-to-maturity financial assets held by the Group pledged to others.

(5) Accounts receivable, net

	December 31, 2014	December 31, 2013
Accounts receivable	$ 14,204,264	$ 12,908,034
Less: allowance for bad debts	(37,089)	(34,284)
	$ 14,167,175	$ 12,873,750

A. The credit quality of accounts receivable that were neither past due nor impaired was in the following categories based on the Group's credit quality control policy.

	December 31, 2014	December 31, 2013
Group 1	$ 1,340,048	$ 871,232
Group 2	11,353,551	9,179,953
	$ 12,693,599	$ 10,051,185

Note:

Group 1: Low risk: The Group's ten largest customers, with sound performance and high transparency of financial information, are approved based on the Group's credit quality control policy.

Group 2: General risk.

B. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

	December 31, 2014	December 31, 2013
Up to 30 days	$ 1,166,474	$ 2,426,023
31 to 180 days	307,102	396,542
	$ 1,473,576	$ 2,822,565

The above ageing analysis was based on past due date.

C. Movement analysis of financial assets that were impaired is as follows:

(a)As of December 31, 2014 and 2013, the Group's accounts receivable that were impaired amounted to $37,089 and $34,284, respectively.

(b)Movements on the Group provision for impairment of accounts receivable are as follows:

	2014		
	Individual provision	Group provision	Total
At January 1	($ 34,284)	$ -	($ 34,284)
Provision for impairment	(27,675)	-	(27,675)
Reversal of impairment	23,320	-	23,320
Net exchange differences	1,550	-	1,550
At December 31	($ 37,089)	$ -	($ 37,089)

	2013		
	Individual provision	Group provision	Total
At January 1	($ 35,713)	$ -	($ 35,713)
Provision for impairment	(25,442)	-	(25,442)
Reversal of impairment	24,042	-	24,042
Write-offs during the period	2,061	-	2,061
Net exchange differences	768	-	768
At December 31	($ 34,284)	$ -	($ 34,284)

D. The maximum exposure to credit risk at December 31, 2014 and 2013 was the carrying amount of each class of accounts receivable.

E. The Group does not hold any collateral as security.

(6) Inventories

	December 31, 2014		
	Cost	Allowance for valuation loss	Book value
Ship fuel	$ 3,904,729	$ -	$ 3,904,729
Steel and others	588,078	-	588,078
	$ 4,492,807	$ -	$ 4,492,807

	December 31, 2013		
	Cost	Allowance for valuation loss	Book value
Ship fuel	$ 4,573,991	$ -	$ 4,573,991
Steel and others	607,849	-	607,849
	$ 5,181,840	$ -	$ 5,181,840

(7) Other current assets

	December 31, 2014	December 31, 2013
Shipowner's accounts	$ 2,161,105	$ 1,300,821
Agency accounts	728,386	730,648
Other financial assets	275,244	498,664
Temporary debits	330,495	411,822
	$ 3,495,230	$ 2,941,955

A. Shipowner's accounts:

(a) Temporary accounts, between the Group and other related parties – Evergreen International S.A., Gaining Enterprise S.A., Italia Marittima S.p.A., Evergreen Marine (Hong Kong) Ltd. and Evergreen Marine (Singapore) Pte. Ltd. incurred due to foreign port formalities and pier rental expenses.

(b) In response to market competition and enhancement of global transportation network to provide better logistics services to customers, the Group has joined Cosco Container Lines Co., Ltd., Kawasaki Kisen Kaisha, Ltd., Yang Ming (UK), Ltd. and Hanjin Shipping Co., Ltd. to form the new CKYHE Alliance Transactions for trading of shipping spaces.

B. Agency accounts:

The Group entered into agency agreements with its related parties, whereby the related parties act as the Group's agents to deal with domestic and foreign port formalities, such as arrival and departure of the Group's ships, cargo stevedoring and forwarding, freight collection, and payment of expenses incurred in domestic and foreign ports.

(8) Investments accounted for using equity method

A. Details of long-term equity investments accounted for using equity method are set forth below:

	December 31, 2014	December 31, 2013
Evergreen International Storage and Transport Corporation	$ 8,323,749	$ 7,775,737
EVA Airways Corporation	6,544,364	6,922,314
Taipei Port Container Terminal Corporation	1,469,596	1,461,922
Charng Yang Development Co., Ltd.	484,175	448,138
Luanta Investment (Netherlands) N.V.	2,439,505	2,464,517
Balsam Investment (Netherlands) N.V.	696,474	1,663,148
Colon Container Terminal S.A.	2,671,525	2,424,893
Others	920,712	740,183
	$ 23,550,100	$ 23,900,852

B. The fair value of the Group's associates which have quoted market price was as follows:

	December 31, 2014		December 31, 2013	
Evergreen International Storage and Transport Corporation	$	7,781,544	$	8,820,496
EVA Airways Corporation		13,943,054		10,449,422
	$	21,724,598	$	19,269,918

C. Investment income (loss) accounted for using equity method was based on the financial statements of the investee companies for the corresponding periods which are audited by independent accountants.

D. The Board of Directors has resolved that the subsidiary - Peony Investment S.A. to participate in Balsam Investment (Netherlands) N.V.'s capital increase as the original shareholder, and the investment amount was EUR 19,600 thousand and EUR 14,700 thousand for the years ended December 31, 2014 and 2013, respectively. The shareholding ratio remained at 49% after the capital increase and at Balsam Investment (Netherlands) N.V. is accounted for using the equity method.

E. As resolved by the Board of Directors, the Company's subsidiary, Peony Investment S.A. participated in the cash capital increase of Luanta Investment (Netherlands) N.V. according to its original ownership stake as an original shareholder. The capital increase amounted to EUR 1,600 for the year ended December 31, 2014. The shareholding ratio remained at 50% after the capital increase and Luanta Investment (Netherlands) N.V. is accounted for using equity method.

F. The Company and its indirect subsidiary Armand Estate B.V. (The Company's percentage of ownership was 70%) planned to participate directly in the issuance of new shares by Taipei Port Container Terminal Corporation for cash at the Board of Directors' meeting on March 26, 2013 and May 10, 2013, with the additional cash of $ 210,342 and USD 3,222 thousand, respectively. The Company's percentage of ownership in Taipei Port Container Terminal Corporation was 21.03% and 9.73%, respectively, after the capital increase, and the percentage of combined holding was 27.85%.

G.The financial information of the Group's principal associates is summarized below:

	Assets	Liabilities	Revenue	Profit/(Loss)	% Interest held
December 31, 2014					
Evergreen International Storage and Transport Corporation	$ 24,761,370	$ 3,760,951	$ 4,604,468	$ 668,344	39.74%
EVA Airways Corporation	151,487,620	117,095,736	116,921,858	(1,306,724)	19.32%
Taipei Port Container Terminal Corporation	13,082,368	8,310,436	1,383,879	24,947	27.85%
Charng Yang Development Co., Ltd.	1,906,323	112,220	253,730	162,193	40.00%
Luanta Investment (Netherlands) N.V.	5,523,480	644,469	-	(454,368)	50.00%
Balsam Investment (Netherlands) N.V.	1,421,377	-	-	(3,472,805)	49.00%
Colon Container Terminal S.A.	8,772,753	1,866,886	1,455,701	218,187	40.00%
Others	4,027,416	1,611,710	3,401,154	599,805	-
	$ 210,982,707	$ 133,402,408	$ 128,020,790	($ 3,560,421)	

	Assets	Liabilities	Revenue	Profit/(Loss)	% Interest held
December 31, 2013					
Evergreen International Storage and Transport Corporation	$ 23,254,491	$ 3,628,722	$ 4,498,773	$ 580,653	39.74%
EVA Airways Corporation	139,394,778	103,556,745	110,747,462	747,450	19.32%
Taipei Port Container Terminal Corporation	13,323,400	8,576,415	1,186,358	(131,256)	27.85%
Charng Yang Development Co., Ltd.	1,920,841	216,830	250,456	160,227	40.00%
Luanta Investment (Netherlands) N.V.	5,498,152	569,119	-	(362,518)	50.00%
Balsam Investment (Netherlands) N.V.	3,394,180	-	-	(3,424,827)	49.00%
Colon Container Terminal S.A.	8,249,729	1,960,440	1,703,424	399,205	40.00%
Others	2,998,878	938,860	3,070,346	513,527	-
	$ 198,034,449	$ 119,447,131	$ 121,456,819	($ 1,517,539)	

(9) Property, plant and equipment

	Land	Buildings	Machinery equipment	Loading and unloading equipment	Computer and communication equipment	Transportation equipment	Ships	Office equipment	Lease assets	Leasehold improvements	Total
At January 1, 2014											
Cost	$ 732,621	$ 1,860,505	$767,850	$6,496,491	$ 313,365	$ 19,892,061	$72,704,920	$ 542,631	$21,665,751	$ 215,363	$ 125,191,558
Accumulated depreciation	-	(1,018,845)	(545,501)	(4,987,724)	(264,008)	(9,800,923)	(29,338,110)	(449,761)	(2,516,746)	(100,857)	(49,022,475)
	$ 732,621	$ 841,660	$222,349	$1,508,767	$ 49,357	$ 10,091,138	$43,366,810	$ 92,870	$19,149,005	$ 114,506	$ 76,169,083
2014											
Opening net book amount	$ 732,621	$ 841,660	$222,349	$1,508,767	$ 49,357	$ 10,091,138	$43,366,810	$ 92,870	$19,149,005	$ 114,506	$ 76,169,083
Additions	111,957	1,421	2,376	141,179	14,122	3,395,862	374,550	30,406	18,503	13,060	4,103,436
Disposals	-	-	(1,178)	(11,507)	(194)	(601,268)	-	(2,146)	(55,405)	-	(671,698)
Reclassifications	-	-	-	1,146,420	(1,659)	-	23,042,078	46	(161,485)	-	24,025,400
Depreciation	-	(59,703)	(31,613)	(256,459)	(21,027)	(1,749,897)	(3,663,484)	(32,367)	(1,846,465)	(28,898)	(7,689,913)
Effect of consolidated entity's movement	-	-	-	-	-	-	(14,675)	(3,959)	-	-	(18,634)
Net exchange differences	(923)	9,106	414	78,029	(297)	509,250	1,924,858	(793)	1,086,750	221	3,606,615
Closing net book amount	$ 843,655	$ 792,484	$192,348	$2,606,429	$ 40,302	$ 11,645,085	$65,030,137	$ 84,057	$18,190,903	$ 98,889	$ 99,524,289
At December 31, 2014											
Cost	$ 843,655	$ 1,846,873	$757,910	$7,521,651	$ 256,551	$ 17,894,326	$99,827,604	$ 513,386	$22,761,125	$ 228,617	$ 152,451,698
Accumulated depreciation	-	(1,054,389)	(565,562)	(4,915,222)	(216,249)	(6,249,241)	(34,797,467)	(429,329)	(4,570,222)	(129,728)	(52,927,409)
	$ 843,655	$ 792,484	$192,348	$2,606,429	$ 40,302	$ 11,645,085	$65,030,137	$ 84,057	$18,190,903	$ 98,889	$ 99,524,289

	Land	Buildings	Machinery equipment	Loading and unloading equipment	Computer and communication equipment	Transportation equipment	Ships	Office equipment	Lease assets	Leasehold improvements	Total
At January 1, 2013											
Cost	$749,419	$ 1,840,389	$706,861	$ 6,408,130	$ 333,742	$ 22,581,661	$ 55,425,994	$ 551,708	$17,253,977	$ 304,995	$106,156,876
Accumulated depreciation	-	(936,919)	(578,148)	(4,788,983)	(272,993)	(14,062,342)	(25,986,103)	(441,122)	(1,088,739)	(106,446)	(48,261,795)
	$749,419	$ 903,470	$128,713	$ 1,619,147	$ 60,749	$ 8,519,319	$ 29,439,891	$ 110,586	$16,165,238	$ 198,549	$ 57,895,081
2013											
Opening net book amount	$749,419	$ 903,470	$128,713	$ 1,619,147	$ 60,749	$ 8,519,319	$ 29,439,891	$ 110,586	$16,165,238	$ 198,549	$ 57,895,081
Additions	-	3,443	126,138	125,534	15,435	5,624,158	212,073	18,375	3,859,063	12,592	9,996,811
Disposals	-	(312)	(2,630)	(9,972)	(1,527)	(1,919,929)	-	(266)	(28,931)	-	(1,963,567)
Reclassifications	-	-	-	9,476	(617)	-	15,747,670	623	57,079	(67,257)	15,746,974
Depreciation	-	(62,338)	(20,654)	(268,482)	(24,492)	(2,271,597)	(2,684,881)	(36,668)	(1,367,007)	(25,817)	(6,761,936)
Net exchange differences	(16,798)	(2,603)	(9,218)	33,064	(191)	139,187	652,057	220	463,563	(3,561)	1,255,720
Closing net book amount	$732,621	$ 841,660	$222,349	$ 1,508,767	$ 49,357	$ 10,091,138	$ 43,366,810	$ 92,870	$19,149,005	$ 114,506	$ 76,169,083
At December 31, 2013											
Cost	$732,621	$ 1,860,505	$767,850	$ 6,496,491	$ 313,365	$ 19,892,061	$ 72,704,920	$ 542,631	$21,665,751	$ 215,363	$125,191,558
Accumulated depreciation	-	(1,018,845)	(545,501)	(4,987,724)	(264,008)	(9,800,923)	(29,338,110)	(449,761)	(2,516,746)	(100,857)	(49,022,475)
	$732,621	$ 841,660	$222,349	$ 1,508,767	$ 49,357	$ 10,091,138	$ 43,366,810	$ 92,870	$19,149,005	$ 114,506	$ 76,169,083

A. The Group has issued a negative pledge to granting banks for drawing borrowings within the credit line to purchase the above transportation equipment.

B. Information about the property, plant and equipment that were pledged to others as collaterals is provided in Note 8.

(10) Investment property – net

	Land	Buildings	Total
At January 1, 2014			
Cost	$ 1,414,008	$ 1,012,695	$ 2,426,703
Accumulated depreciation	-	(414,697)	(414,697)
	$ 1,414,008	$ 597,998	$ 2,012,006
2014			
Opening net book amount	$ 1,414,008	$ 597,998	$ 2,012,006
Depreciation	-	(19,736)	(19,736)
Net exchange differences	-	(5,056)	(5,056)
Closing net book amount	$ 1,414,008	$ 573,206	$ 1,987,214
At December 31, 2014			
Cost	$ 1,414,008	$ 1,005,858	$ 2,419,866
Accumulated depreciation	-	(432,652)	(432,652)
	$ 1,414,008	$ 573,206	$ 1,987,214

	Land	Buildings	Total
At January 1, 2013			
Cost	$ 1,414,008	$ 1,023,648	$ 2,437,656
Accumulated depreciation	-	(397,401)	(397,401)
	$ 1,414,008	$ 626,247	$ 2,040,255
2013			
Opening net book amount	$ 1,414,008	$ 626,247	$ 2,040,255
Depreciation	-	(20,068)	(20,068)
Net exchange differences	-	(8,181)	2,020,187
Closing net book amount	$ 1,414,008	$ 597,998	$ 2,012,006
At December 31, 2013			
Cost	$ 1,414,008	$ 1,012,695	$ 2,426,703
Accumulated depreciation	-	(414,697)	(414,697)
	$ 1,414,008	$ 597,998	$ 2,012,006

A.Rental income from the investment property and direct operating expenses arising from the investment property are shown below:

	Year ended December 31, 2014	Year ended December 31, 2013
Rental revenue from the lease of the investment property	$ 104,111	$ 104,511
Direct operating expenses arising from the investment property that generated rental income in the period	$ 21,166	$ 21,898
Direct operating expenses arising from the investment property that did not generate rental income in the period	$ 913	$ 1,234

B.The fair value of the investment property held by the Group as at December 31, 2014 and 2013 was $3,467,369 and $3,293,534, respectively. The fair value measurements were based on the market prices of recently sold properties in the immediate vicinity of a certain property.

C.Information about the investment property that were pledged to others as collaterals is provided in Note 8.

(11) Other non-current assets

	December 31, 2014	December 31, 2013
Prepayments for equipment	$ 3,508,591	$ 13,267,118
Refundable deposits	105,457	109,727
Others	441	9,092
	$ 3,614,489	$ 13,385,937

Amount of borrowing costs capitalised as part of prepayment for equipment and the range of the interest rates for such capitalisation are as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Amount capitalised	$ 115,590	$ 174,473
Interest rate	1.07%~2.18%	1.09%~2.35%

(12) Short-term loans

	December 31, 2014	December 31, 2013
Secured loans	$ -	$ 596,860
Interest rate		1.63%~2.35%

(13) Other current liabilities

	December 31, 2014	December 31, 2013
Receipt in advance	$ 255,216	$ 200,564
Long-term liabilities - current portion	14,170,541	10,963,222
Shipowner's accounts	1,950,409	1,580,331
Agency accounts	3,579,244	3,429,967
Long-term leases payable - current	2,195,524	2,208,331
Others	29,800	23,431
	$ 22,180,734	$ 18,405,846

(14) Corporate bonds payable

	December 31, 2014	December 31, 2013
Domestic unsecured convertible bonds	$ -	$ 568,400
Domestic secured corporate bonds	3,000,000	3,000,000
Less: discount on corporate bonds	-	(7,377)
	3,000,000	3,561,023
Less: current portion or exercise of put options	-	(561,023)
	$ 3,000,000	$ 3,000,000

A.On August 7, 2009, the Company issued its third domestic unsecured convertible bonds (referred herein as the "Third Bonds") at face value, totaling $2,500,000. The major terms of the issuance are set forth below:

a) Period: 5 years (August 7, 2009 to August 7, 2014)

b) Coupon rate: 0% per annum

c) Principal repayment and interest payment

Unless the Third Bonds are redeemed, repurchased, resold, converted or deregistered before maturity, or other events occur due to regulatory reasons, the principal of the Third Bonds shall be repaid in lump sum by cash at maturity based on the face value of the Bonds.

d) Collaterals

The Third Bonds are unsecured. However, if the Company subsequently issues other convertible bonds secured with collaterals, the rights of the holders of the Third Bonds to claim their credits and the collaterals are set at the same rank as the holders of the convertible bonds issued subsequently.

e) Redemption at the Company's option

(a)During the period from one month after the issuance of the Third Bonds to 40 days before the maturity of the Third Bonds, if the closing price of the Company's common stock at the Taiwan Stock Exchange is equal to or more than 30% of the conversion price for a period of 30 consecutive trading days, the Company may redeem the outstanding bonds in cash at the face value of the Third Bonds within 30 trading days after the abovementioned 30 consecutive trading days.

(b)During the period from one month after the Third Bonds are issued to 40 days before the maturity of the Third Bonds, if the total amount of the Third Bonds outstanding after the conversion by the bondholders is less than $250,000 (10% of the total issued amount), the Company may redeem the outstanding bonds at their face value any time during the 40 days before the maturity of the Third Bond.

(c)When the Company issues its redemption notice, if the bondholders do not reply before the effective redemption date, the Company may convert the bonds held by those bondholders into common stock at the conversion price in effect at the expiration of the notice period.

f) Redemption at the bondholders' option

During the period from 30 days before the 2-year maturity of the Third Bonds to the date of maturity, or from 30 days before the 3-year maturity of the Third Bonds to the date of maturity, the bondholders may require the Company to redeem their bonds in cash at the face value plus interest compensation. The redemption price for the former is 101.00% of the face value with a yield rate of 0.50% per annum, and 101.51% of the face value with a yield rate of 0.50% for the latter.

g) Terms of conversion

(a)Conversion period

The bondholders may convert the Third Bonds into the Company's common stock during the period from one month after the Third Bonds are issued to 10 days before the maturity of the Third Bonds.

The bondholders are prohibited from exercising their conversion right during the period from 3 trading days before the announcement of cash or stock dividends to the date of distribution of the cash or stock dividends.

(b)Conversion price

The base day for setting conversion price is July 30, 2009. The conversion price can be any of the three average closing prices of the Company's common stock during the 1, 3 and 5 trading days before the base day multiplied by 101.00%. If any cash or stock dividends are distributed before the base day, the closing price used in the computation of the conversion price must be adjusted for the effect of the dividend distribution. If any cash or stock dividends are distributed during the period from the date on which the conversion price is set to the date on which the Third Bonds are issued, the conversion price is required to be adjusted in accordance with the adjusting formula specified in the bond agreement. The conversion price at the issuance of the Third Bonds was set at $20.40 (in dollars). Until the report release date, the conversion price of the Convertible Bonds was set at $17.20 (in dollars).

h) Entitlement to cash dividends or stock dividends

The bondholders who request to convert the Third Bonds during the period from January 1 of the current year to any date which is more than 3 trading days before the announcement of cash or stock dividends are entitled to the cash or stock dividends resolved by the stockholders in the current year. Conversion of the Third Bonds is prohibited during the period from 3 trading days before the announcement of cash or stock dividends to the ex-dividend date. The bondholders who request to convert the Third Bonds during the period from the date following the ex-dividend date to December 31 of the current year are not entitled to the cash or stock dividends resolved by the stockholders in the current year, but are entitled to the cash or stock dividends resolved by the stockholders in the following year.

B.On April 26, 2012, the Company issued its twelfth domestic secured corporate bonds (referred herein as the "Twelfth Bonds"), totaling $3,000,000. The Twelfth Bonds are categorized into Bond A and B, depending on the guarantee institution. Bond A totals $2,000,000, and Bond B totals $1,000,000. The major terms of the issuance are set forth below:

a) Period: 5 years (April 26, 2012 to April 26, 2017)

b) Coupon rate: 1.28% fixed per annum

c) Principal repayment and interest payment

Repayments for the Twelfth Bonds are paid annually on coupon rate, starting a year from the issuing date. The principal of the Twelfth Bonds shall be repaid in lump sum at maturity.

d) Collaterals

The Twelfth Bonds are secured. Bond A is guaranteed by Bank Sinopac, and Bond B is guaranteed by Far Eastern International Bank.

C.The conversion rights and debt component of the Third Bonds are recognised separately in accordance with IAS 39. The issuance cost of the Third Bonds is allocated to debt and equity components by the amount initially recognised. Accordingly, the account of "capital reserve from stock warrants" amounted to $256,205.

The net value of the rights of repurchase and resold embedded in bonds payable was separated from bonds payable, and was recognised in "financial liabilities at fair value through profit or loss" in accordance with IAS 39.

(15) Long-term loans

	December 31, 2014	December 31, 2013
Secured bank loans	$ 56,900,307	$ 47,850,416
Unsecured bank loans	17,721,811	19,441,071
Add : unrealised foreign exchange loss	603,840	72,021
Less: hosting fee credit	(33,069)	(31,250)
	75,192,889	67,332,258
Less: current portion	(14,170,541)	(10,402,199)
	$ 61,022,348	$ 56,930,059
Interest rate	0.80%~5.22%	0.82%~5.22%

Please refer to Note 8 for details of the collaterals pledged for the above long-term loans.

(16) Other non-current liabilities

	December 31, 2014	December 31, 2013
Long-term leases payable - non-current	$ 15,198,354	$ 16,362,553
Accrued pension liabilities	2,840,806	2,883,965
Unrealised gain on sale and leaseback	105,778	103,422
Guarantee deposits received	43,368	34,545
	$ 18,188,306	$ 19,384,485

(17) Finance lease liabilities

The Group leases in loading and unloading equipment, ships and transportation equipment under finance lease, based on the terms of the lease contracts. Future minimum lease payments and their present values as at December 31, 2014 and 2013 are as follows:

	December 31, 2014		
	Total finance lease liabilities	Future finance charges	Present value of finance lease liabilities
Current			
Not later than one year	$ 2,752,339	($ 556,815)	$ 2,195,524
Non-current			
Later than one year but not later than five years	8,089,443	(1,639,034)	6,450,409
Over five years	9,450,625	(702,680)	8,747,945
	17,540,068	(2,341,714)	15,198,354
	$ 20,292,407	($ 2,898,529)	$ 17,393,878

	December 31, 2013		
	Total finance lease liabilities	Future finance charges	Present value of finance lease liabilities
Current			
Not later than one year	$ 2,830,137	($ 621,806)	$ 2,208,331
Non-current			
Later than one year but not later than five years	8,315,472	(1,821,809)	6,493,663
Over five years	10,880,266	(1,011,376)	9,868,890
	19,195,738	(2,833,185)	16,362,553
	$ 22,025,875	($ 3,454,991)	$ 18,570,884

(18) Pension

A.(a) In accordance with the Labor Pension Act ("the Act"), effective July 1, 2005, which adopted a defined contribution scheme, employees of the Company and its subsidiary-TTSC may choose to be subject to either the Act, maintaining their seniority before the enforcement of the Act, or the pension mechanism of the Labor Standard Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its subsidiary-TTSC contribute monthly an amount equal to 15% of the employees' monthly salaries and wages to the retirement fund deposited with the Trust Department of Bank of Taiwan under the name of the Labor Pension Fund Supervisory Committee.

(b)The employees with R.O.C. nationality of the Group's subsidiaries, Greencompass Marine S. A. and Evergreen Marine (UK) Limited, adopted the Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement.

(c)The amounts recognised in the balance sheet are as follows:

	December 31, 2014	December 31, 2013
Present value of defined benefit obligations	($ 3,987,417)	($ 3,821,938)
Fair value of plan assets	1,136,967	926,722
	(2,850,450)	(2,895,216)
Unrecognised past service cost	9,644	11,251
Net liability in the balance sheet	($ 2,840,806)	($ 2,883,965)

(d)Movements in present value of defined benefit obligations are as follows:

Present value of defined benefit obligations	December 31, 2014	December 31, 2013
At January 1	($ 3,821,938)	($ 3,602,002)
Current service cost	(152,932)	(109,786)
Interest cost	(79,289)	(66,834)
Employee contribution	-	(947)
Actuarial loss	(155,120)	(154,282)
Foreign exchange difference	37,716	(23,039)
Benefits paid	149,890	134,952
Effect of change on consolidated subsidiaries	34,256	-
At December 31	($ 3,987,417)	($ 3,821,938)

(e)Movements in fair value of plan assets are as follows:

Fair value of plan assets	December 31, 2014	December 31, 2013
At January 1	$ 926,722	$ 820,611
Expected return on plan assets	13,214	15,678
Actuarial profit	162,702	28,047
Foreign exchange difference	(33,448)	25,994
Employer contributions	151,007	122,320
Employee contributions	-	947
Benefits paid	(83,230)	(86,875)
At December 31	$ 1,136,967	$ 926,722

(f)Amounts of expenses recognised in comprehensive income statements are as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Current service cost	$ 152,932	$ 109,786
Interest cost	66,508	56,607
Expected return on plan assets	(433)	(5,921)
Past service cost	1,607	1,607
Current pension cost	$ 220,614	$ 162,079

Details of cost and expenses recognised in comprehensive income statements are as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Operating costs	$ 117,382	$ 87,056
Operating expenses	103,232	75,023
	$ 220,614	$ 162,079

(g)Amounts of actuarial gains or losses recognised under other comprehensive income are as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Recognition for current period	$ 7,582	($ 126,233)
Accumulated amount	($ 229,214)	($ 236,796)

(h) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic Subsidiary-TTSC' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. The constitution of fair value of plan assets as of December 31, 2014 and 2013 is given in the Annual Labor Retirement Fund Utilisation Report published by the government. Expected return on plan assets was a projection of overall return for the obligations period, which was estimated based on historical returns and by reference to the status of Labor Retirement Fund utilisation by the Labor Pension Fund Supervisory Committee and taking into account the effect that the Fund's minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks.

For the years ended December 31, 2014 and 2013, the Company and domestic subsidiaries' actual returns on plan assets was $12,090 and $6,954, respectively.

(i) The principal actuarial assumptions used were as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Discount rate	1.75%~8.80%	1.75%~9.00%
Future salary increases	1.50%~11.00%	1.46%~11.00%
Expected return on plan assets	0.00%~2.30%	0.00%~3.90%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

(j)Historical information of experience adjustments was as follows:

	Year ended December 31, 2014	Year ended December 31, 2013	Year ended December 31, 2012
Present value of defined benefit obligation	($ 3,987,417)	($ 3,821,938)	($ 3,602,002)
Fair value of plan assets	1,136,967	926,722	820,611
Deficit in the plan	($ 2,850,450)	($ 2,895,216)	($ 2,781,391)
Experience adjustments on plan liabilities	($ 155,120)	($ 154,282)	($ 104,998)
Experience adjustments on plan assets	$ 162,702	$ 28,047	($ 5,565)

B.(a) Effective July 1, 2005, the Company and its domestic subsidiary-TTSC have established a defined contribution pension plan (the "New Plan") under the Labor Pension Act (the "Act"), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiary-TTSC contribute monthly an amount based on 6% of the employees' monthly salaries and wages to the employees' individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) The pension costs under defined contribution pension plans of the Group for the years ended December 31, 2014 and 2013 were $153,066 and $210,997, respectively.

(19) Capital stock

A.As of December 31, 2014, the Company's authorized capital was $36,000,000, and the paid-in capital was $ 34,775,802, consisting of 3,477,580 thousand shares of common stocks with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

B.Details of the common stock converted from the unsecured domestic convertible bonds issued by the Company for the years ended December 31, 2014 and 2013 are set forth below:

	For the years ended December 31,			
	2014		2013	
	No. of Shares (in 000's)	Amount	No. of Shares (in 000's)	Amount
Third unsecured convertible bonds	2,628	$ 26,279	12	$ 116

(20) Capital surplus

A.Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. Capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	2014				
	Share premium	Adjustments to share of changes in equity of associates and joint ventures	Donated assets	Stock warrants of convertible bonds	Others
At January 1, 2014	$ 5,817,998	$ 1,388,550	$ 446	$ 58,250	$ 6,713
Corporate bonds converted	23,555	-	-	(4,632)	-
Corporate bonds expired	53,618	-	-	(53,618)	-
Recognition of change in equity of associates in proportion to the Group's ownership	-	1,578	-	-	-
At December 31, 2014	$ 5,895,171	$ 1,390,128	$ 446	$ -	$ 6,713

	2013				
	Share premium	Adjustments to share of changes in equity of associates and joint ventures	Donated assets	Stock warrants of convertible bonds	Others
At January 1, 2013	$ 5,817,899	$ 1,388,550	$ 446	$ 58,271	$6,713
Corporate bonds converted	99	-	-	(21)	-
At December 31, 2013	$ 5,817,998	$ 1,388,550	$ 446	$ 58,250	$6,713

B. Information related to "capital reserve from stock warrants" is stated in Note 6(14).

(21) Retained earnings

	2014	2013
At January 1	$ 1,118,877	$ 5,121,929
Profit (loss) for the period	1,176,039	(1,497,304)
Appropriation of earnings	4,986,053	(2,234,566)
Actuarial gain (loss) on post employment benefit obligations, net of tax	(10,963)	(270,967)
Recognized the reduction to retained earnings attributed to investee company non-subscribed proportionately	-	(215)
At December 31	$ 7,270,006	$ 1,118,877

A. According to the Company's Articles of Incorporation, if there is any profit for a fiscal year, the Company shall first make provision for all taxes and cover prior years' losses and then appropriate 10% of the residual amount as legal reserve. Dividends shall be proposed by the Board of Directors and resolved by the stockholders. Bonuses paid to employees shall be at least 0.5% of the total distributed amount and the remuneration paid to the directors and supervisors shall not exceed 5% of the total distributed amount.

B. Dividend policy

The Company is currently at the stable growth stage. In order to facilitate future expansion plans, dividends to stockholders are distributed mutually in the form of both cash and stocks with the basic principle that the ratio of cash dividends to total stock dividends shall not be lower than 10%.

C. Legal reserve

Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the distribution of the reserve is limited to the portion in excess of 25% of the Company's paid-in capital.

D. (a) In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(b) The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated April 6, 2012, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently. Such amounts are reversed upon disposal or reclassified if the assets are investment property of land, and reversed over the use period if the assets are investment property other than land.

E. In response to future operating plans, the Company has retained all distributable earnings and has not appropriated any bonus to shareholders, directors' and supervisors' remuneration and employees' bonus for the year ended December 31, 2013.

F. The employees' bonus of $15,160 and directors' and supervisors' remuneration of $11,000 for the year ended December 31, 2014 were accrued based on profit after tax for the year, as well as legal reserve and others. The basic accrual is within the percentage stated in the Company's Articles of Incorporation.

G. The appropriation of 2014 earnings resolved by the Board of Directors on March 27, 2015 is as follows:

	Year ended December 31, 2014	
	Amount	Dividend per share (in dollars)
Accrual of legal reserve	$ 117,604	
Reversal of special reserve	$ 828,940	
Appropriate cash dividends to shareholders	$ 347,758	$ 0.1
Appropriate stock dividends to shareholders	$ 347,758	$ 0.1

Information about the appropriation of the Company's earnings as approved by the Board of Directors and resolved by the shareholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

As of March 31, 2015, the appropriation of 2014 earnings has not been resolved by the shareholders.

(22) Other equity items

	Hedging reserve	Available-for-sale investment	Currency translation	Total
At January 1, 2014	$ 12,331	($ 36,456)	($ 804,815)	($ 828,940)
Revaluation – gross	-	235,839	-	235,839
Revaluation – tax	-	(14,892)	-	(14,892)
Revaluation – associates	-	452,028	-	452,028
Cash flow hedges:				
– Fair value loss in the period – associates	(378,108)	-	-	(378,108)
Currency translation differences:				
–Group	-	-	1,934,877	1,934,877
–Group – tax			(37)	(37)
–Associates	-	-	225,684	225,684
At December 31, 2014	($ 365,777)	$ 636,519	$ 1,355,709	$ 1,626,451

	Hedging reserve	Available-for-sale investment	Currency translation	Total
At January 1, 2013	$ 10,289	($ 490,002)	($ 1,867,363)	($ 2,347,076)
Revaluation – gross	-	392,299	-	392,299
Revaluation – tax	-	(11,032)	-	(11,032)
Revaluation – associates	-	72,279	-	72,279
Cash flow hedges:				
– Fair value gains in the period – associates	2,042	-	-	2,042
Currency translation differences:				
–Group	-	-	966,519	966,519
–Group – tax			(10)	(10)
–Associates	-	-	96,039	96,039
At December 31, 2013	$ 12,331	($ 36,456)	($ 804,815)	($ 828,940)

(23) Operating revenue

	Year ended December 31, 2014	Year ended December 31, 2013
Marine freight income	$ 132,483,874	$ 128,420,358
Container manufacturing income	2,384,975	2,654,488
Ship rental and slottage income	2,002,950	1,905,065
Commission income and agency service income	1,658,464	1,728,660
Container income and others	5,754,111	4,507,813
	$ 144,284,374	$ 139,216,384

(24) Other gains – net

	Year ended December 31, 2014	Year ended December 31, 2013
Gains on disposal of property, plant and equipment	$ 2,167,500	$ 4,334,622

(25) Other income

	Year ended December 31, 2014	Year ended December 31, 2013
Rental revenue	$ 114,657	$ 115,200
Dividend income	142,227	122,975
Interest income:		
Interest income from bank deposits	315,789	239,257
Interest income from financial assets other than financial assets at fair value through profit or loss	10,271	10,272
Other income - other	677,602	152,620
	$ 1,260,546	$ 640,324

(26) Other gains and losses

	Year ended December 31, 2014	Year ended December 31, 2013
Net gains (losses) on financial assets at fair value through profit or loss	($ 5,258)	$ 18,963
Net currency exchange gains	411,949	74,973
Gains on disposal of investments	71,075	51,552
Other non-operating expenses	(224,574)	(83,180)
	$ 253,192	$ 62,308

(27) Finance costs

	Year ended December 31, 2014	Year ended December 31, 2013
Interest expense:		
Bank loans	$ 609,269	$ 535,628
Corporate bonds	45,693	50,931
	654,962	586,559
Less: capitalisation of qualifying assets	(115,590)	(174,473)
Finance costs	$ 539,372	$ 412,086

(28) Expenses by nature

	Year ended December 31, 2014	Year ended December 31, 2013
Employee benefit expense	$ 6,369,228	$ 5,762,367
Depreciation charges on property, plant and equipment	7,689,913	6,761,936
Amortisation charges on intangible assets	13,557	11,431
Other operating costs and expenses	128,591,088	131,788,433
	$ 142,663,786	$ 144,324,167

(29) Employee benefit expense

	Year ended December 31, 2014	Year ended December 31, 2013
Wages and salaries	$ 5,305,538	$ 4,775,152
Labor and health insurance fees	350,872	315,607
Pension costs	373,680	373,076
Other personnel expenses	339,138	298,532
	$ 6,369,228	$ 5,762,367

(30) Income tax

A. Income tax expense

(a)Components of income tax expense:

	Year ended December 31, 2014	Year ended December 31, 2013
Current tax:		
Current tax on profits for the period	$ 925,005	$ 468,853
Tax on undistributed earnings	194,069	-
Adjustments in respect of prior years	11,823	(3,456)
Total current tax	1,130,897	465,397
Deferred tax:		
Origination and reversal of temporary differences	53,797	(7,740)
Total deferred tax	53,797	(7,740)
Income tax expense	$ 1,184,694	$ 457,657

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Fair value gains (losses) on available-for-sale financial assets	($ 14,895)	($ 11,304)
Exchange differences on translating the financial statements of foreign operations	(37)	(10)
Actuarial gains on defined benefit plans	13,233	14,846
	($ 1,699)	$ 3,532

(c) The income tax charged/(credited) to equity during the period is as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Reduction in retained earnings caused by recognition of foreign investees based on the shareholding ratio	($ 60)	$ -
Reduction in retained earnings caused by recognition of foreign investees not based on the shareholding ratio	-	7
	($ 60)	$ 7

B. Reconciliation between income tax expense and accounting profit

	Year ended December 31, 2014	Year ended December 31, 2013
Tax calculated based on profit before tax and statutory tax rate	$ 752,129	$ 163,645
Expenses disallowed by tax regulation	245,989	356,760
Tax exempted income by tax regulation	(3,942)	(21,318)
Effect from tax credit of investment	(9,442)	(36,742)
Effect from net operating loss carryforward	(5,932)	(2,403)
Prior year income tax (over) underestimation	11,823	(3,456)
Effect from alternative minimum tax	-	1,171
Tax on undistributed earnings	194,069	-
Income tax expense	$ 1,184,694	$ 457,657

C. Amounts of deferred tax assets or liabilities as a result of temporary difference, loss carry forward and investment tax credit are as follows:

	Year ended December 31, 2014						
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in equity	Translation differences	Effect of change on consolidated subsidiaries	December 31
Temporary differences:							
—Deferred tax assets:							
Bad debts expense	$ 404	$ 2,596	$ -	$ -	($ 37)	$ -	$ 2,963
Loss on valuation of financial assets	23,345	(22,342)	(975)	-	-	-	28
Deferred profit from disposal of property, plant and equipment	13,145	(7,729)	-	-	-	-	5,416
Unrealized loss	30,805	(1,255)	-	-	(457)	(2,422)	26,671
Unrealized foreign exchange loss	3,233	5,791	-	-	53	-	9,077
Actuarial gains and losses and pension contribution	293,559	30,339	9,418	-	(1,190)	-	332,126
Property, plant and equipment and others	-	1,083	-	-	(3)	-	1,080
Investment tax credit	122,803	(122,803)	-	-	-	-	-
Subtotal	$ 487,294	($ 114,320)	$ 8,443	$ -	($ 1,634)	($ 2,422)	$ 377,361
—Deferred tax liabilities:							
Gain on valuation of financial assets	$ -	$ -	($ 332)	$ -	$ -	$ -	($ 332)
Unrealized foreign exchange gain	(4,109)	(6,390)	-	-	130	-	(10,369)
Unrealized gain	(2)	(25,333)	-	-	796	-	(24,539)
Actuarial gains and losses and pension contribution	(7,225)	894	5,267	-	20	-	(1,044)
Equity-accounted investment income	(1,168,898)	83,911	(15,077)	(60)	(114)	-	(1,100,238)
Property, plant and equipment and others	(68,538)	7,441	-	-	(159)	-	(61,256)
Subtotal	($ 1,248,772)	$ 60,523	($ 10,142)	($ 60)	$ 673	$ -	($ 1,197,778)
Total	($ 761,478)	($ 53,797)	($ 1,699)	($ 60)	($ 961)	($ 2,422)	($ 820,417)

	Year ended December 31, 2013					
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in equity	Translation differences	December 31
Temporary differences:						
—Deferred tax assets:						
Bad debts expense	$ 404	$ -	$ -	$ -	$ -	$ 404
Loss on valuation of financial assets	22,378	-	967	-	-	23,345
Deferred profit from disposal of property, plant and equipment	15,568	(2,423)	-	-	-	13,145
Unrealized loss	23,267	7,083	-	-	455	30,805
Unrealized foreign exchange loss	603	2,630	-	-	-	3,233
Actuarial gains and losses and pension contribution	298,068	(4,314)	(238)	-	43	293,559
Net operating loss carryforward	145,534	(145,534)	-	-	-	-
Investment tax credit	114,561	8,242	-	-	-	122,803
Subtotal	$ 620,383	($ 134,316)	$ 729	$ -	$ 498	$ 487,294
—Deferred tax liabilities:						
Unrealized foreign exchange gain	($ 16,453)	$ 12,183	$ -	$ -	$ 161	($ 4,109)
Unrealized gain	(878)	876	-	-	-	(2)
Actuarial gains and losses and pension contribution	(10,047)	-	7,201	-	(4,379)	(7,225)
Equity-accounted investment income	(1,300,491)	135,714	(4,128)	7	-	(1,168,898)
Property, plant and equipment and others	(64,270)	(6,717)	-	-	2,449	(68,538)
Subtotal	($ 1,392,139)	$ 142,056	$ 3,073	$ 7	($ 1,769)	($ 1,248,772)
Total	($ 771,756)	$ 7,740	$ 3,802	$ 7	($ 1,271)	($ 761,478)

D. According to Act for Industrial Innovation and Statute for Upgrading Industries (before its abolishment), details of the amount the Company is entitled as investment tax credit and unrecognised deferred tax assets are as follows:

	December 31, 2013		
Qualifying items	Unused tax credits	Unrecognised deferred tax assets	Final year tax credits are due
Investments in emerging important strategic industries	$ 26,803	$ -	2,015
Investments in emerging important strategic industries	60,000	-	2,016
Investments in emerging important strategic industries	36,000	-	2,017
	$ 122,803	$ -	

E. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2014 and 2013, the amounts of temporary difference unrecognised as deferred tax liabilities were $20,567,275 and $19,884,906, respectively.

F. As of December 31, 2014, the Company's income tax returns through 2012 have been assessed and approved by the Tax Authority.

G. Unappropriated retained earnings:

	December 31, 2014	December 31, 2013
Earnings generated in and before 1997	$ 1,673,273	$ 1,118,877
Earnings generated in and after 1998	5,596,733	-
	$ 7,270,006	$ 1,118,877

H.As of December 31, 2014 and 2013, the balance of the imputation tax credit account was $1,616,279 and $438,661, respectively. The creditable tax rate was 0% for 2013 and is estimated to be 28.88% for 2014.

(31) Earnings (loss) per share

	Year ended December 31, 2014		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Net income attributable to ordinary shareholders of the parent	$ 1,176,039	3,476,061	$ 0.34
Diluted earnings per share			
Net income attributable to ordinary shareholders of the parent	1,176,039	3,476,061	
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	-	1,519	
Employees' bonus	-	687	
Net income attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,176,039	3,478,267	$ 0.34

	Year ended December 31, 2013		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Loss per share (in dollars)
Basic loss per share			
Net loss attributable to ordinary shareholders of the parent	($ 1,497,304)	3,474,948	($ 0.43)
Diluted loss per share			
Net loss attributable to ordinary shareholders of the parent	(1,497,304)	3,474,948	
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	Note 1	Note 1	
Net loss attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	($ 1,497,304)	3,474,948	($ 0.43)

Note 1:

According to IAS 33 “Earnings per share”, the potential common stock should not be considered in calculation of basic loss per share, due to net loss from continuing operation for 2013, which leads to anti-dilutive effect.

(32) Non-cash transactions

A. Investing activities with partial cash payments

(a)Property, plant and equipment

	Year ended December 31, 2014	Year ended December 31, 2013
Purchase of property, plant and equipment	$ 4,103,436	$ 9,996,811
Add: opening balance of payable on equipment	1,119	1,750
Less: ending balance of payable on equipment	(1,556)	(1,119)
Cash paid during the period	$ 4,102,999	$ 9,997,442

(b)Prepayments for equipment

	Year ended December 31, 2014	Year ended December 31, 2013
Prepayments for equipment	$ 13,772,782	$ 15,078,306
Add: opening balance of payable on prepayments for equipment	4,598	8,488
Less: ending balance of payable on prepayments for equipment	(277,413)	(4,598)
capitalisation of qualifying assets	(115,590)	(174,473)
Cash paid during the period	$ 13,384,377	$ 14,907,723

B. Financing activities with no cash flow effects

	Year ended December 31, 2014	Year ended December 31, 2013
Convertible bonds converted to common stocks	$ 45,200	$ 200

7. RELATED PARTY TRANSACTIONS

(1) Significant related party transactions and balances

A. Operating revenue:

	Year ended December 31, 2014	Year ended December 31, 2013
Sales of services:		
Associates	$ 3,415,384	$ 2,802,161
Other related parties	8,747,657	8,110,371
	$ 12,163,041	$ 10,912,532

The business terms on which the Group transacts with related parties are of no difference from those with non-related parties.

B. Purchases:

	Year ended December 31, 2014	Year ended December 31, 2013
Purchases of services:		
Associates	$ 3,980,052	$ 4,367,402
Other related parties	6,372,582	6,615,570
	$ 10,352,634	$ 10,982,972

Goods and services are purchased from associates and other related parties on normal commercial terms and conditions.

C. Receivables from related parties :

	December 31, 2014	December 31, 2013
Accounts receivable:		
Associates	$ 192,207	$ 114,273
Other related parties	258,878	237,700
Subtotal	$ 451,085	$ 351,973
Other receivables:		
Associates	$ 1,941	$ 4,889
Other related parties	7,384	65,141
Subtotal	9,325	70,030
Total	$ 460,410	$ 422,003

The receivables from related parties arise mainly from sale transactions and dividends paid by associates. The receivables are unsecured in nature and bear no interest. There are no provisions held against receivables from related parties.

D. Payables to related parties:

	December 31, 2014	December 31, 2013
Accounts payable:		
Associates	$ 146,828	$ 134,628
Other related parties	520,741	603,842
Subtotal	$ 667,569	$ 738,470
Other payables:		
Associates	$ 6,535	$ 8,420
Other related parties	36,177	46,803
Subtotal	42,712	55,223
Total	$ 710,281	$ 793,693

The payables to related parties arise mainly from purchase transactions. The payables bear no interest.

E. Property transactions:

	Year ended December 31, 2014	Year ended December 31, 2013
Acquisition of property, plant and equipment:		
Associates	$ 28	$ -
Other related parties	233	-
	$ 261	$ -

	Year ended December 31, 2014		Year ended December 31, 2013	
	Disposal proceeds	Gain (loss) on disposal	Disposal proceeds	Gain (loss) on disposal
Disposal of property, plant and equipment:				
Associates	$ -	$ -	$ 18,886	$ 13,894
Other related parties	41,750	39,966	42	4
	$ 41,750	$ 39,966	$ 18,928	$ 13,898

F.Agency accounts:

(a)Debit balance of agency accounts

	December 31, 2014	December 31, 2013
Debit balance of agency accounts:		
Associates	$ 11,688	$ -
Other related parties	-	36,142
	$ 11,688	$ 36,142

(b)Credit balance of agency accounts

	December 31, 2014	December 31, 2013
Credit balance of agency accounts:		
Associates	($ 8,630)	($ 1,169)
Other related parties	(33,920)	-
	($ 42,550)	($ 1,169)

G.Shipowner's accounts:

	December 31, 2014	December 31, 2013
Debit balance of shipowner's accounts		
Associates	$ 106,445	$ 2,589
Other related parties	1,312,578	1,167,810
	$ 1,419,023	$ 1,170,399

	December 31, 2014	December 31, 2013
Credit balance of shipowner's accounts		
Other related parties	($ 635,072)	($ 860,125)

H.Loans to/from related parties:

(a)Loans to related parties:

i.Outstanding balance:

	December 31, 2014	December 31, 2013
Associates	$ 308,738	$ 274,463

ii.Interest income

	December 31, 2014	December 31, 2013
Associates	$ 4,274	$ 3,442

The loans to associates carry interest at floating rates for the years ended December 31, 2014 and 2013.

(b) Loans from related parties:

i.Outstanding balance:

	December 31, 2014	December 31, 2013
Associates	$ 47,530	$ 44,765
Other related parties	28,593	36,137
	$ 76,123	$ 80,902

ii.Interest expense:

	Year ended December 31, 2014	Year ended December 31, 2013
Associates	$ 614	$ 656

The loans from associates carry interest at floating rates for the years ended December 31, 2014 and 2013.

I.Endorsements and guarantees provided to related parties:

	December 31, 2014	December 31, 2013
Associates	$ 1,778,407	$ 2,311,343

(2) Key management compensation

	Year ended December 31, 2014	Year ended December 31, 2013
Salaries and other short-term employee benefits	$ 172,062	$ 167,999
Post-employment benefits	3,492	2,746
	$ 175,554	$ 170,745

8. PLEDGED ASSETS

The Group's assets pledged as collateral are as follows:

Pledged assets	Book value December 31, 2014	Book value December 31, 2013	Purpose
Other financial assets			
- Pledged time deposits	$ 275,244	$ 498,664	Performance guarantee
Refundable deposits			
- Pledged time deposits	2,000	2,000	〃
Property, plant and equipment			
-Land	514,312	514,312	Long-term loan
-Buildings	210,452	217,814	〃
-Loading and unloading equipment	1,277,922	1,076,030	〃
-Ships	55,950,332	30,597,599	〃
-Transportation equipment	1,092,935	1,172,702	〃
Investment property			
-Land	1,285,781	1,285,781	Long-term loan
-Buildings	526,129	544,536	〃
	$ 61,135,107	$ 35,909,438	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

A.As of December 31, 2014, the Company had delegated ANZ Bank to issue Standby Letter of Credit amounting to USD 5,000.

B.A former stockholder of the Company sold some of its shares through issuance of global depository receipts (GDRs). The issuance of GDRs was approved by the SEC on December 19, 1996 as per Letter (85) Tai-Cai-Zheng (1) No. 35410. On August 2, 1996, the GDRs were approved by the UK governing authority to be listed on the London Stock Exchange and were issued in Asia, Europe and the US. The initial number of units issued was 5,449,592, representing 54,495,920 shares of the Company's common stock at $50.50 (in dollars) per share, and the number of supplementary units issued was 817,438. In total, the number of units issued was 6,267,030, representing 62,670,300 shares of the Company's common stock at $50.50 (in dollars) per share, and the GDRs issued amounted to USD115,000. Another 2,085,856 units, representing 20,858,634 shares of the Company's common stock, were issued during the period from 1997 to December 31, 2014. As of December 31, 2014, 8,013,574 units were redeemed and 339,312 units were outstanding, representing 3,393,194 shares of the Company's common stock.

C.As of December 31, 2014, the long-term and medium-term loan facilities granted by the financial institutions with the resolution from the Board of Directors to finance the Group's purchase of new ships and general working capital requirement amounted to $87,022,545 and the unutilized credits was $11,796,587.

D.Operating lease

The estimated amount of charter expense in the following years under long-term contracts is set forth as follows:

	December 31, 2014	
Within 1 year	USD	320,345
1~5 years		891,506
Over 5 years		162,527
	USD	1,374,378

E.As of December 31, 2014, the amount of guaranteed notes issued by the Company for loans borrowed was $42,906,696.

F.To meet operational needs, the Group signed the shipbuilding contracts with Taiwan Shipbuilding Co., Ltd. As of December 31, 2014, the total price of shipbuilding contracts for undelivered ships amounted to USD310,160, USD207,160 of which remain unpaid.

G.The Company has signed contracts for acquiring machinery with Shanghai Zhenhua Heavy Industries Co., Ltd. and Mitsui Engineering & Shipbuilding Co., Ltd. for operational needs. As of December 31, 2014, the contracted acquisition price was USD19,408 and USD5,934, and the unpaid amount was USD13,586 and USD4,154, respectively.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

A. On February 10, 2015, the Board of Directors has resolved that for operational needs, the wholly owned subsidiary - Gaining Enterprise S.A. of the Company's investee, Evergreen International Storage and Transport Corporation, would sign a container building contract with the Company's indirect subsidiary – EHIC(M). The total contract amount was approximately USD55,958.

B. On September 30, 2014, the Board of Directors has resolved the capital increase of the Company's investee accounted for using equity method –EVA Airways Corporation. The increase was set effective on December 17, 2014 and the duration for payment to capital increase is from December 26, 2014 to January 26, 2015. The Company did not participate in the capital increase and thus the shareholding ratio was reduced from 19.32% to 16.31%.

C. The Company's Board of Directors proposed the appropriation of earnings on March 27, 2015 and the related information is described in Note 6(21).

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders and issue new shares to maintain an optimal capital.

(2) Financial instruments

A.Fair value information of financial instruments

Except for those listed in the table below, the book value of cash and cash equivalents and financial instruments measured at amortised cost (including notes receivable, accounts receivable, other receivables, other financial assets, refundable deposits, guarantee deposits received, held-to-maturity financial assets, short-term loans, accounts payable and other payables) are approximate to their fair values. The fair value information of financial instruments measured at fair value is provided in Note 12(3).

	December 31, 2014	
	Book value	Fair value
Financial liabilities:		
Bonds payable	$ 3,000,000	$ 3,038,469
Long-term loans (including current portion)	75,192,889	79,405,440
	$ 78,192,889	$ 82,443,909

	December 31, 2013	
	Book value	Fair value
Financial liabilities:		
Bonds payable (including current portion)	$ 3,561,023	$ 3,575,555
Long-term loans (including current portion)	67,332,258	72,987,809
	$ 70,893,281	$ 76,563,364

B.Financial risk management policies

(a)The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial position and financial performance.

(b)Risk management is carried out by the Group's Finance Department under policies approved by the Board of Directors. The Group's Finance Department identifies, evaluates and hedges financial risks in close co-operation with the Group's Operating Department. The Board of Directors provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C. Significant financial risks and degrees of financial risks

(a)Market risk

Foreign exchange risk

i. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD, RMB, GBP and EUR. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investment in foreign operations.

ii. The Group's management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The group companies are required to hedge their entire foreign exchange risk exposure with the Group's Finance Department. To manage their foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, entities in the Group use forward foreign exchange contracts, transacted with Group's Finance Department. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a foreign currency that is not the entity's functional currency.

iii. The Group's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD, EUR and others). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2014		
	Foreign currency amount (In Thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 839,143	31.6865	$ 26,589,505
Financial liabilities			
Monetary items			
USD:NTD	787,069	31.6865	$ 24,939,462
GBP:USD	90,242	1.5567	4,451,311

	December 31, 2013		
	Foreign currency amount (In Thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 396,681	29.8430	$ 11,838,151
RMB:NTD	61,920	4.9231	304,838
RMB:USD	37,270	0.1650	183,521
EUR:USD	3,794	1.3791	156,148
Financial liabilities			
Monetary items			
USD:NTD	$ 328,556	29.8430	$ 9,805,097
RMB:NTD	17,948	4.9231	88,360
GBP:USD	92,429	1.6496	4,550,188
EUR:USD	4,930	1.3791	202,901

iv. Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Year ended December 31, 2014		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 265,895	$ -
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 249,395	$ -
GBP:USD	1%	44,513	-

	Year ended December 31, 2013		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 118,382	$ -
RMB:NTD	1%	3,048	-
RMB:USD	1%	1,835	-
EUR:USD	1%	1,561	-
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 98,051	$ -
RMB:NTD	1%	884	-
GBP:USD	1%	45,502	-
EUR:USD	1%	2,029	-

Price risk

i. The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated balance sheet either as available-for-sale or at fair value through profit or loss. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii. The Group's investments in equity securities comprise domestic listed and unlisted stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, equity would have increased/decreased by $21,702 and $19,088 for the years ended December 31, 2014 and 2013, respectively, as a result of gains/losses on equity securities classified as available-for-sale.

Interest rate risk

i. The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. During the years ended December 31, 2014 and 2013, the Group's borrowings at floating rate were denominated in the NTD and USD.

ii. At December 31, 2014 and 2013, if interest rates on borrowings had been 1% higher/lower with all other variables held constant, post-tax profit for the years ended December 31, 2014 and 2013 would have been $623,092 and $566,820 lower/higher, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b)Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments on the contract obligations. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with high reputation are accepted.

ii. No credit limits were exceeded during the reporting periods, and management does not expect any significant losses from non-performance by these counterparties.

iii. For credit quality information of financial assets that are neither past due nor impaired, please refer to Note 6(5).

(c)Liquidity risk

i. Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.

ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities.

Non-derivative financial liabilities:

December 31, 2014	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Accounts payable	$ 14,285,466	$ 99,506	$ 34	$ -	$ -	$14,385,006
Accounts payable - related parties	633,291	34,278	-	-	-	667,569
Other payables	1,875,653	519,013	3,939	-	1,362	2,399,967
Other payables - related parties	36,361	82,474	-	-	-	118,835
Bonds payable	-	38,400	38,400	3,038,400	-	3,115,200
Long-term loans (including current portion)	3,207,598	11,978,586	17,692,705	20,996,789	25,646,208	79,521,886
Long-term leases payable (including current portion)	693,251	1,502,273	1,877,805	4,572,603	8,747,946	17,393,878
Guarantee deposits received	345	5,401	27,189	879	9,554	43,368

Non-derivative financial liabilities:

December 31, 2013	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Short-term loans	$ -	$ 596,860	$ -	$ -	$ -	$ 596,860
Accounts payable	12,182,540	43,356	-	-	-	12,225,896
Accounts payable - related parties	738,470	-	-	-	-	738,470
Other payables	1,611,450	364,483	3,432	762	1,009	1,981,136
Other payables - related parties	53,954	82,171	-	-	-	136,125
Bonds payable	-	573,121	38,400	3,076,800	-	3,688,321
Long-term loans (including current portion)	2,211,971	9,626,418	14,020,020	26,077,065	21,155,402	73,090,876
Long-term leases payable (including current portion)	657,796	1,550,535	2,164,460	4,329,203	9,868,890	18,570,884
Guarantee deposits received	380	5,408	27,865	788	104	34,545

iii. The Group does not expect the timing of occurrence of the cash flows estimated through the maturity date analysis will be significantly earlier, nor expect the actual cash flow amount will be significantly different.

(3) Fair value estimation

A. The table below analyses financial instruments measured at fair value, by valuation method. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data.

The following table presents the Group's financial assets and liabilities that are measured at fair value at December 31, 2014 and 2013:

December 31, 2014	Level 1	Level 2	Level 3	Total
Financial assets:				
Available-for-sale financial assets				
Equity securities	1,266,490	-	944,879	2,211,369
	$ 1,266,490	$ -	$ 944,879	$ 2,211,369

December 31, 2013	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss				
Embedded derivatives	$ -	$ -	$ 5,172	$ 5,172
Available-for-sale financial assets				
Equity securities	1,373,322	-	560,047	1,933,369
	$ 1,373,322	$ -	$ 565,219	$ 1,938,541

B. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the closing price. These instruments are included in level 1. Instruments included in level 1 comprise primarily equity instruments and debt instruments classified as financial assets/financial liabilities at fair value through profit or loss or available-for-sale financial assets.

C.The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

D.If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

E.Specific valuation techniques used to value financial instruments include:

(a)Quoted market prices or dealer quotes for similar instruments.

(b)The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

(c)The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value.

F.The following table presents the changes in level 3 instruments as at December 31, 2014 and 2013.

	Equity securities	Debt securities	Derivative financial instruments	Total
At January 1, 2014	$ 560,047	$ -	$ 5,172	$ 565,219
Gains and losses recognised in net income	-	-	(5,172)	(5,172)
Gains and losses recognised in other comprehensive income	384,832	-	-	384,832
At December 31, 2014	$ 944,879	$ -	$ -	$ 944,879

	Equity securities	Debt securities	Derivative financial instruments	Total
At January 1, 2013	$ 264,248	$ 76,648	$ 3,923	$ 344,819
Gains and losses recognised in net income	-	23,352	1,249	24,601
Gains and losses recognised in other comprehensive income	295,799	-	-	295,799
Disposed of during the period	-	(100,000)	-	(100,000)
At December 31, 2013	$ 560,047	$ -	$ 5,172	$ 565,219

13. SUPPLEMENTARY DISCLOSURES

(1)Significant transactions information

A. Loans to others:

Unit：Thousands of New Taiwan Dollars

Number (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the year ended December 31, 2014 (Note 3)	Balance at December 31, 2014 (Note 8)	Actual amount drawn down	Interest rate(%)	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
1	Peony Investment S.A.	Kingtrans Intl.Logistics (Tianjin) Co., Ltd.	Receivables from related parties (Note 9)	Yes	$ 47,530	$ 47,530	$ -	1.3253	2	$ -	Working capital requirement	$ -	-	$ -	$ 8,028,834	$ 20,072,086	
	Peony Investment S.A.	Luanta Investment (NetherLands) N.V.	Receivables from related parties	Yes	521,541	475,298	307,199	1.2550~ 1.2655	2	-	Working capital requirement	-	-	-	8,028,834	20,072,086	
	Peony Investment S.A.	Clove Holding Ltd.	Receivables from related parties (Note 9)	Yes	348,552	348,552	332,708	1.2670	2	-	Working capital requirement	-	-	-	16,057,669	20,072,086	
	Peony Investment S.A.	Hemlock Equipment LLC.	Receivables from related parties (Note 9)	Yes	79,216	79,216	79,216	1.2688	2	-	Working capital requirement	-	-	-	16,057,669	20,072,086	
2	Clove Holding Ltd.	Whitney Equipment LLC.	Receivables from related parties (Note 9)	Yes	126,746	126,746	126,746	1.2326	2	-	Working capital requirement	-	-	-	1,078,881	1,348,601	
3	Evergreen Marine (UK) Ltd.	Kingtrans Intl. Logistics (Tianjin) Co., Ltd.	Receivables from related parties (Note 9)	Yes	47,530	47,530	-	1.3253	2	-	Working capital requirement	-	-	-	1,011,029	2,022,058	

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:
(1) The Company is ‘0’.
(2) The subsidiaries are numbered in order starting from ‘1’.

Note 2: Fill in the name of account in which the loans are recognized, such as receivables–related parties, current account with stockholders, prepayments, temporary payments, etc.

Note 3 Fill in the year-to-date maximum outstanding balance of loans to others as of the reporting period.

Note 4: The column of ‘Nature of loan’ shall fill in 1.‘Business association’ or 2.‘Short-term financing’.

Note 5: Fill in the amount of business transactions when nature of the loan is related to business transactions, which is the amount of business transactions occurred between the creditor and borrower in the current year.

Note 6: Fill in purpose of loan when nature of loan belongs to short-term financing, for example, repayment of loan, acquisition of equipment, working capital, etc.

Note 7: Fill in limit on loans granted to a single party and ceiling on total loans granted as prescribed in the creditor company’s “Procedures for Provision of Loans”, and state each individual party to which the loans have been provided and the calculation for ceiling on total loans granted in the footnote

1.According to the company's credit policy, the total amount of loans granted to a single company should not exceed 20% of the net worth stated in the latest financial statements.
The calculation is as follows:
PEONY USD 1,266,917*31.6865*20%=8,028,834
EMU USD 159,536*31.6865*20%=1,011,029
The company held 100% voting shares directly and indirectly in foreign company, that the total amount of loans granted to a single company shoud not exceed 40% of the net worth stated in the financial statements.
The calculation is as follows:
PEONY USD 1,266,917*31.6865*40%=16,057,669
CLOVE USD 85,122*31.6865*40%=1,078,881

2.According to the company's credit policy, the total amount of loans granted by the company should not exceed 40% of the net worth stated in the latest financial statements.
The calculation is as follows:
EMU USD 159,536*31.6865*40%=2,022,058
The company held 100% voting shares directly and indirectly in foreign company, that the total amount of loans granted to the company shoud not exceed 50% of the net worth stated in the financial statements.
The calculation is as follows:
PEONY USD 1,266,917*31.6865*50%=20,072,086
CLOVE USD 85,122*31.6865*50%=1,348,601

Note 8: The amounts of funds to be loaned to others which have been approved by the board of directors of a public company in accordance with Article 14, Item 1 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” should be included in its published balance of loans to others at the end of the reporting period to reveal the risk of loaning the public company bears, even though they have not yet been appropriated. However, this balance should exclude the loans repaid when repayments are done subsequently to reflect the risk adjustment. In addition, if the board of directors of a public company has authorized the chairman to loan funds in instalments or in revolving within certain lines and within one year in accordance with Article 14, Item 2 of the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies”, the published balance of loans to others at the end of the reporting period should also include these lines of loaning approved by the board of directors, and these lines of loaning should not be excluded from this balance even though the loans are repaid subsequently, for taking into consideration they could be loaned again thereafter.

Note 9: This transaction was written off when the consolidated financial statements were prepared.

B. Provision of endorsements and guarantees to others:

Unit： Thousands of New Taiwan Dollars

Number (Note 1)	Endorser/guarantor	Party being endorsed / guaranteed		Limit on endorsements/ gurantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2014 (Note 4)	Outstanding endorsement/ guarantee amount at December 31, 2014 (Note 5)	Actual amount drawn down (Note 6)	Amount of endorsements /guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/guarantor company(%)	Ceiling on total amount of endorsements / guarantees provided (Note 3)	Provision of endorsements / guarantees by parent company to subsidiary (Note 7)	Provision of endorsements / guarantees by subsidiary to parent company (Note 7)	Provision of endorsements / guarantees to the party in Mainland China (Note 7)	Footnote
		Company name	Relationship with the endorser/ guarantor (Note 2)											
0	Evergreen Marine Corporation	Greencompass Marine S.A.	3	$ 121,818,589	$ 33,326,933	$ 30,062,784	$ 20,642,658	$ -	49.36	$ 152,273,236	Y	N	N	
0	Evergreen Marine Corporation	Peony Investment S.A.	2	121,818,589	468,960	468,960	310,528	-	0.77	152,273,236	Y	N	N	
0	Evergreen Marine Corporation	Evergreen Marine (UK) Limited	3	121,818,589	43,992,095	42,192,010	38,238,821	-	67.27	152,273,236	Y	N	N	
0	Evergreen Marine Corporation	Whitney Equipment LLC.	3	121,818,589	1,563,014	1,155,653	1,131,054	-	1.90	152,273,236	Y	N	N	
0	Evergreen Marine Corporation	Hemlock Equipment LLC.	3	121,818,589	659,131	559,020	549,313	-	0.92	152,273,236	Y	N	N	
0	Evergreen Marine Corporation	Colon Container Terminal S.A.	6	30,454,047	695,836	695,836	179,780	-	1.14	152,273,236	N	N	N	
0	Evergreen Marine Corporation	Balsam Investment (Netherlands) N.V.	6	30,454,047	1,621,057	1,055,794	753,030	-	1.73	152,273,236	N	N	N	
1	Greencompass Marine S.A.	Taranto Container Terminal S.p.A	1	147,678	123,969	26,777	26,777	-	0.11	62,104,357	N	N	N	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:
(1) The Company is ‘0’
(2) The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following six categories; fill in the number of category each case belongs to
(1) Having business relationship.
(2) The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.
(3) The endorser/guarantor parent company and its subsidiaries jointly own more than 50% voting shares of the endorsed/guaranteed company.
(4) The endorsed/guaranteed parent company directly or indirectly owns more than 50% voting shares of the endorser/guarantor subsidiary.
(5) Mutual guarantee of the trade as required by the construction contract.
(6) Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

Note 3: Fill in limit on endorsements/guarantees provided for a single party and ceiling on total amount of endorsements/guarantees provided as prescribed in the endorser/guarantor company’s “Procedures for Provision of Endorsements and Guarantees”, state each individual party to which the endorsements/guarantees have been provided,and the calculation for ceiling on total amount of endorsements/guarantees provided in the footnote.
Accoring to the company's credit policy, the total amount of endorsements or gurantees provided by the company should not exceed 250% of the net worth stated in the latest financial statements.
The calculation is as follows:
The Company: 60,909,295*250%=152,273,236
Limit on endorsement or guarantees provided by the company for a single entity is $30,454,647 (amounting to 50% of its net worth).
When the Company owns more than 50% voting shares of the endorsed/ guaranteed company, the limit on endorsement or guarantees provided by the Company should not exceed the 200% of the its net worth, which equals to $121,818,589.
Accoring to the GMS's credit policy, the total amount of endorsements or gurantees provided by the GMS should not exceed 250% of the net worth stated in the latest financial statements.
The calculation is as follows:
USD 783,985*31.6865*250%=62,104,357
The amount of endorsement or guarantees provided by the Company for a single entity should not exceed the transaction amounts for the latest fiscal year with the entity.
The calculation is as follows: USD 4,661*31.6865=147,678.

Note 4: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 5: Once endorsement/guarantee contracts or promissory notes are signed/issued by the endorser/guarantor company to the banks, the endorser/guarantor company bears endorsement/guarantee liabilities.
And all other events involve endorsements and guarantees should be included in the balance of outstanding endorsements and guarantees.

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 7: Fill in ‘Y’ for those cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures):

Unit：Thousands of New Taiwan Dollars / Thousands of shares

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2014				Footnote (Note 4)
				Number of shares	Book value (Note 3)	Ownership (%)	Fair value	
Evergreen Marine Corporation	Stock:							
	Power World Fund Inc.		Available-for-sale financial assets - non-current	1,017	$ 10,169	5.68	$ 10,169	
	Taiwan HSR Consortium		〃	126,735	501,871	1.95	501,871	
	Linden Technologies, Inc.		〃	50	33,756	2.49	33,756	
	TopLogis, Inc.		〃	2,464	5,668	17.48	5,668	
	Ever Accord Construction Corp.		〃	9,317	84,034	17.50	84,034	
	Central Reinsurance Corp.		〃	47,492	764,619	8.45	764,619	
	Financial bonds:							
	Bank of Taichung Unsecured Subordinated Financial Debentures		Held-to-maturity financial asset - non-current	-	220,000	-	220,000	
	Ta Chong Commercial Bank 1st Unsecured Subordinate Financial Debentures-B Issue in 2009		〃	-	100,000	-	100,000	
	Sunny Bank 1st Subordinate Financial Debentures- B Issue in 2010		〃	-	50,000	-	50,000	

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2014							Footnote (Note 4)
				Number of shares	Book value (Note 3)		Ownership (%)	Fair value			
Peony Investment S.A.	Dongbu Pusan Container Terminal Co. Ltd.		Available-for-sale financial assets - non-current	300	USD	8,446	15.00	USD	8,446		
	Hutchison Inland Container Depots Ltd.		〃	0.75	USD	369	7.50	USD	369		
	Colombo - South Asia Gateway Terminal		〃	18,942	USD	16,707	5.00	USD	16,707		
Evergreen Shipping Agency (Singapore) Pte Ltd.	RTW AIR SERVICES (S) Pte. Ltd.		〃	30	SGD	44	2.00	SGD	44		
Evergreen Shipping Agency (Thailand) Co., Ltd.	Green Siam Air Service Co., Ltd.		〃	4	THB	1,160	2.00	THB	1,160		
Evergreen Shipping Agency (Deutschland) GmbH	Zoll Pool Hafen hamburg AG		〃	10	EUR	10	2.86	EUR	10		

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IAS 39 'Financial instruments : recognition and measurement.'

Note 2: Leave the column blank if the issuer of marketable securities is non-related party.

Note 3: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

D. Acquisition or sale of the same security with the accumulated cost exceeding NT$300 million or 20% of the Company's paid-in capital:

Unit：Thousands of New Taiwan Dollars / Thousands of shares

Investor	Marketable securities (Note 1)	General ledger account	Counterparty (Note 2)	Relationship with the investor (Note 2)	Balance as at January 1, 2014		Addition (Note 3)		Disposal (Note 3)				Balance as at December 31, 2014	
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount
Evergreen Marine Corporation	Beneficary Certificates:													
	PCAWell Pool Money Market Fund	Financial Assets at fair value through profit or loss -current			-	$ -	22,569	$ 300,000	22,569	$ 300,191	$ 300,000	$ 191	-	$ -
	Taishin 1699 Money Market Fund	〃			-	-	30,235	400,000	30,235	400,307	400,000	307	-	-
	Capital Money Market	〃			-	-	30,381	480,000	30,381	480,236	480,000	236	-	-
	Mega Diamond Bond Fund	〃			-	-	45,676	560,000	45,676	560,861	560,000	861	-	-

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.

Note 2: Fill in the columns the counterparty and relationship if securities are accounted for under the equity method; otherwise leave the columns blank.

Note 3: Aggregate purchases and sales amounts should be calculated separately at their market values to verify whether they individually reach NT$300 million or 20% of paid-in capital or more.

Note 4: Paid-in capital referred to herein is the paid-in capital of parent company.In the case that shares were issued with no par value or a par value other than NT$10 per share, the 20 % of paid-in capital shall be replaced by 10% of equity attributable to owners other parent.in the calculation.

E. Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more:

Unit：Thousands of New Taiwan Dollars

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote (Note 2)
			Purchases (Sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Evergreen Marine Corporation	Evergreen International Storage & Transport Corp.	Investee accounted for using equity method	Purchases	$ 439,387	2%	30~60 Days	$ -	-	($ 13,753)	1%	
	Evergreen International Corp.	Investee of the Company's major shareholder	Sales	1,761,067	7%	30~60 Days	-	-	62,819	3%	
			Purchases	382,827	2%	30~60 Days	-	-	(448)	-	
	Taiwan Terminal Services Co., Ltd.	Subsidiary of the Company	Purchases	799,897	3%	30~60 Days	-	-	(45,113)	2%	(Note)
	Gaining Enterprise S.A.	Subsidiary of EITC accounted for using equity method	Purchases	1,567,481	6%	30~60 Days	-	-	-	-	
	Greencompass Marine S.A.	Indirect subsidiary of the Company	Sales	1,402,515	5%	30~60 Days	-	-	4,974	-	(Note)
			Purchases	811,262	3%	30~60 Days	-	-	-	-	(Note)
	Evergreen Marine (UK) Limited	Indirect subsidiary of the Company	Sales	1,103,979	4%	30~60 Days	-	-	9,307	-	(Note)
			Purchases	272,428	1%	30~60 Days	-	-	-	-	(Note)
	Italia Marittima S.p.A.	Investee of Balsam	Sales	818,875	3%	30~60 Days	-	-	33,294	1%	
			Purchases	522,453	2%	30~60 Days	-	-	(30,744)	1%	
	Evergreen Marine (Singapore) Pte. Ltd.	Investee of the Company's major shareholder	Sales	1,646,472	6%	30~60 Days	-	-	2,053	-	
			Purchases	192,007	1%	30~60 Days	-	-	(7,125)	-	
	Evergreen Marine (Hong Kong) Ltd.	Investee of the Company's major shareholder	Purchases	212,704	1%	30~60 Days	-	-	-	-	
Taiwan Terminal Services Co., Ltd.	Evergreen Marine Corp.	The parent	Sales	799,897	100%	30~60 Days	-	-	45,113	100%	(Note)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote (Note 2)
			Purchases (Sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Everport Terminal Services Inc.	Evergreen Marine (Singapore) Pte. Ltd.	Investee of the Parent Company's major shareholder	Sales	USD 22,642	27%	10 Days	$ -	-	USD 743	20%	
	Greencompass Marine S.A.	Indirect subsidiary of the Parent Company	Sales	USD 13,396	16%	10 Days	-	-	USD 426	11%	(Note)
	Evergreen Marine (UK) Limited	Indirect subsidiary of the Parent Company	Sales	USD 23,936	28%	10 Days	-	-	USD 741	20%	(Note)
	Seaside Transportation Service LLC.	Investee of the Parent Company's major shareholder	Sales	USD 15,302	18%	10 Days	-	-	USD 1,057	28%	
	Italia Marittima S.p.A.	Investee of Balsam	Sales	USD 5,629	7%	10 Days	-	-	USD 175	5%	
Greencompass Marine S.A.	Evergreen Marine (Hong Kong) Ltd.	Investee of the Parent Company's major shareholder	Purchases	USD 42,464	2%	15~30 Days	-	-	-	-	
	Evergreen International S.A.	Major shareholder of the Parent Company's	Purchases	USD 16,884	1%	15~30 Days	-	-	(USD 2,211)	1%	
	Evergreen Marine (UK) Limited	Indirect subsidiary of the Parent Company	Sales	USD 27,123	1%	15~30 Days	-	-	-	-	(Note)
			Purchases	USD 18,233	1%	15~30 Days	-	-	-	-	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Investee of the Parent Company's major shareholder	Sales	USD 61,339	3%	15~30 Days	-	-	USD 756	-	
			Purchases	USD 21,406	1%	15~30 Days	-	-	-	-	
	Italia Marittima S.p.A.	Investee of Balsam	Sales	USD 33,491	2%	15~30 Days	-	-	-	-	
			Purchases	USD 42,590	2%	15~30 Days	-	-	-	-	
	Evergreen Marine Corp.	The parent	Sales	USD 26,762	1%	30~60 Days	-	-	-	-	(Note)
			Purchases	USD 46,267	2%	30~60 Days	-	-	(USD 157)	-	(Note)
	Everport Terminal Services Inc.	Subsidiary of the Parent Company	Purchases	USD 13,396	1%	15~30 Days	-	-	(USD 426)	-	(Note)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote (Note 2)
			Purchases (Sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Greencompass Marine S.A.	Evergreen Insurance Company Limited	Investee of the Parent Company's major shareholder	Purchases	USD 6,263	-	15~30 Days	$ -	-	(USD 841)	-	
	Evergreen International Corp.	Investee of the Parent Company's major shareholder	Purchases	USD 10,370	-	15~30 Days	-	-	-	-	
Evergreen Marine (UK) Limited	Greencompass Marine S.A.	Indirect subsidiary of the Parent Company	Sales	USD 18,233	1%	30~60 Days	-	-	-	-	(Note)
			Purchases	USD 27,123	2%	30~60 Days	-	-	-	-	(Note)
	Evergreen International Corp.	Investee of the Parent Company's major shareholder	Purchases	USD 7,958	-	30~60 Days	-	-	-	-	
	Evergreen Marine (Singapore) Pte. Ltd.	Investee of the Parent Company's major shareholder	Sales	USD 36,712	2%	30~60 Days	-	-	USD 489	-	
			Purchases	USD 13,807	1%	30~60 Days	-	-	(USD 38)	-	
	Everport Terminal Services Inc.	Subsidiary of the Parent Company	Purchases	USD 23,936	1%	30~60 Days	-	-	(USD 741)	-	(Note)
	Evergreen Marine Corp.	The parent	Sales	USD 8,987	1%	30~60 Days	-	-	-	-	(Note)
			Purchases	USD 36,418	2%	30~60 Days	-	-	(USD 294)	-	(Note)
	Italia Marittima S.p.A.	Investee of Balsam	Sales	USD 20,740	1%	30~60 Days	-	-	USD 2,049	1%	
			Purchases	USD 45,456	3%	30~60 Days	-	-	(USD 628)	-	
	Evergreen Insurance Company Limited	Investee of the Parent Company's major shareholder	Purchases	USD 5,310	-	30~60 Days	-	-	-	-	
	Evergreen Shipping Agency (Deutschland) GmbH	Indirect subsidiary of the Parent Company	Purchases	USD 4,637	-	30~60 Days	-	-	-	-	(Note)
	Evergreen Shipping Agency (Netherlands) B.V.	Indirect subsidiary of the Parent Company	Purchases	USD 4,554	-	30~60 Days	-	-	-	-	(Note)
Evergreen Shipping Agency (Deutschland) GmbH	Evergreen Marine (UK) Limited	Indirect subsidiary of the Parent Company	Sales	EUR 3,490	27%	45 Days	-	-	-	-	(Note)
	Evergreen Marine (Singapore) Pte. Ltd.	Investee of the Parent Company's major shareholder	Sales	EUR 3,458	26%	45 Days	-	-	EUR 280	3%	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote (Note 2)
			Purchases (Sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Evergreen Shipping Agency (Deutschland) GmbH	Italia Marittima S.p.A.	Investee of Balsam	Sales	EUR 2,946	22%	45 Days	$ -	-	EUR 239	2%	
Evergreen Shipping Agency (Netherlands) B.V.	Evergreen Marine (UK) Limited	Indirect subsidiary of the Parent Company	Sales	EUR 3,428	30%	30-60 Days	-	-	-	-	(Note)
	Italia Marittima S.p.A.	Investee of Balsam	Sales	EUR 2,821	25%	30-60 Days	-	-	-	-	
	Evergreen Marine (Singapore) Pte. Ltd.	Investee of the Parent Company's major shareholder	Sales	EUR 2,772	25%	30-60 Days	-	-	-	-	
Evergreen Heavy Industrial Corp (Malaysia) Berhad	Gaining Enterprise S.A.	Subsidiary of EITC accounted for using equity method	Sales	MYR 12,307	4%	45 Days	-	-	-	-	
	Evergreen Marine Corp.	The parent	Sales	MYR 16,708	6%	45 Days	-	-	-	-	(Note)
Island Equipment LLC	Seaside Transportation Service LLC.	Investee of the Parent Company's major shareholder	Sales	USD 4,413	27%	5 Days	-	-	USD 10	100%	

Note : This transaction was written off when the consolidated financial statements were prepared.

Note 1: If terms of related-party transactions are different from third-party transactions, explain the differences and reasons in the 'Unit price' and 'Credit term' columns.

Note 2: In case related-party transaction terms involve advance receipts (prepayments) transactions, explain in the footnote the reasons, contractual provisions, related amounts, and differences in types of transactions compared to third-party transactions.

Note 3: Paid-in capital referred to herein is the paid-in capital of parent company.

H. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more:

Unit：Thousands of New Taiwan Dollars

Creditor	Counterparty	Relationship with the Counterparty	Balance as at December 31, 2014 (Note1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action Taken		
Peony Investment S.A.	Clove Holding Ltd.	Subsidiary of the Company (Note)	USD 10,503	-	$ -	-	$ -	$ -
	Luanta Investment (Netherlands) N.V.	Related Company of Peony Investment S.A.	USD 9,744	-	-	-	-	-
Clove Holding Ltd.	Whitney Equipment LLC	Subsidiary of the Company (Note)	USD 4,000	-	-	-	USD 1,500	-

Note : This transaction was written off when the consolidated financial statements were prepared.

Note 1: Fill in separately the balances of accounts receivable–related parties, notes receivable–related parties, other receivables–related parties, etc.

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company.

I. Derivative financial instruments undertaken during the year ended December 31, 2014: None.

J. Significant inter-company transactions during the year ended December 31, 2014:

Unit：Thousands of New Taiwan Dollars

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Evergreen Marine Corporation	Taiwan Terminal Service Co., Ltd.	1	Operating cost	$ 799,897	Note 4	0.55
0	Evergreen Marine Corporation	Greencompass Marine S.A.	1	Shipowner's accounts - credit	402,315	"	0.21
0	Evergreen Marine Corporation	Greencompass Marine S.A.	1	Operating revenue	1,402,515	"	0.97
0	Evergreen Marine Corporation	Greencompass Marine S.A.	1	Operating cost	811,262	"	0.56
0	Evergreen Marine Corporation	Evergreen Marine (UK) Limited	1	Shipowner's accounts - credit	105,500	"	0.06
0	Evergreen Marine Corporation	Evergreen Marine (UK) Limited	1	Operating revenue	1,103,979	"	0.77
0	Evergreen Marine Corporation	Evergreen Marine (UK) Limited	1	Operating cost	272,428	"	0.19
1	Greencompass Marine S.A.	Evergreen Marine (UK) Limited	3	Operating revenue	822,190	"	0.57
1	Greencompass Marine S.A.	Evergreen Marine (UK) Limited	3	Operating cost	552,705	"	0.38
1	Greencompass Marine S.A.	Evergreen Marine (UK) Limited	3	Shipowner's accounts - debit	161,309	"	0.09
1	Greencompass Marine S.A.	Everport Terminal Services Inc.	3	Operating cost	406,068	"	0.28
2	Evergreen Marine (UK) Limited	Evergreen Shipping Agency (Deutschland) GmbH	3	Operating cost	140,555	"	0.10
2	Evergreen Marine (UK) Limited	Evergreen Shipping Agency (Netherlands) B.V.	3	Operating cost	138,053	"	0.10
2	Evergreen Marine (UK) Limited	Everport Terminal Services Inc.	3	Operating cost	725,585	"	0.50
3	Evergreen Heavy Industrial Co., (Malaysia) Berhad	Evergreen Marine Corporation	2	Operating revenue	154,743	"	0.11
4	Peony Investment S.A.	Clove Holding Ltd.	3	Other receivables	332,807	"	0.18
5	Clove Holding Ltd.	Whitney Equipment LLC.	3	Other receivables	126,746	"	0.07

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is ‘0’.

(2) The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: Terms are approximately the same as for general transactions.

Note 5: The Company may decide to disclose or not to disclose transaction details in this table based on the Materiality Principle.

(2)Information on investees (not including investees in Mainland China)

Unit：Thousands of shares/Thousands of New Taiwan Dollars

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2014			Net profit (loss) of the investee for the year ended December 31, 2014 (Note 2(2))	Investment income (loss) recognized by the Company for the year ended December 31, 2014 (Note 2(3))	Footnote
				Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value			
Evergreen Marine Corp.	Peony Investment S.A.	Republic of Panama	Investment activities	$ 15,098,617	$ 15,098,617	4,765	100.00	$ 40,029,642	($ 2,121,705)	($ 2,108,469)	Subsidiary of the Company (Note)
	Taiwan Terminal Services Co., Ltd.	Taiwan	Loading and discharging operations of container yards	55,000	55,000	5,500	55.00	36,262	30,094	16,551	〃 (Note)
	Everport Terminal Services Inc.	U.S.A	Terminal services	3,169	3,169	1	100.00	147,345	72,517	72,517	〃 (Note)
	Charng Yang Development Co., Ltd.	Taiwan	Development, rental, and sale of residential and commercial buildings	320,000	320,000	55,622	40.00	484,175	162,193	64,877	Investee accounted for using equity method
	Evergreen International Storage and Transport Corporation	Taiwan	Container transportation and gas stations	4,753,514	4,753,514	424,062	39.74	8,323,748	668,344	268,439	〃
	Evergreen Security Corporation	Taiwan	General security guards services	25,000	25,000	6,336	31.25	76,179	34,059	10,644	〃
	EVA Airways Corporation	Taiwan	International passenger and cargo transportation	10,767,879	10,767,879	629,483	19.32	6,544,364	(1,306,724)	(252,401)	〃
	Taipei Port Container Terminal Corporation	Taiwan	Container distribution and cargo stevedoring	1,094,073	1,094,073	109,378	21.03	1,005,287	24,947	5,247	〃
	Evergreen Marine (Latin America), S.A.	Republic of Panama	Management consultancy	3,327	3,327	105	17.50	3,824	1,347	236	〃

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2014			Net profit (loss) of the investee for the year ended December 31, 2014 (Note 2(2))	Investment income (loss) recognized by the Company for the year ended December 31, 2014 (Note 2(3))	Footnote
				Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value			
Peony Investment S.A.	Clove Holding Ltd.	British Virgin Islands	Investment holding company	$ 1,665,103	$ 1,665,103	10	100.00	$ 2,697,203	$ 90,978	$ 90,978	Indirect subsidiary of the Company (Note)
	Evergreen Shipping Agency (Deutschland) GmbH	Germany	Shipping agency	263,505	263,505	-	100.00	238,151	9,153	9,153	〃 (Note)
	Evergreen Shipping Agency (Ireland) Ltd.	Ireland	Shipping agency	3,010	3,010	0.1	100.00	8,214	843	843	〃 (Note)
	Evergreen Shipping Agency (Korea) Corporation	South Korea	Shipping agency	76,871	76,871	121	100.00	84,940	31,117	31,117	〃 (Note)
	Evergreen Shipping Agency (Netherlands) B.V.	Netherlands	Shipping agency	126,017	126,017	0.047	100.00	142,583	(20,575)	(20,575)	〃 (Note)
	Evergreen Shipping Agency (Poland) SP. ZO.O	Poland	Shipping agency	20,976	20,976	2	100.00	11,265	(318)	(318)	〃 (Note)
	Greencompass Marine S.A.	Republic of Panama	Marine transportation	11,201,178	11,201,178	3,535	100.00	24,841,743	(1,676,984)	(1,676,984)	〃 (Note)
	Evergreen Shipping Agency (India) Pvt. Ltd.	India	Shipping agency	37,288	37,288	100	99.99	164,055	61,970	61,970	〃 (Note)

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2014			Net profit (loss) of the investee for the year ended December 31, 2014 (Note 2(2))	Investment income (loss) recognized by the Company for the year ended December 31, 2014 (Note 2(3))	Footnote
				Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value			
Peony Investment S.A.	Evergreen Argentina S.A.	Argentina	Leasing	$ 4,436	$ 4,436	150	95.00	$ 4,336	($ 8,730)	($ 8,293)	Indirect subsidiary of the Company (Note)
	Evergreen Shipping Agency France S.A.S.	France	Shipping agency	28,740	28,740	5	100.00	62,244	6,340	6,340	〃 (Note)
	PT. Multi Bina Pura International	Indonesia	Loading and discharging operations of container yards and inland transportation	248,452	248,452	17	95.03	384,999	80,204	76,218	〃 (Note)
	PT. Multi Bina Transport	Indonesia	Container repair, cleaning and inland transportation	25,485	25,485	2	17.39	13,653	8,929	1,553	〃 (Note)
	Evergreen Heavy Industrial Corp. (Malaysia) Berhad	Malaysia	Container manufacturing	864,878	864,878	42,120	84.44	1,309,966	62,531	52,801	〃 (Note)
	Armand Investment (Netherlands) N.V.	Curacao	Investment holding company	364,792	364,792	4	70.00	324,593	(424)	(297)	〃 (Note)
	Evergreen Shipping (Spain) S.L.	Spain	Shipping agency	122,627	122,627	3	55.00	106,993	112,015	61,608	〃 (Note)
	Evergreen Shipping Agency (Italy) S.p.A.	Italy	Shipping agency	74,527	74,527	0.55	55.00	80,028	41,444	22,794	〃 (Note)

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2014			Net profit (loss) of the investee for the year ended December 31, 2014 (Note 2(2))	Investment income (loss) recognized by the Company for the year ended December 31, 2014 (Note 2(3))	Footnote
				Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value			
Peony Investment S.A.	Evergreen Marine (UK) Limited	U.K.	Marine transportation	$ 1,017,220	$ 532,417	765	51.00	$ 2,577,994	$ 1,047,549	$ 534,250	Indirect subsidiary of the Company (Note)
	Evergreen Shipping Agency (Australia) Pty. Ltd.	Australia	Shipping agency	7,829	7,829	0.675	67.50	41,347	58,978	39,810	〃 (Note)
	Evergreen Shipping Agency (Russia) Ltd.	Russia	Shipping agency	26,870	26,870	-	51.00	16,365	114,938	58,619	〃 (Note)
	Evergreen Shipping Agency (Singapore) Pte. Ltd.	Singapore	Shipping agency	68,348	68,348	765	51.00	141,587	76,438	38,984	〃 (Note)
	Evergreen Shipping Agency (Thailand) Co., Ltd.	Thailand	Shipping agency	46,706	46,706	408	51.00	71,518	92,333	47,090	〃 (Note)
	Evergreen Shipping Agency (Vietnam) Corp.	Vietnam	Shipping agency	14,386	14,386	-	51.00	45,694	70,980	36,200	〃 (Note)
	Evergreen Agency (South Africa) (Pty) Ltd.	South Africa	Shipping agency	18,403	18,403	5,500	55.00	139,610	111,727	61,450	〃 (Note)
	PT. Evergreen Shipping Agency Indonesia	Indonesia	Shipping agency	30,831	30,831	0.441	49.00	113,784	87,695	42,971	Investee company of Peony accounted for using equity method

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2014			Net profit (loss) of the investee for the year ended December 31, 2014 (Note 2(2))	Investment income (loss) recognized by the Company for the year ended December 31, 2014 (Note 2(3))	Footnote
				Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value			
Peony Investment S.A.	Luanta Investment (Netherlands) N.V.	Curagao	Investment holding company	$ 1,429,825	$ 1,359,615	460	50.00	$ 2,439,505	($ 454,368)	($ 227,184)	Investee company of Peony accounted for using equity method
	Balsam Investment (Netherlands) N.V.	Curagao	Investment holding company	8,202,415	7,332,937	0.451	49.00	696,474	(3,472,805)	(1,701,675)	〃
	Green Peninsula Agencies SDN. BHD.	Malaysia	Investment holding company	229,886	229,886	1,500	30.00	253,223	204,625	61,388	〃
	Evergreen Shipping Agency Co. (U.A.E.) LLC.	U.A.E	Shipping agency	65,971	65,971	-	49.00	85,508	95,402	46,747	〃
	Greenpen Properties Sdn. Bhd.	Malaysia	Renting estate and storehouse company	2,873	2,873	300	30.00	35,282	4,814	1,444	〃
Armand Investment (Netherlands) N.V.	Armand Estate B.V.	Netherlands	Investment holding company	536,640	536,640	0.045	100.00	464,661	299	299	Indirect subsidiary of the Company (Note)
Armand Estate B.V.	Taipei Port Container Terminal Corporation	Taiwan	Container distribution and cargo stevedoring	506,019	506,019	50,602	9.73	464,309	24,947	2,427	Investee company of Armand Estate B.V. accounted for using equity method
Clove Holding Ltd.	Colon Container Terminal S.A.	Republic of Panama	Inland container storage and loading	724,353	724,353	22,860	40.00	2,671,525	218,187	87,275	Investee company of Clove Holding Ltd. accounted for using equity method

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2014			Net profit (loss) of the investee for the year ended December 31, 2014 (Note 2(2))	Investment income (loss) recognized by the Company for the year ended December 31, 2014 (Note 2(3))	Footnote
				Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value			
Clove Holding Ltd.	Island Equipment LLC.	U.S.A	Investment holding company	$ 4,563	$ 4,563	-	36.00	$ 128,587	$ 9,088	$ 3,272	Indirect subsidiary of the Company (Note)
Island Equipment LLC.	Whitney Equipment LLC.	U.S.A	Equipment leasing company	6,337	6,337	-	100.00	125,889	27,796	27,796	〃 (Note)
	Hemlock Equipment LLC.	U.S.A	Equipment leasing company	6,337	6,337	-	100.00	249,072	(1,625)	(1,625)	〃 (Note)
Evergreen Marine (UK) Ltd.	Island Equipment LLC.	U.S.A	Investment holding company	1,901	1,901	-	15.00	53,578	9,088	1,363	〃 (Note)
	Evergreen Shipping Agency (UK) Limited	U.K.	Shipping agency	0.06	0.06	-	100.00	57,096	12,283	12,283	〃 (Note)
	Evergreen Marine (Latin America), S.A.	Republic of Panama	Management consultancy	3,137	3,137	99	16.50	3,605	1,347	222	Investee company of Evergreen Marine (UK) Ltd. accounted for using equity method
PT. Multi Bina Pura International	PT. Multi Bina Transport	Indonesia	Container repair, cleaning and inland transportation	104,610	104,610	8	72.95	57,273	8,929	6,514	Indirect subsidiary of the Company (Note)

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2014			Net profit (loss) of the investee for the year ended December 31, 2014 (Note 2(2))	Investment income (loss) recognized by the Company for the year ended December 31, 2014 (Note 2(3))	Footnote
				Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value			
Evergreen Shipping Agency (Deutschland) GmbH	Evergreen Shipping Agency (Austria) GmbH	Austria	Shipping agency	$ 699	$ 699	-	100.00	$ 19,311	$ 346	$ 346	Indirect subsidiary of the Company (Note)
	Evergreen Shipping Agency (Switzerland) S.A.	Switzerland	Shipping agency	2,649	2,649	0.1	100.00	8,684	1,048	1,048	〃 (Note)

Note: This transaction was written off when the consolidated financial statements were prepared.

Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

Note 2: If situation does not belong to Note 1, fill in the columns according to the following regulations:

(1) The columns of 'Investee', 'Location', 'Main business activities', 'Initial investment amount' and 'Shares held as at December 31, 2014' should fill orderly in the Company's (public company's) information on investees and every directly or indirectly controlled investee's investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the 'footnote' column.

(2) The 'Net profit (loss) of the investee for year ended December 31, 2014' column should fill in amount of net profit (loss) of the investee for this period.

(3) The 'Investment income (loss) recognized by the Company for the year ended December 31, 2014' column should fill in the Company (public company) recognized investment income (loss) of its direct subsidiary and recognized investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognized investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary's net profit (loss) for this period has included its investment income (loss) which shall be recognized by regulations.

(4) Information on investments in Mainland China

Unit：Thousands of New Taiwan Dollars

Investee in Mainland China	Main business activities	Paid-in Capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2014	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2014		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2014	Net profit (loss) of the investee for the year ended December 31, 2014	Ownership held by the Company (direct or indirect) (%)	Investment income (loss) recognized by the Company for the year ended December 31, 2014 (Note 2)	Book value of investments in Mainland China as of December 31, 2014	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2014
					Remitted to Mainland China	Remitted back to Taiwan						
Ningbo Victory Container Co., Ltd.	Inland container transportation, container storage, loading, discharging, repair and related activities	$ 123,226	(2)	$ 32,241	$ -	$ -	$ 32,241	$ 14,546	40.00	$ 5,819	$ 71,934	$ -
Qingdao Evergreen Container Storage & Transportation Co., Ltd.	Inland container transportation, storage, loading, discharging, repair, cleaning and related activities	472,592	(2)	140,907	-	-	140,907	157,318	40.00	62,927	277,372	-
Kingtrans Intl. Logistics (Tianjin) Co., Ltd.	Inland container transportation, storage, loading, discharging, repair, cleaning and related activities	398,149	(2)	126,746	-	-	126,746	36,991	40.00	14,796	209,776	-

Name of the company	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2014	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 3)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Evergreen Marine Corp.	$ 299,894	$ 1,143,639	$ 38,918,905

1.Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

(1) Investing directly in Mainland China

(2) Through investing in an existing company, Peony Investment S.A. , in the third area, which then invested in the investee in Mainland China.

(3) Others

Note 2: In the 'Investment income (loss) recognised by the Company for the year ended December 31, 2014' column:

(1) It should be indicated if the investee was still in the incorporation arrangements and had not yet any profit during this period.

(2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:

1. The financial statements that are audited and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C.
2. The financial statements that are audited and attested by R.O.C. parent company's CPA.
3. Others.

Note 3: The numbers in this table are expressed in New Taiwan Dollars.

2. Significant transactions conducted with investees in Mainland China directly or indirectly through other companies in the third areas: None

14. SEGMENT INFORMATION

(1) General information

A.Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

B.There is no material change in the basis for formation of entities and division of segments in the Group or in the measurement basis for segment information in this period.

(2) Measurement of segment information

The Group assesses the performance of the operating segments based on the profits and losses of segments.

(3) Segment information

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	Year ended December 31, 2014				
	Transportation Department	Investing and holding Department	Other Departments	Adjustments and written-off	Total
Revenue from external customers	$ 141,396,071	$ 503,328	$ 2,384,975	$ -	$ 144,284,374
Revenue from internal customers	12,342,416	-	-	(12,342,416)	-
Segment revenue	$ 153,738,487	$ 503,328	$ 2,384,975	($ 12,342,416)	$ 144,284,374
Interest income	310,111	13,962	1,987	-	326,060
Interest expense	(539,372)	5	(5)	-	(539,372)
Depreciation and amortisation	(7,367,834)	(310,356)	(45,016)	-	(7,723,206)
Share of income (loss) of associates and joint ventures accounted for using equity method	97,265	(1,617,862)	-	-	(1,520,597)
Other items	(129,191,610)	(126,684)	(2,269,107)	-	(131,587,401)
Segment profit (loss)	$ 17,047,047	($ 1,537,607)	$ 72,834	($ 12,342,416)	$ 3,239,858
Recognizable assets	$ 158,511,728	$ 4,843,640	$ 2,020,891	$ -	$ 165,376,259
Investments accounted for using equity method	16,441,184	7,108,916	-	-	23,550,100
Segment assets	$ 174,952,912	$ 11,952,556	$ 2,020,891	$ -	$ 188,926,359
Segment liabilities	$ 121,317,874	$ 2,278,517	$ 465,125	$ -	$ 124,061,516

Year ended December 31, 2013

	Transportation Department	Investing and holding Department	Other Departments	Adjustments and written-off	Total
Revenue from external customers	$ 136,083,639	$ 478,257	$ 2,654,488	$ -	$ 139,216,384
Revenue from internal customers	12,185,021	-	-	(12,185,021)	-
Segment revenue	$ 148,268,660	$ 478,257	$ 2,654,488	($ 12,185,021)	$ 139,216,384
Interest income	230,205	16,562	2,762	-	249,529
Interest expense	(411,988)	(75)	(23)	-	(412,086)
Depreciation and amortisation	(6,475,213)	(283,823)	(34,399)	-	(6,793,435)
Share of income (loss) of associates and joint ventures accounted for using equity method	428,677	(1,535,209)	-	-	(1,106,532)
Other items	(130,113,972)	(114,199)	(2,514,836)	-	(132,743,007)
Segment profit (loss)	$ 11,926,369	($ 1,438,487)	$ 107,992	($ 12,185,021)	($ 1,589,147)
Recognizable assets	$ 144,025,065	$ 4,982,057	$ 2,101,317	$ -	$ 151,108,439
Investments accounted for using equity method	16,230,944	7,669,908	-	-	23,900,852
Segment assets	$ 160,256,009	$ 12,651,965	$ 2,101,317	$ -	$ 175,009,291
Segment liabilities	$ 112,015,539	$ 2,399,445	$ 424,718	$ -	$ 114,839,702

(4) Reconciliation for segment income (loss)

A.Sales between segments are carried out at arm's length. The revenue from external parties reported to the chief operating decision-maker is measured in a manner consistent with that in the statement of comprehensive income.

B.The amounts provided to the chief operating decision-maker with respect to total assets are measured in a manner consistent with that in the balance sheet.

C.The amounts provided to the chief operating decision-maker with respect to total liabilities are measured in a manner consistent with that in the balance sheet.

(5) Trade information

	Year ended December 31, 2014		Year ended December 31, 2013	
	Amount	%	Amount	%
North America	$ 51,668,711	$ 39	$ 55,220,754	$ 43
Europe	31,796,130	24	28,252,479	22
Asia	29,146,452	22	24,399,868	19
Others	19,872,581	15	20,547,257	16
Total	$ 132,483,874	$ 100	$ 128,420,358	$ 100

(6) Geographical information

Geographical information for the years ended December 31, 2014 and 2013 is as follows:

	Year ended December 31, 2014		Year ended December 31, 2013	
	Revenue	Non-current assets	Revenue	Non-current assets
Taiwan	$ 22,927,877	$ 25,227,924	$ 16,889,301	$ 21,149,155
America	62,734,145	33,493,375	75,436,748	32,026,710
Europe	54,683,693	44,940,403	42,635,205	36,960,904
Asia	3,511,791	1,480,043	3,844,543	1,428,082
Others	426,868	6,825	410,587	10,833
Total	$ 144,284,374	$ 105,148,570	$ 139,216,384	$ 91,575,684

(7) Major customer information

The Group provides services to customers all over the world. No single customer of the Group accounts for more than 10% of the Group's operating revenues.

5. Parent Company Only Financial Statements and Report of Independent Accountants

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Shareholders of Evergreen Marine Corporation (Taiwan) Ltd.

We have audited the accompanying balance sheets of Evergreen Marine Corporation (Taiwan) Ltd. as of December 31, 2014 and 2013, and the related statements of comprehensive income, of changes in equity and of cash flows for the years ended December 31, 2014 and 2013. These financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these financial statements based on our audits. As stated in Note 6.(8) to financial statements, we did not audit the financial statements of all the investee companies accounted for using the equity method. Those statements were audited by other independent accountants whose reports thereon have been furnished to us, and our audit expressed herein, insofar as it relates to the amounts included for those investee companies accounted for using the equity method and information disclosed in Note 13 relating to these long-term equity investments, is based solely on the audit reports of other independent accountants. Long-term equity investments in these investee companies amounted to NT$21,147,872 thousand and NT$21,169,973 thousand, constituting 20.28% and 21.42% of the total assets as of December 31, 2014, and 2013, and comprehensive loss (including share of profit or loss and share of other comprehensive income of associates and joint ventures accounted for using equity method) was NT$629,429 thousand and NT$1,518,013 thousand for the years ended December 31, 2014 and 2013, respectively.

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and reports of other independent accountants provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of the other independent accountants, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Evergreen Marine Corporation (Taiwan) Ltd. as of December 31, 2014 and 2013, and the financial performance and cash flows for the years ended December 31, 2014 and 2013 in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" and generally accepted accounting principles in the Republic of China.

PricewaterhouseCoopers
March 31, 2015
Taipei, Taiwan
Republic of China

The accompanying financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.
PARENT COMPANY ONLY BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2014 AMOUNT	%	December 31, 2013 AMOUNT	%
Current assets					
Cash and cash equivalents	6(1)	$ 15,219,426	15	$ 15,364,531	16
Financial assets at fair value through profit or loss - current	6(2)	-	-	5,173	-
Notes receivable, net		14	-	5	-
Accounts receivable, net	6(5)	2,136,651	2	1,471,050	2
Accounts receivable - related parties	7	146,926	-	185,663	-
Other receivables		248,862	-	272,223	-
Other receivables - related parties	7	14,541	-	64,407	-
Current income tax assets		-	-	8,361	-
Inventories	6(6)	629,420	1	602,633	1
Prepayments		156,992	-	153,603	-
Other current assets	6(7), 7 and 8	1,829,723	2	1,280,688	1
Current Assets		20,382,555	20	19,408,337	20
Non-current assets					
Available-for-sale financial assets - non-current	6(3)	1,400,117	1	1,484,000	2
Held-to-maturity financial assets - non-current	6(4)	370,000	-	370,000	-
Investments accounted for using equity method	6(8)	56,536,695	54	56,015,607	57
Property, plant and equipment, net	6(9) and 8	20,522,164	20	14,006,137	14
Investment property, net	6(10) and 8	1,965,137	2	1,984,283	2
Intangible assets		9,705	-	7,118	-
Deferred income tax assets	6(28)	265,091	-	420,766	-
Other non-current assets	6(11)	2,841,730	3	5,276,847	5
Non-current assets		83,910,639	80	79,564,758	80
Total assets		$ 104,293,194	100	$ 98,973,095	100

(Continued)

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.
PARENT COMPANY ONLY BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2014 AMOUNT	%	December 31, 2013 AMOUNT	%
Current liabilities					
Accounts payable		$ 2,289,534	2	$ 1,793,540	2
Accounts payable - related parties	7	116,221	-	236,673	-
Other payables		727,217	1	331,641	-
Other payables - related parties	7	18,189	-	18,593	-
Current income tax liabilities		675,903	1	41,260	-
Other current liabilities	6(12) and 7	9,913,125	9	6,907,578	7
Current Liabilities		13,740,189	13	9,329,285	9
Non-current liabilities					
Corporate bonds payable	6(13)	3,000,000	3	3,000,000	3
Long-term loans	6(14)	24,121,777	23	26,785,068	27
Deferred income tax liabilities	6(28)	1,092,107	1	1,172,037	1
Other non-current liabilities	6(15)(16)	1,429,826	2	1,444,657	2
Non-current liabilities		29,643,710	29	32,401,762	33
Total Liabilities		43,383,899	42	41,731,047	42
Equity					
Capital	6(17)				
Common stock		34,775,802	33	34,749,523	35
Capital surplus	6(18)				
Capital surplus		7,292,458	7	7,271,957	8
Retained earnings	6(19)				
Legal reserve		9,115,638	9	9,115,638	9
Special reserve		828,940	1	5,814,993	6
Undistributed earnings		7,270,006	7	1,118,877	1
Other equity interest	6(20)				
Other equity interest		1,626,451	1	(828,940)	(1)
Total equity		60,909,295	58	57,242,048	58
Significant Contingent Liabilities And Unrecognised Contract Commitments	9				
Significant Events After The Balance Sheet Date	11				
Total liabilities and equity		$ 104,293,194	100	$ 98,973,095	100

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated March 31, 2015.

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except earnings (loss) per share)

		For the years ended December 31			
		2014		2013	
	Notes	AMOUNT	%	AMOUNT	%
Operating revenue	6(21) and 7	$ 26,151,838	100	$ 19,508,830	100
Operating costs	6(26)(27) and 7	(22,976,329)	(88)	(18,284,137)	(94)
Gross profit		3,175,509	12	1,224,693	6
Operating expenses	6(26)(27) and 7	(1,584,072)	(6)	(1,447,112)	(8)
Other gains - net	6(22) and 7	1,996,633	8	1,676,175	9
Operating profit		3,588,070	14	1,453,756	7
Non-operating income and expenses					
Other income	6(23)	854,929	3	284,963	1
Other gains and losses	6(2)(24)	(105,881)	-	(53,265)	-
Finance costs	6(25)	(473,189)	(2)	(381,949)	(2)
Share of loss of subsidiaries, associates and joint ventures accounted for using equity method		(1,922,359)	(7)	(2,755,107)	(14)
Total non-operating income and expenses		(1,646,500)	(6)	(2,905,358)	(15)
Profit (loss) before income tax		1,941,570	8	(1,451,602)	(8)
Income tax expense	6(28)	(765,531)	(3)	(45,702)	-
Profit (loss) for the year		$ 1,176,039	5	($ 1,497,304)	(8)
Other comprehensive income	6(20)				
Exchange differences on translating the financial statements of foreign operations		$ 1,934,877	7	$ 966,519	5
Unrealized (loss) gain on valuation of available-for-sale financial assets		(83,883)	-	109,835	1
Actuarial loss on defined benefit plan		(30,982)	-	(21,972)	-
Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method		620,487	2	188,092	1
Income tax relating to the components of other comprehensive income		3,929	-	4,695	-
Other comprehensive income for the year		$ 2,444,428	9	$ 1,247,169	7
Total comprehensive income (loss) for the year		$ 3,620,467	14	($ 250,135)	(1)
Earnings (loss) per share (in dollars)	6(29)				
Basic earnings (loss) per share		$ 0.34		($ 0.43)	
Diluted earnings (loss) per share		$ 0.34		($ 0.43)	

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated March 31, 2015.

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan dollars)

				Retained Earnings			Other equity interest			
	Notes	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translating the financial statements of foreign operations	Unrealized gain or loss on available-for-sale financial assets	Hedging instrument gain (loss) on effective hedge of cash flow hedges	Total equity
Year 2013										
Balance at January 1, 2013		$ 34,749,407	$ 7,271,879	$ 9,102,785	$ 3,593,280	$ 5,121,929	($ 1,867,363)	($ 490,002)	$ 10,289	$ 57,492,204
Appropriation of 2012 earnings	6(19)									
Legal reserve		-	-	12,853	-	(12,853)	-	-	-	-
Special reserve		-	-	-	2,221,713	(2,221,713)	-	-	-	-
Conversion of convertible bonds into common stock	6(17)	116	99	-	-	-	-	-	-	215
Stock warrants of convertible bonds	6(18)	-	(21)	-	-	-	-	-	-	(21)
Adjustments to share of changes in equity of subsidiaries, associates and joint ventures		-	-	-	-	(215)	-	-	-	(215)
Loss for the year		-	-	-	-	(1,497,304)	-	-	-	(1,497,304)
Other comprehensive income (loss) for the year	6(20)	-	-	-	-	(270,967)	1,062,548	453,546	2,042	1,247,169
Balance at December 31, 2013		$ 34,749,523	$ 7,271,957	$ 9,115,638	$ 5,814,993	$ 1,118,877	($ 804,815)	($ 36,456)	$ 12,331	$ 57,242,048
Year 2014										
Balance at January 1, 2014		$ 34,749,523	$ 7,271,957	$ 9,115,638	$ 5,814,993	$ 1,118,877	($ 804,815)	($ 36,456)	$ 12,331	$ 57,242,048
Appropriation of 2013 earnings	6(19)									
Reversal of special reserve		-	-	-	(4,986,053)	4,986,053	-	-	-	-
Conversion of convertible bonds into common stock	6(17)	26,279	23,555	-	-	-	-	-	-	49,834
Stock warrants of convertible bonds	6(18)	-	(4,632)	-	-	-	-	-	-	(4,632)
Adjustments to share of changes in equity of subsidiaries, associates and joint ventures	6(18)	-	1,578	-	-	-	-	-	-	1,578
Profit for the year		-	-	-	-	1,176,039	-	-	-	1,176,039
Other comprehensive income (loss) for the year	6(20)	-	-	-	-	(10,963)	2,160,524	672,975	(378,108)	2,444,428
Balance at December 31, 2014		$ 34,775,802	$ 7,292,458	$ 9,115,638	$ 828,940	$ 7,270,006	$ 1,355,709	$ 636,519	($ 365,777)	$ 60,909,295

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated March 31, 2015.

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan dollars)

	Notes	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) before tax for the year		$ 1,941,570	($ 1,451,602)
Adjustments to reconcile profit (loss) before tax to net cash provided by operating activities			
Income and expenses having no effect on cash flows			
Depreciation	6(24)(26)	1,679,362	1,831,731
Amortization	6(26)	9,967	8,781
Financial assets and liabilities at fair value through profit or loss	6(24)	5,258	(18,964)
Interest expense	6(25)	473,189	381,949
Interest income	6(23)	(152,461)	(103,761)
Dividend income	6(23)	(57,837)	(29,498)
Share of loss of subsidiaries, associates and joint ventures accounted for using equity method		1,922,359	2,755,107
Net gain on disposal of property, plant and equipment		(1,996,633)	(1,676,175)
Amortization of bond discounts		7,293	12,426
Realized income with affliated companies		(8,932)	(18,230)
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Financial assets and liabilities at fair value through profit or loss		-	1,498,428
Notes receivable, net		(9)	6,661
Accounts receivable, net		(626,864)	(714,980)
Other receivables		73,227	(12,730)
Inventories		(26,787)	(136,903)
Prepayments		(3,389)	3,996
Other current assets		(549,035)	(201,225)
Other non-current assets		2,208	5,920
Net changes in liabilities relating to operating activities			
Accounts payable		375,542	332,839
Other payables		117,424	(11,201)
Other current liabilities		430,875	958,663
Other non-current liabilities		(45,813)	(54,359)
Cash generated from operations		3,570,514	3,366,873
Interest received		152,461	103,761
Income tax paid		(57,953)	(6,303)
Interest paid		(508,001)	(434,021)
Net cash provided by operating activities		3,157,021	3,030,310

(Continued)

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31
(Expressed in thousands of New Taiwan dollars)

	Notes	2014	2013
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of investments accounted for under the equity	6(8)	$ -	($ 210,342)
Acquisition of property, plant and equipment	6(30)	(1,612,757)	(47,101)
Proceeds from disposal of property, plant and equipment		2,555,082	1,918,316
Acquisition of intangible assets		(12,554)	(12,329)
Increase in other non-current assets	6(30)	(4,413,003)	(5,495,854)
Dividend received		231,901	203,949
Net cash used in investing activities		(3,251,331)	(3,643,361)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in corporate bonds payable		(523,200)	-
Increase in long-term loans		5,472,553	11,599,714
Decrease in long-term loans		(5,000,148)	(8,291,362)
Net cash (used in) provided by financing activities		(50,795)	3,308,352
(Decrease) increase in cash and cash equivalents		(145,105)	2,695,301
Cash and cash equivalents at beginning of year		15,364,531	12,669,230
Cash and cash equivalents at end of year		$ 15,219,426	$ 15,364,531

The accompanying notes are an integral part of these financial statements.
See report of independent accountants dated March 31, 2015.

EVERGREEN MARINE CORPORATION (TAIWAN) LTD.
NOTES TO THE PARENT COMPANY ONLY FINANCIAL STATEMENTS
DECEMBER 31, 2014 AND 2013
(Expressed in thousands of New Taiwan Dollars, except as otherwise indicated)

1. HISTORY AND ORGANIZATION

Evergreen Marine Corporation (Taiwan) Ltd. (the "Company") was established in the Republic of China, and is mainly engaged in domestic and international marine transportation, shipping agency services, and the distribution of containers. The Company was approved by the Securities and Futures Bureau (SFB), Financial Supervisory Commission, Executive Yuan, R.O.C. to be a public company on November 2, 1982 and was further approved by the SFB to be a listed company on July 6, 1987. The Company's shares have been publicly traded on the Taiwan Stock Exchange since September 21, 1987.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE PARENT COMPANY ONLY FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These parent company only financial statements were authorised by the Board of Directors on March 27, 2015.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards ("IFRS") as endorsed by the Financial Supervisory Commission ("FSC")

None.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Company

According to Financial-Supervisory-Securities-Auditing No. 1030010325 issued on April 3, 2014, commencing 2015, companies with shares listed on the TWSE or traded on the Taiwan GreTai Securities Market or Emerging Stock Market shall adopt the 2013 version of IFRS (not including IFRS 9, 'Financial instruments') as endorsed by the FSC and the "Regulations Governing the Preparation of Financial Reports by Securities Issuers " effective January 1, 2015 (collectively referred herein as the "2013 version of IFRSs") in preparing the financial statements. The related new standards, interpretations and amendments are listed below:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Limited exemption from comparative IFRS 7 disclosures for first-time adopters (amendments to IFRS 1)	July 1, 2010
Severe hyperinflation and removal of fixed dates for first-time adopters (amendments to IFRS 1)	July 1, 2011
Government loans (amendments to IFRS 1)	January 1, 2013
Disclosures－Transfers of financial assets (amendments to IFRS 7)	July 1, 2011
Disclosures－Offsetting financial assets and financial liabilities (amendments to IFRS 7)	January 1, 2013

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
IFRS 10, ‘Consolidated financial statements’	January 1, 2013 (Investment entities: January 1, 2014)
IFRS 11, ‘Joint arrangements’	January 1, 2013
IFRS 12, ‘Disclosure of interests in other entities’	January 1, 2013
IFRS 13, ‘Fair value measurement’	January 1, 2013
Presentation of items of other comprehensive income (amendments to IAS 1)	July 1, 2012
Deferred tax: recovery of underlying assets (amendments to IAS 12)	January 1, 2012
IAS 19 (revised), ‘Employee benefits’	January 1, 2013
IAS 27 (revised), ‘Separate financial statements’	January 1, 2013
Investments in associates and joint ventures (amendments to IAS 28)	January 1, 2013
Offsetting financial assets and financial liabilities (amendments to IAS 32)	January 1, 2014
IFRIC 20, ‘Stripping costs in the production phase of a surface mine’	January 1, 2013
Improvements to IFRSs 2010	January 1, 2011
Improvements to IFRSs 2009－2011	January 1, 2013

Based on the Company’s assessment, the adoption of the 2013 version of IFRSs has no significant impact on the financial statements of the Company, except the following:

A.IAS 19 (revised), ‘Employee benefits’

The revised standard eliminates the corridor approach and requires actuarial gains and losses to be recognised immediately in other comprehensive income. Past service cost will be recognised immediately in the period incurred. Net interest expense or income, calculated by applying the discount rate to the net defined benefit asset or liability, replace the finance charge and expected return on plan assets. The return of plan assets, excluding net interest expenses, is recognised in other comprehensive income. An entity is required to recognise termination benefits at the earlier of when the entity can no longer withdraw an offer of those benefits and when it recognises any related restructuring costs. Additional disclosures are required to present how defined benefit plans may affect the amount, timing and uncertainty of the entity’s future cash flows.

The Company expected to recognise previously unrecognised past service cost. Net interest expense or income, calculated by applying the discount rate to the net defined benefit asset or liability, replace the finance charge and expected return on plan assets. The Company increased deferred tax assets by $1,913 and accrued pension liabilities by $11,251 and decreased unappropriated earnings by $9,338 at January 1, 2014. The Company increased accounts payable by $339 and exchange differences on translation of foreign financial statements by $989 and decreased investments accounted for using equity method by $21,106, deferred tax assets by

$273, deferred tax liabilities by $939, accrued pension liabilities by $1,607 and unappropriated earnings by $46 at December 31, 2014.

The Company increased share of loss of subsidiaries, associates and joint ventures accounted for using equity method by $22,045 and decreased operating costs by $415, operating expenses by $853 and income tax expense by $662 for the year ended December 31, 2014.

B.IAS 1, 'Presentation of financial statements'

The amendment requires entities to separate items presented in OCI classified by nature into two groups on the basis of whether they are potentially reclassifiable to profit or loss subsequently when specific conditions are met. If the items are presented before tax then the tax related to each of the two groups of OCI items (those that might be reclassified and those that will not be reclassified) must be shown separately. Accordingly, the Company will adjust its presentation of the statement of comprehensive income.

C.IFRS 12, 'Disclosure of interests in other entities'

The standard integrates the disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured entities. Also, the Company will disclose additional information about its interests in consolidated entities and unconsolidated entities accordingly.

D.IFRS 13, 'Fair value measurement'

The standard defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The standard sets out a framework for measuring fair value using the assumptions that market participants would use when pricing the asset or liability; for non-financial assets, fair value is determined based on the highest and best use of the asset. Also, the standard requires disclosures about fair value measurements. Based on the Company's assessment, the adoption of the standard has no significant impact on its financial statements, and the Company will disclose additional information about fair value measurements accordingly.

(3) Effect of IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the 2013 version of IFRSs as endorsed by the FSC:

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
IFRS 9, 'Financial instruments'	January 1, 2018
Sale or contribution of assets between an investor and its associate or joint venture (amendments to IFRS 10 and IAS 28)	January 1, 2016
Investment entities: applying the consolidation exception (amendments to IFRS 10, IFRS 12 and IAS 28)	January 1, 2016

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
Accounting for acquisition of interests in joint operations (amendments to IFRS 11)	January 1, 2016
IFRS 14, 'Regulatory deferral accounts'	January 1, 2016
IFRS 15, ‘Revenue from contracts with customers'	January 1, 2017
Disclosure initiative (amendments to IAS 1)	January 1, 2016
Clarification of acceptable methods of depreciation and amortisation (amendments to IAS 16 and IAS 38)	January 1, 2016
Agriculture: bearer plants (amendments to IAS 16 and IAS 41)	January 1, 2016
Defined benefit plans: employee contributions (amendments to IAS 19R)	July 1, 2014
Equity method in separate financial statements (amendments to IAS 27)	January 1, 2016
Recoverable amount disclosures for non-financial assets (amendments to IAS 36)	January 1, 2014
Novation of derivatives and continuation of hedge accounting (amendments to IAS 39)	January 1, 2014
IFRIC 21, ‘Levies’	January 1, 2014
Improvements to IFRSs 2010-2012	July 1, 2014
Improvements to IFRSs 2011-2013	July 1, 2014
Improvements to IFRSs 2012-2014	January 1, 2016

The Company is assessing the potential impact of the new standards, interpretations and amendments above. The impact on the parent company only financial statements will be disclosed when the assessment is complete.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these parent company only financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

These parent company only financial statements have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”.

(2) Basis of preparation

A.Except for the following items, these parent company only financial statements have been prepared under the historical cost convention:

(a)Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(b)Available-for-sale financial assets measured at fair value.

(c)Liabilities on cash-settled share-based payment arrangements measured at fair value.

(d)Defined benefit liabilities recognised based on the net amount of pension fund assets plus unrecognised past period's service cost and unrecognised actuarial losses, and less unrecognised actuarial gains and present value of defined benefit obligation.

B.The preparation of financial statements in compliance with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the parent company only financial statements are disclosed in Note 5.

(3) Foreign currency translation

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The parent company only financial statements are presented in New Taiwan Dollars, which is the Company's functional and presentation currency.

A. Foreign currency transactions and balances

(a)Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.

(b)Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.

(c)Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss as part of the fair value gain or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.

(d)All other foreign exchange gains and losses based on the nature of those transactions are presented in the statement of comprehensive income within 'other gains and losses'.

B.Translation of foreign operations

(a)The operating results and financial position of all the company entities and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;

ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and

iii. All resulting exchange differences are recognised in other comprehensive income.

(b)When the foreign operation partially disposed of or sold is an associate or jointly controlled entity, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Company still retains partial interest in the former foreign associate or jointly controlled entity after losing significant influence over the former foreign associate, or losing joint control of the former jointly controlled entity, such transactions should be accounted for as disposal of all interest in these foreign operations.

(c)When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, even when the Company still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(4) Classification of current and non-current items

A.Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:

(a)Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;

(b)Assets held mainly for trading purposes;

(c)Assets that are expected to be realized within twelve months from the balance sheet date;

(d)Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.

B.Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:

(a)Liabilities that are expected to be paid off within the normal operating cycle;

(b)Liabilities arising mainly from trading activities;

(c)Liabilities that are to be paid off within twelve months from the balance sheet date;

(d)Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(5) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits with original maturities of one year or less that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(6) Financial assets at fair value through profit or loss

A.Financial assets at fair value through profit or loss are financial assets held for trading or financial assets designated as at fair value through profit or loss on initial recognition. Financial assets are classified in this category of held for trading if acquired principally for the purpose of selling in the short-term. Derivatives are also categorized as financial assets held for trading unless they are designated as hedges. Financial assets that meet one of the following criteria are designated as at fair value through profit or loss on initial recognition:

a)Hybrid (combined) contracts; or

b)They eliminate or significantly reduce a measurement or recognition inconsistency; or

c)They are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.

B.On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.

C.Financial assets at fair value through profit or loss are initially recognised at fair value. Related transaction costs are expensed in profit or loss. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognised in profit or loss.

(7) Available-for-sale financial assets

A.Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

B.On a regular way purchase or sale basis, available-for-sale financial assets are recognised and derecognised using trade date accounting.

C.Available-for-sale financial assets are initially recognised at fair value plus transaction costs. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognised in other comprehensive income. Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured or derivatives that are linked to and must be settled by delivery of such unquoted equity instruments are presented in ‘financial assets carried at cost’.

(8) Held-to-maturity financial assets

A.Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturity date that the Company has the positive intention and ability to hold to maturity other than those that meet the definition of loans and receivables and those that are designated as at fair value through profit or loss or as available-for-sale on initial recognition.

B.On a regular way purchase or sale basis, held-to-maturity financial assets are recognised and derecognised using trade date accounting.

C.Held-to-maturity financial assets are initially recognised at fair value on the trade date plus transaction costs and subsequently measured at amortized cost using the effective interest method, less provision for impairment. Amortization of a premium or a discount on such assets is recognised in profit or loss.

(9) Notes, accounts and other receivables

Notes and accounts receivable are claims resulting from the sale of goods or services. Receivables arising from transactions other than the sale of goods or services are classified as other receivables. Notes, accounts and other receivables are recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. However, short-term accounts receivable without bearing interest are subsequently measured at initial invoice amount as effect of discounting is immaterial.

(10) Impairment of financial assets

A.The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired as a result of one or more events that occurred after the initial recognition of the asset (a ‘loss event’) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

B.The criteria that the Company uses to determine whether there is objective evidence of an impairment loss is as follows:

(a)Significant financial difficulty of the issuer or debtor;

(b)A breach of contract, such as a default or delinquency in interest or principal payments;

(c)The Company, for economic or legal reasons relating to the borrower’s financial difficulty, granted the borrower a concession that a lender would not otherwise consider;

(d)It becomes probable that the borrower will enter bankruptcy or other financial reorganization;

(e)The disappearance of an active market for that financial asset because of financial difficulties;

(f)Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial asset in the group, including adverse changes in the payment status of borrowers in the group or national or local economic conditions that correlate with defaults on the assets in the group;

(g)Information about significant changes with an adverse effect that have taken place in the technology, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in the equity instrument may not be recovered; or (h)A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

C.When the Company assesses that there has been objective evidence of impairment and an impairment loss has occurred, accounting for impairment is made as follows according to the category of financial assets:

(a)Financial assets measured at cost

The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at current market return rate of similar financial asset, and is recognised in profit or loss. Impairment loss recognised for this category shall not be reversed subsequently. Impairment loss is recognised by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(b)Available-for-sale financial assets

The amount of the impairment loss is measured as the difference between the asset's acquisition cost (less any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss, and is reclassified from 'other comprehensive income' to 'profit or loss'. If, in a subsequent period, the fair value of an investment in a debt instrument increases, and the increase can be related objectively to an event occurring after the impairment loss was recognised, then such impairment loss is reversed through profit or loss. Impairment loss of an investment in an equity instrument recognised in profit or loss shall not be reversed through profit or loss. Impairment loss is recognised and reversed by adjusting the carrying amount of the asset through the use of an impairment allowance account.

(11) Derecognition of financial assets

The Company derecognizes a financial asset when one of the following conditions is met:

A.The contractual rights to receive cash flows from the financial asset expire.

B.The contractual rights to receive cash flows from the financial asset have been transferred and the Company has transferred substantially all risks and rewards of ownership of the financial asset.

C.The contractual rights to receive cash flows from the financial asset have been transferred; however, the Company has not retained control of the financial asset.

(12) Leases (lessor)

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(13) Inventories

Inventories refer to fuel inventories and steel inventories. Fuel inventories are physically measured by the crew of each ship and reported back to the Head Office through telegraph for recording purposes at balance sheet date. Valuation of inventories is based on the exchange rate prevailing at balance sheet date.

At the end of period, inventories are evaluated at the lower of cost or net realizable value, and the individual item approach is used in the comparison of cost and net realizable value. The calculation of net realizable value should be based on the estimated selling price in the normal course of business, net of estimated costs of completion and estimated selling expenses.

(14) Investments accounted for using equity method / associates

A.Subsidiary is an entity where the Company has the right to dominate its finance and operation policies (includes special purpose entity), normally the Company owns more than 50% of the voting rights directly or indirectly in that entity. Subsidiaries are accounted for under the equity method in the Company's parent company only financial statements.

B.Unrealized gains or losses resulted from inter-company transactions with subsidiaries are eliminated. Necessary adjustments are made to the accounting policies of subsidiaries, to be consistent with the accounting policies of the Company.

C.After acquisition of subsidiaries, the Company recognizes proportionately for the share of profit and loss and other comprehensive incomes in the income statement as part of the Company's profit and loss and other comprehensive income, respectively. When the share of loss from a subsidiary exceeds the carrying amount of Company's interests in that subsidiary, the Company continues to recognize its shares in the subsidiary's loss proportionately.

D.Changes in a parent’s ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received shall be recognised directly in equity and attributed to the owners of the parent.

E.If the Company loses control of a subsidiary, the Company recognizes any investment retained in the former subsidiary at its fair value and recognizes any resulting difference as a gain or loss in profit or loss. The Company shall account for all amounts recognised in other comprehensive income in relation to that subsidiary on the same basis as would be required if the Company had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Company reclassifies the gain or loss from equity to profit or loss when it loses control of the subsidiary.

F.Associates are all entities over which the Company has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

G.The Company’s share of its associates’ post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Company’s share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the

Company does not recognise further losses, unless it has incurred constructive obligations or made payments on behalf of the associate.

H. When changes in an associate's equity that are not recognised in profit or loss or other comprehensive income of the associate and such changes not affecting the Company's ownership percentage of the associate, the Company recognises the Company's share of change in equity of subsidiaries, associates and joint ventures in 'capital surplus' in proportion to its ownership.

I. Unrealised gains or loss on transactions between the Company and its associates are eliminated to the extent of the Company's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Company.

J. In the case that an associate issues new shares and the Company does not subscribe or acquire new shares proportionately, which results in a change in the Company's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Company's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

K. Upon loss of significant influence over an associate, the Company remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.

L. When the Company disposes its investment in an associate, if it loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it still retains significant influence over this associate, then the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.

M. When the Company disposes its investment in an associate, if it loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it still retains significant influence over this associate, then the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

N.According to “Rules Governing the Preparations of Financial Statements by Securities Issuers”, 'profit for the year' and 'other comprehensive income for the year' reported in an entity's parent company only statement of comprehensive income, shall equal to 'profit for the year' and 'other comprehensive income for the year' attributable to owners of the parent reported in that entity's consolidated statement of comprehensive income. Total equity reported in an entity's parent company only financial statements, shall equal to equity attributable to owners of parent reported in that entity's consolidated financial statements.

(15) Property, plant and equipment

A.Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.

B.Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

C.Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.

D.The assets’ residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date. If expectations for the assets’ residual values and useful lives differ from previous estimates or the patterns of consumption of the assets’ future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, ‘Accounting Policies, Changes in Accounting Estimates and Errors’, from the date of the change. The estimated useful lives of property, plant and equipment are as follows:

Buildings	50 ~ 55 years
Loading and unloading equipment	6 ~ 20 years
Ships	18 ~ 25 years
Transportation equipment	6 ~ 10 years
Other equipment	3 ~ 5 years

(16) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 50~60 years.

(17) Leases (lessee)

Payments made under an operating lease (net of any incentives received from the lessor) are recognised in profit or loss on a straight-line basis over the lease term.

(18) Intangible assets

Computer software is stated at cost and amortized on a straight-line basis over its estimated useful life of 3 years.

(19) Impairment of non-financial assets

The Company assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. When the circumstances or reasons for recognizing impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortized historical cost would have been if the impairment had not been recognised.

(20) Loans

A.Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

B.Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

(21) Accounts payable

Notes and accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are recognised initially at fair value and subsequently measured at amortized cost using the effective interest method. However, short-term accounts payable without bearing interest are subsequently measured at initial invoice amount as effect of discounting is immaterial.

(22) Financial liabilities at fair value through profit or loss

A.Financial liabilities at fair value through profit or loss are financial liabilities held for trading or financial liabilities designated as at fair value through profit or loss on initial recognition. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorized as financial liabilities held for trading unless they are designated as hedges. Financial liabilities that meet one of the following criteria are designated as at fair value through profit or loss on initial recognition:

(a)Hybrid (combined) contracts; or

(b)They eliminate or significantly reduce a measurement or recognition inconsistency; or (c)They are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management policy.

B.Financial liabilities at fair value through profit or loss are initially recognised at fair value. Related transaction costs are expensed in profit or loss. These financial liabilities are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial liabilities are recognised in profit or loss. Derivative liabilities that are linked to equity instruments which do not have a quoted market price in an active market and whose fair value cannot be reliably measured, and that must be settled by delivery of such unquoted equity instruments are presented in ‘financial liabilities measured at cost’.

(23) <u>Derecognition of financial liabilities</u>

A financial liability is derecognised when the obligation under the liability specified in the contract is discharged, cancelled or expires.

(24) <u>Offsetting financial instruments</u>

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(25) <u>Financial liabilities and equity instruments</u>

A.Ordinary corporate bonds issued by the Company are initially recognised at fair value, net of transaction costs incurred. Ordinary corporate bonds are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is accounted for as the premium or discount on bonds payable and presented as an addition to or deduction from bonds payable, which is amortized in profit or loss as an adjustment to the ‘finance costs’ over the period of bond circulation using the effective interest method.

B.Convertible corporate bonds issued by the Company contain conversion options (that is, the bondholders have the right to convert the bonds into the Company’s common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Company classifies the bonds payable and derivative features embedded in convertible corporate bonds on initial recognition as a financial asset, a financial liability or an equity instrument. Convertible corporate bonds are accounted for as follows:

(a)Call options and put options embedded in convertible corporate bonds are recognised initially at net fair value as ‘financial assets or financial liabilities at fair value through profit or loss’. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognised as ‘gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss’.

(b)Bonds payable of convertible corporate bonds is initially recognised at fair value and subsequently stated at amortized cost. Any difference between the proceeds and the redemption value is accounted for as the premium or discount on bonds payable and presented as an addition to or deduction from bonds payable, which is amortized in profit or loss as an adjustment to the ‘finance costs’ over the period of bond circulation using the effective interest method.

(c)Conversion options embedded in convertible corporate bonds issued by the Company, which meet the definition of an equity instrument, are initially recognised in ‘capital surplus—stock warrants’ at the residual amount of total issue price less amounts of ‘financial assets or financial liabilities at fair value through profit or loss’ and ‘bonds payable—net’ as stated above. Conversion options are not subsequently remeasured.

(d)Any transaction costs directly attributable to the issuance of convertible corporate bonds are allocated to the liability and equity components in proportion to the allocation of proceeds.

(e)When bondholders exercise conversion options, the liability component of the bonds (including ‘bonds payable’ and ‘financial assets or financial liabilities at fair value through profit or loss’) shall be remeasured on the conversion date. The book value of common shares issued due to the conversion shall be based on the adjusted book value of the above-mentioned liability component plus the book value of ‘capital surplus - stock warrants’.

(26) Derivative financial instruments and hedging activities

A.Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Any changes in the fair value are recognised in profit or loss.

B.The Company designates certain derivatives as hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge).

C.The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

D.The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as current assets or liabilities.

E.Cash flow hedge

(a)The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the statement of comprehensive income within ‘other gains and losses’.

(b)Amounts accumulated in other comprehensive income are reclassified into profit or loss in the periods when the hedged item affects profit or loss. The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the statement of comprehensive income within 'finance costs'. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or financial liability, the gains and losses previously deferred in other comprehensive income are reclassified into profit or loss in the periods when the asset acquired or the liability assumed affects profit or loss. The deferred amounts are ultimately recognised in operating costs.

(c)When a hedging instrument expires, or is sold, cancelled or executed, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in other comprehensive income at that time remains in other comprehensive income. When a forecast transaction occurs or is no longer expected to occur, the cumulative gain or loss that was reported in other comprehensive income is transferred to profit or loss in the periods when the hedged forecast cash flow affects profit or loss.

(27) Employee benefits

A.Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expenses in that period when the employees render service.

B.Pensions

(a)Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expenses when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b)Defined benefit plans

i.Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Company in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised past service costs. The defined benefit net obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Company uses interest rates of government bonds (at the balance sheet date) instead.

ii.Actuarial gains and losses arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and adjust to undistributed earnings.

iii. Past service costs are recognised immediately in profit or loss if vested immediately; if not, the past service costs are amortised on a straight-line basis over the vesting period.

C. Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of employment as a result from either the Company's decision to terminate an employee's employment before the normal retirement date, or an employee's decision to accept an offer of redundancy benefits in exchange for the termination of employment. The Company recognizes termination benefits when it is demonstrably committed to a termination, when it has a detailed formal plan to terminate the employment of current employees and when it can no longer withdraw the plan. In the case of an offer made by the Company to encourage voluntary termination of employment, the termination benefits are recognised as expenses only when it is probable that the employees are expected to accept the offer and the number of the employees taking the offer can be reliably estimated. Benefits falling due more than 12 months after balance sheet date are discounted to their present value.

D. Employees' bonus and directors' and supervisors' remuneration

Employees' bonus and directors' and supervisors' remuneration are recognised as expenses and liabilities, provided that such recognition is required under legal obligation or constructive obligation and those amounts can be reliably estimated. However, if the accrued amounts for employees' bonus and directors' and supervisors' remuneration are different from the actual distributed amounts as resolved by the stockholders at their stockholders' meeting subsequently, the differences should be recognised based on the accounting for changes in estimates. The Company calculates the number of shares of employees' stock bonus based on the fair value per share at the previous day of the stockholders' meeting held in the year following the financial reporting year, and after taking into account the effects of ex-rights and ex-dividends.

(28) Income tax

A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.

B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional 10% tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.

C. Deferred income tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the parent company only balance sheet. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

D. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognised and recognised deferred income tax assets are reassessed.

E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realize the asset and settle the liability simultaneously.

F. Tax preference given for expenditures incurred on acquisitions of equipment or technology, research and development, employees' training and equity investments is recorded using the income tax credits accounting.

(29) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(30) Revenue recognition

Sales of services

Revenue from delivering services is recognised under the percentage-of-completion method when the outcome of services provided can be estimated reliably. The stage of completion of a service contract is measured by the percentage of the actual services performed as of the financial reporting date to the total services to be performed. If the outcome of a service contract cannot be estimated reliably, contract revenue should be recognised only to the extent that contract costs incurred are likely to be recoverable.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these parent company only financial statements requires management to make critical judgements in applying the Company's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. The information is addressed below:

(1)Critical judgements in applying the Company's accounting policies

Financial assets—impairment of equity investments

The Company follows the guidance of IAS 39 to determine whether a financial asset—equity investment is impaired. This determination requires significant judgement. In making this judgement, the Company evaluates, among other factors, the duration and extent to which the fair value of an equity investment is less than its cost and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

If the decline of the fair value of an individual equity investment below cost was considered significant or prolonged, the Company would transfer the accumulated fair value adjustments recognised in other comprehensive income on the impaired available-for-sale financial assets to profit or loss. For the year ended December 31, 2014, the Company did not recognize any impairment loss on financial assets-equity investment.

(2)Critical accounting estimates and assumptions

A.Revenue recognition

Revenue from delivering services and related costs are recognised under the percentage-of-completion method when the outcome of services provided can be estimated reliably. The stage of completion of a service contract is measured by the percentage of the actual services performed as of the financial reporting date to the total services to be performed.

B.Impairment assessment of tangible and intangible assets (excluding goodwill)

The Company assesses impairment based on its subjective judgement and determines the separate cash flows of a specific group of assets, useful lives of assets and the future possible income and expenses arising from the assets depending on how assets are utilized and industrial characteristics. Any changes of economic circumstances or estimates due to the change of Company strategy might cause material impairment on assets in the future.

C.Impairment assessment of investments accounted for using the quity method

The Company assesses the impairment of an investment accounted for using the equity method as soon as there is any indication that it might have been impaired and its carrying amount cannot be recoverable. The Company assesses the recoverable amounts of an investment accounted for using the equity method based on the present value of the Company's share of expected future cash flows of the investee, and analyzes the reasonableness of related assumptions.

D.Realisability of deferred income tax assets

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. Assessment of the realisability of deferred income tax assets involves critical accounting judgements and estimates of the management, including the assumptions of expected future sales revenue growth rate and profit rate, tax exempt duration, available tax credits, tax planning, etc. Any variations in global economic environment, industrial environment, and laws and regulations might cause significant adjustments to deferred income tax assets. As of December 31, 2014, the Company recognised deferred income tax assets amounting to $265,091.

E.Calculation of accrued pension obligations

When calculating the present value of defined pension obligations, the Company must apply judgements and estimates to determine the actuarial assumptions on balance sheet date, including discount rates and expected rate of return on plan assets. Any changes in these assumptions could significantly impact the carrying amount of defined pension obligations.

As of December 31, 2014, the carrying amount of accrued pension obligations was $1,420,272.

F.Financial assets—fair value measurement of unlisted stocks without active market

The fair value of unlisted stocks held by the Company that are not traded in an active market is determined considering those companies' recent funding raising activities, fair value assessment of other companies of the same type, market conditions and other economic indicators existing on balance sheet date. Any changes in these judgements and estimates will impact the fair value measurement of these unlisted stocks. Please refer to Note 12(3) for the financial instruments' fair value information.

As of December 31, 2014, the carrying amount of unlisted stocks was $133,627.

I.Impairment assessment of financial assets without active markets

When there is an impairment indication that a financial instrument is impaired so the carrying amount of such investment may not be recoverable, the Company would assess the impairment loss of the investment accordingly. For a financial asset without an active market, the Company assesses its impairment based on the present value of estimated future cash flows from the expected cash dividends and disposal value discounted using the market rate of return at the balance sheet date for a similar financial instrument to determine its recoverable amount as well as by analysing the reasonableness of the related assumptions used.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	December 31, 2014	December 31, 2013
Cash on hand and petty cash	$ 13,775	$ 10,342
Checking accounts and demand deposits	3,866,346	2,224,875
Time deposits	11,009,497	13,039,402
Cash equivalents	329,808	89,912
	$ 15,219,426	$ 15,364,531

A.The Company transacts with a variety of financial institutions all with high credit quality to disperse credit risk, so it expects that the probability of counterparty default is remote. The Company's maximum exposure to credit risk at balance sheet date is the carrying amount of all cash and cash equivalents.

B.The Company has no cash and cash equivalents pledged to others.

(2) Financial assets at fair value through profit or loss

Items	December 31, 2014	December 31, 2013
Current items:		
Financial assets held for trading		
Listed (TSE and OTC) stocks	$ -	$ -
Embedded derivatives	-	5,173
Valuation adjustment of financial assets held for trading	-	-
	$ -	$ 5,173

A.The Company recognised net loss of $5,258 and $4,388 on financial assets held for trading for the years ended December 31, 2014 and 2013, respectively, and recognised net gain of $23,352 on financial assets designated as at fair value through profit or loss for the year ended December 31, 2013.

B.The counterparties of the Company's debt instrument investments have good credit quality. The maximum exposure to credit risk at balance sheet date is the carrying amount of financial assets at fair value through profit or loss.

C.The Company has no financial assets at fair value through profit or loss pledged to others.

(3) Available-for-sale financial assets

Items	December 31, 2014	December 31, 2013
Non-current items:		
Listed (TSE and OTC) stocks	$ 490,801	$ 490,801
Emerging stocks	1,250,000	1,250,000
Unlisted stocks	93,235	93,235
	1,834,036	1,834,036
Valuation adjustment	(432,075)	(348,192)
Accumulated impairment-	(1,844)	(1,844)
	$ 1,400,117	$ 1,484,000

A. The Company recognised net loss of $83,883 and net gain of $109,835 in other comprehensive income for fair value change for the years ended December 31, 2014 and 2013, respectively.

B. The Company recognised impairment loss of $1,844 on unlisted stocks.

(4) Held-to-maturity financial assets

Items	December 31, 2014	December 31, 2013
Non-current items:		
Financial bonds	$ 370,000	$ 370,000

A. The Company recognised interest income of $10,271 and $10,272 in profit or loss for amortized cost for the years ended December 31, 2014 and 2013, respectively.

B. The counterparties of the Company's investments have good credit quality. The maximum exposure to credit risk at balance sheet date is the carrying amount of held-to-maturity financial assets.

C. No held-to-maturity financial assets held by the Company were pledged to others.

(5) Accounts receivable

	December 31, 2014	December 31, 2013
Accounts receivable	$ 2,136,651	$ 1,471,050
Less: allowance for bad debts	-	-
	$ 2,136,651	$ 1,471,050

A. The credit quality of accounts receivable that were neither past due nor impaired was in the following categories based on the Company's credit quality control policy.

	December 31, 2014	December 31, 2013
Group 1	$ 191,628	$ 88
Group 2	1,708,390	1,110,514
	$ 1,900,018	$ 1,110,602

Note:

Group 1: Low risk: The Company's ten largest customers, with sound performance and high transparency of financial information, are approved based on the Company's credit quality control policy.

Group 2: General risk company.

B. The ageing analysis of accounts receivable that were past due but not impaired is as follows:

	December 31, 2014	December 31, 2013
Up to 30 days	$ 152,867	$ 311,298
31 to 180 days	83,766	49,150
	$ 236,633	$ 360,448

The above ageing analysis was based on past due date.

C. As of December 31, 2014 and 2013, impairment loss for accounts receivable is not provided.

D. The maximum exposure to credit risk at December 31, 2014 and 2013 was the carrying amount of each class of accounts receivable.

E. The Company does not hold any collateral as security.

(6) Inventories

	December 31, 2014		
	Cost	Allowance for valuation loss	Book value
Ship fuel	$ 629,420	$ -	$ 629,420

	December 31, 2013		
	Cost	Allowance for valuation loss	Book value
Ship fuel	$ 602,633	$ -	$ 602,633

(7) Other current assets

	December 31, 2014	December 31, 2013
Shipowner's accounts	$ 1,312,130	$ 839,244
Agent accounts	227,360	217,177
Other financial assets	121,648	122,935
Temporary debits	168,585	101,332
	$ 1,829,723	$ 1,280,688

A.Shipowner's accounts

(a)These pertain to temporary accounts between the Company and Evergreen International S.A., Gaining Enterprise S.A., Greencompass Marine S.A., Italia Marittima S.p.A., Evergreen Marine (UK) Ltd., Evergreen Marine (Hong Kong) Ltd. and Evergreen Marine (Singapore) Pte. Ltd.. These accounts occur as these ship owners incur foreign port expenses and related rental expenses.

(b)In response to market competition and enhancement of global transportation network to provide better logistics services to customers, the Company has joined Cosco Container Lines Co., Ltd., Kawasaki Kisen Kaisha, Ltd., Yang Ming (UK), Ltd. and Hanjin Shipping Co., Ltd. to form the new CKYHE Alliance Transactions for trading of shipping spaces.

B.Agency accounts

These accounts occur when domestic and foreign agencies, based on the agreement with the Company, deal with foreign port formalities regarding arrival and departure of ships, cargo loading, discharging and forwarding, collection of freight, and payment of expenses incurred in the foreign port.

(8) Investments accounted for using equity method

A.Details of long-term equity investments accounted for using equity method are set forth below:

	December 31, 2014	December 31, 2013
Subsidiary of the Company:		
Peony Investment S.A.	$ 39,913,511	$ 39,694,900
Everport Terminal Services Inc.	147,345	67,382
Taiwan Terminal Services Co., Ltd.	36,262	25,557
Related company:		
Evergreen International Storage and Transport Corporation	8,325,748	7,775,737
EVA Airways Corporation	6,544,364	6,922,314
Taipei Port Container Terminal Corporation	1,005,287	1,000,040
Charng Yang Development Co., Ltd.	484,175	448,138
Evergreen Security Corporation	76,179	78,170
Evergreen Marine (Latin America), S.A.	3,824	3,369
	$ 56,536,695	$ 56,015,607

B.The fair value of the Company's associates which have quoted market price was as follows:

	December 31, 2014	December 31, 2013
Evergreen International Storage and Transport Corporation	$ 7,781,544	$ 8,820,496
EVA Airways Corporation	13,943,054	10,449,422
	$ 21,724,598	$ 19,269,918

C.The above investment income or loss accounted for using the equity method was based on the financial statements of the investees for the corresponding periods, which were audited by independent accountants.

D.The Company and its indirect subsidiary Armand Estate B.V. planned to participate directly in the issuance of new shares by Taipei Port Container Terminal Corporation for cash at the meeting of Board of Directors on March 26, 2013 and May 10, 2013, with the additional cash of $210,342 and USD 3,222, respectively. The Company's percentage of ownership in TPCT was 21.03% and 9.73%, respectively, after the capital increase, and the percentage of combined holding was 27.85%.

E.For information on the subsidiaries, please refer to Note 4(3) of the consolidated financial statements as of December 31, 2014.

F.The financial information of the Company's principal associates is summarized below:

	Assets	Liabilities	Revenue	Profit/(Loss)	% Interest held
December 31, 2014					
Peony Investment S.A.	$ 130,040,008	$ 85,969,279	$ 118,821,381	($ 2,121,705)	100.00%
Everport Terminal Services Inc.	560,976	413,631	2,568,591	72,517	100.00%
Taiwan Terminal Services Co., Ltd.	340,187	274,257	792,988	30,094	55.00%
Evergreen International Storage and Transport Corporation	24,761,370	3,760,951	4,604,468	668,344	39.74%
EVA Airways Corporation	151,487,620	117,095,736	116,921,858	(1,306,724)	19.32%
Taipei Port Container Terminal Corporation	13,082,368	8,310,436	1,383,879	24,947	21.03%
Charng Yang Development Co., Ltd.	1,906,323	112,220	253,730	162,193	40.00%
Evergreen Security Corporation	458,247	214,473	720,080	34,059	31.25%
Evergreen Marine (Latin America), S.A.	24,087	2,238	46,252	1,347	17.50%
	$ 322,661,186	$ 216,153,221	$ 246,113,227	($ 2,434,928)	

	Assets	Liabilities	Revenue	Profit/(Loss)	% Interest held
December 31, 2013					
Peony Investment S.A.	$ 116,911,065	$ 74,021,067	$ 120,401,802	($ 3,265,365)	100.00%
Everport Terminal Services Inc.	455,152	387,770	2,434,379	54,384	100.00%
Taiwan Terminal Services Co., Ltd.	319,352	272,885	745,059	19,485	55.00%
Evergreen International Storage and Transport Corporation	23,254,491	3,628,722	4,498,773	580,653	39.74%
EVA Airways Corporation	139,394,778	103,556,745	110,747,462	747,450	19.32%
Taipei Port Container Terminal Corporation	13,323,400	8,576,415	1,186,358	(131,256)	21.03%
Charng Yang Development Co., Ltd.	1,920,841	216,830	250,456	160,227	40.00%
Evergreen Security Corporation	452,896	202,754	718,457	44,201	31.25%
Evergreen Marine (Latin America), S.A.	24,225	4,974	38,059	1,112	17.50%
	$ 296,056,200	$ 190,868,162	$ 241,020,805	($ 1,789,109)	

(9) Property, plant and equipment

	Land	Buildings	Loading and unloading equipment	Computer and communication equipment	Transportation equipment	Ships	Office equipment	Leasehold improvements	Total
At January 1, 2014									
Cost	$ 558,532	$ 401,535	$ 4,211,005	$ 104,982	$ 8,343,667	$ 12,722,292	$ 192,651	$ 198,434	$ 26,733,098
Accumulated depreciation	-	(171,692)	(4,017,921)	(87,298)	(5,760,728)	(2,422,754)	(171,989)	(94,579)	(12,726,961)
	$ 558,532	$ 229,843	$ 193,084	$ 17,684	$ 2,582,939	$ 10,299,538	$ 20,662	$ 103,855	$ 14,006,137
2014									
Opening net book amount	$ 558,532	$ 229,843	$ 193,084	$ 17,684	$ 2,582,939	$ 10,299,538	$ 20,662	$ 103,855	$ 14,006,137
Additions	-	1,421	3,050	3,292	1,508,458	72,388	17,478	7,108	1,613,195
Disposals	-	-	(2,738)	(1)	(590,398)	-	(1,849)	-	(594,986)
Reclassifications	-	-	885,373	-	-	6,272,661	-	-	7,158,034
Depreciation	-	(10,576)	(79,413)	(6,467)	(747,721)	(779,769)	(8,291)	(27,979)	(1,660,216)
Closing net book amount	$ 558,532	$ 220,688	$ 999,356	$ 14,508	$ 2,753,278	$ 15,864,818	$ 28,000	$ 82,984	$ 20,522,164
At December 31, 2014									
Cost	$ 558,532	$ 402,956	$ 4,744,650	$ 108,202	$ 4,107,825	$ 19,067,341	$ 190,151	$ 205,543	$ 29,385,200
Accumulated depreciation	-	(182,268)	(3,745,294)	(93,694)	(1,354,547)	(3,202,523)	(162,151)	(122,559)	(8,863,036)
	$ 558,532	$ 220,688	$ 999,356	$ 14,508	$ 2,753,278	$ 15,864,818	$ 28,000	$ 82,984	$ 20,522,164

	Land	Buildings	Loading and unloading equipment	Computer and communication equipment	Transportation equipment	Ships	Office equipment	Leasehold improvements	Total
At January 1, 2013									
Cost	$ 558,532	$ 398,606	$ 4,273,562	$ 127,618	$ 11,349,824	$ 6,371,111	$ 210,555	$ 190,777	$ 23,480,585
Accumulated depreciation	-	(159,579)	(3,966,340)	(102,638)	(7,391,603)	(1,919,273)	(182,118)	(72,281)	(13,793,832)
	$ 558,532	$ 239,027	$ 307,222	$ 24,980	$ 3,958,221	$ 4,451,838	$ 28,437	$ 118,496	$ 9,686,753
2013									
Opening net book amount	$ 558,532	$ 239,027	$ 307,222	$ 24,980	$ 3,958,221	$ 4,451,838	$ 28,437	$ 118,496	$ 9,686,753
Additions	-	3,443	-	1,516	220	27,523	3,009	10,759	46,470
Disposals	-	-	(122)	(1,399)	(236,541)	-	(99)	-	(238,161)
Reclassifications	-	-	-	-	-	6,323,658	-	-	6,323,658
Depreciation	-	(12,627)	(114,016)	(7,413)	(1,138,961)	(503,481)	(10,685)	(25,400)	(1,812,583)
Closing net book amount	$ 558,532	$ 229,843	$ 193,084	$ 17,684	$ 2,582,939	$ 10,299,538	$ 20,662	$ 103,855	$ 14,006,137
At December 31, 2013									
Cost	$ 558,532	$ 401,535	$ 4,211,005	$ 104,982	$ 8,343,667	$ 12,722,292	$ 192,651	$ 198,434	$ 26,733,098
Accumulated depreciation	-	(171,692)	(4,017,921)	(87,298)	(5,760,728)	(2,422,754)	(171,989)	(94,579)	(12,726,961)
	$ 558,532	$ 229,843	$ 193,084	$ 17,684	$ 2,582,939	$ 10,299,538	$ 20,662	$ 103,855	$ 14,006,137

A. The Company has issued a negative pledge to granting banks for drawing borrowings within the credit line to purchase the above transportation equipment.

B. Information about the property, plant and equipment that were pledged to others as collaterals is provided in Note 8.

(10) Investment property

	Land		Buildings		Total
At January 1, 2014					
Cost	$	1,414,008	$ 975,187	$	2,389,195
Accumulated depreciation		-	(404,912)	(	404,912)
	$	1,414,008	$ 570,275	$	1,984,283
2014					
Opening net book amount	$	1,414,008	$ 570,275	$	1,984,283
Depreciation		-	(19,146)	(	19,146)
Closing net book amount	$	1,414,008	$ 551,129	$	1,965,137
At December 31, 2014					
Cost	$	1,414,008	$ 975,187	$	2,389,195
Accumulated depreciation		-	(424,058)	(	424,058)
	$	1,414,008	$ 551,129	$	1,965,137

	Land		Buildings		Total
At January 1, 2013					
Cost	$	1,414,008	$ 975,187	$	2,389,195
Accumulated depreciation		-	(385,764)	(	385,764)
	$	1,414,008	$ 589,423	$	2,003,431
2013					
Opening net book amount	$	1,414,008	$ 589,423	$	2,003,431
Depreciation		-	(19,148)	(	19,148)
Closing net book amount	$	1,414,008	$ 570,275	$	1,984,283
At December 31, 2013					
Cost	$	1,414,008	$ 975,187	$	2,389,195
Accumulated depreciation		-	(404,912)	(	404,912)
	$	1,414,008	$ 570,275	$	1,984,283

A.Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	Year ended December 31, 2014	Year ended December 31, 2013
Rental income from the lease of the investment property	$ 97,910	$ 97,515
Direct operating expenses arising from the investment property that generated rental income in the period	$ 19,146	$ 19,148
Direct operating expenses arising from the investment property that did not generate rental income in the period	$ -	$ -

B.The fair value of the investment property held by the Company as at December 31, 2014 and 2013 was $3,383,762 and $3,213,231, respectively. The fair value measurements were based on the market prices of recently sold properties in the immediate vicinity of a certain property.

(11) Other non-current assets

	December 31, 2014	December 31, 2013
Prepayments for equipment	$ 2,809,641	$ 5,242,551
Refundable deposits	31,777	33,984
Others	312	312
	$ 2,841,730	$ 5,276,847

Amount of borrowing costs capitalized as part of prepayment for equipment and the range of the interest rates for such capitalization are as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Amount capitalised	$ 39,307	$ 67,948
Interest rate	1.15%~1.88%	1.14%~1.88%

(12) Other current liabilities

	December 31, 2014	December 31, 2013
Long-term liabilities - current portion	$ 7,717,401	$ 5,142,729
Shipowner's accounts	1,214,475	860,166
Agency accounts	968,892	894,648
Others	12,357	10,035
	$ 9,913,125	$ 6,907,578

(13) Corporate bonds payable

	December 31, 2014	December 31, 2013
Domestic unsecured convertible bonds	$ -	$ 568,400
Domestic secured corporate bonds	3,000,000	3,000,000
Less: discount on corporate bonds	-	(7,377)
	3,000,000	3,561,023
Less: current portion or exercise of put options	-	(561,023)
	$ 3,000,000	$ 3,000,000

A. On August 7, 2009, the Company issued its third domestic unsecured convertible bonds (referred herein as the "Third Bonds") at face value, totaling $2,500,000. The major terms of the issuance are set forth below:

a) Period: 5 years (August 7, 2009 to August 7, 2014)

b) Coupon rate: 0% per annum

c) Principal repayment and interest payment

Unless the Third Bonds are redeemed, repurchased, resold, converted or deregistered before maturity, or other events occur due to regulatory reasons, the principal of the Third Bonds shall be repaid in lump sum by cash at maturity based on the face value of the Bonds.

d) Collaterals

The Third Bonds are unsecured. However, if the Company subsequently issues other convertible bonds secured with collaterals, the rights of the holders of the Third Bonds to claim their credits and the collaterals are set at the same rank as the holders of the convertible bonds issued subsequently.

e) Redemption at the Company's option

(a)During the period from one month after the issuance of the Third Bonds to 40 days before the maturity of the Third Bonds, if the closing price of the Company's common stock at the Taiwan Stock Exchange is equal to or more than 30% of the conversion price for a period of 30 consecutive trading days, the Company may redeem the outstanding bonds in cash at the face value of the Third Bonds within 30 trading days after the abovementioned 30 consecutive trading days.

(b)During the period from one month after the Third Bonds are issued to 40 days before the maturity of the Third Bonds, if the total amount of the Third Bonds outstanding after the conversion by the bondholders is less than $250,000 (10% of the total issued amount), the Company may redeem the outstanding bonds at their face value any time before the maturity of the Third Bond.

(c)When the Company issues its redemption notice, if the bondholders do not reply before the effective redemption date, the Company may convert the bonds held by those bondholders into common stock at the conversion price in effect at the expiration of the notice period.

f)Redemption at the bondholders' option

During the period from 30 days before the 2-year maturity of the Third Bonds to the date of maturity, or from 30 days before the 3-year maturity of the Third Bonds to the date of maturity, the bondholders may require the Company to redeem their bonds in cash at the face value plus interest compensation. The redemption price for the former is 101.00% of the face value with a yield rate of 0.50% per annum, and 101.51% of the face value with a yield rate of 0.50% for the latter.

g)Terms of conversion

(a)Conversion period

The bondholders may convert the Third Bonds into the Company's common stock during the period from one month after the Third Bonds are issued to 10 days before the maturity of the Third Bonds.

The bondholders are prohibited from exercising their conversion right during the period from 3 trading days before the announcement of cash or stock dividends to the date of distribution of the cash or stock dividends.

(b)Conversion price

The base day for setting conversion price is July 30, 2009. The conversion price can be any of the three average closing prices of the Company's common stock during the 1, 3 and 5 trading days before the base day multiplied by 101.00%. If any cash or stock dividends are distributed before the base day, the closing price used in the computation of the conversion price must be adjusted for the effect of the dividend distribution. If any cash or stock dividends are distributed during the period from the date on which the conversion price is set to the date on which the Third Bonds are issued, the conversion price is required to be adjusted in accordance with the adjusting formula specified in the bond agreement. The conversion price at the issuance of the Third Bonds was set at $20.40 (in dollars). Until the report release date, the conversion price of the Convertible Bonds was set at $17.20 (in dollars).

h) Entitlement to cash dividends or stock dividends

The bondholders who request to convert the Third Bonds during the period from January 1 of the current year to any date which is more than 3 trading days before the announcement of cash or stock dividends are entitled to the cash or stock dividends resolved by the stockholders in the current year. Conversion of the Third Bonds is prohibited during the period from 3 trading days before the announcement of cash or stock dividends to the ex-dividend date. The bondholders who request to convert the Third Bonds during the period from the date following the ex-dividend date to December 31 of the current year are not entitled to the cash or stock dividends resolved by the stockholders in the current year, but are entitled to the cash or stock dividends resolved by the stockholders in the following year.

B. On April 26, 2012, the Company issued its twelfth domestic secured corporate bonds (referred herein as the "Twelfth Bonds"), totaling $3,000,000. The Twelfth Bonds are categorized into Bond A and B, depending on the guarantee institution. Bond A totals $2,000,000, and Bond B totals $1,000,000. The major terms of the issuance are set forth below:

a) Period: 5 years (April 26, 2012 to April 26, 2017)

b) Coupon rate: 1.28% fixed per annum

c) Principal repayment and interest payment

Repayments for the Twelfth Bonds are paid annually on coupon rate, starting a year from the issuing date. The principal of the Twelfth Bonds shall be repaid in lump sum at maturity.

d) Collaterals

The Twelfth Bonds are secured. Bond A are guaranteed by Bank Sinopac, and Bond B are guaranteed by Far Eastern International Bank.

C. The conversion rights and debt component of the Third Bonds are recognised separately in accordance with IAS 39. The issuance cost of the Third Bonds is allocated to debt and equity components by the amount initially recognised. Accordingly, the account of "capital reserve from stock warrants" amounted to $256,205. The net value of the rights of repurchase and resold embedded in bonds payable was separated from bonds payable, and was recognised in "financial liabilities at fair value through profit or loss" in accordance with IAS 39.

(14) Long-term loans

	December 31, 2014	December 31, 2013
Secured bank loans	$ 13,520,422	$ 11,863,616
Unsecured bank loans	17,721,811	19,441,071
Add : unrealized foreign exchange loss	603,840	72,021
Less : deferred expenses - hosting fee credit	(6,895)	(9,934)
	31,839,178	31,366,774
Less: current portion	(7,717,401)	(4,581,706)
	$ 24,121,777	$ 26,785,068
Interest rate	0.89%~1.88%	0.89%~1.88%

Please refer to Note 8 for details of the collaterals pledged for the above long-term loans.

(15) Other non-current liabilities

	December 31, 2014	December 31, 2013
Accrued pension liabilities	$ 1,420,272	$ 1,444,609
Guarantee deposits received	9,554	48
	$ 1,429,826	$ 1,444,657

(16) Pension

A.(a)In accordance with the Labor Pension Act ("the Act"), effective July 1, 2005, which adopted a defined contribution scheme, employees of the Company may choose to be subject to either the Act, maintaining their seniority before the enforcement of the Act, or the pension mechanism of the Labor Standard Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 15% of the employees' monthly salaries and wages to the retirement fund deposited with the Trust Department of Bank of Taiwan under the name of the Labor Pension Fund Supervisory Committee.

(b)The amounts recognised in the balance sheet are as follows:

	December 31, 2014	December 31, 2013
Present value of defined benefit obligations	($ 1,887,464)	($ 1,874,129)
Fair value of plan assets	457,549	418,269
	(1,429,915)	(1,455,860)
Unrecognised past service cost	9,643	11,251
Net liability in the balance sheet	($ 1,420,272)	($ 1,444,609)

(c)Movements in present value of defined benefit obligations are as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Present value of defined benefit obligations		
At January 1	($ 1,874,129)	($ 1,879,570)
Current service cost	(11,983)	(10,953)
Interest cost	(31,976)	(27,429)
Actuarial loss	(33,570)	(20,302)
Benefits paid	64,194	64,125
At December 31	($ 1,887,464)	($ 1,874,129)

(d)Movements in fair value of plan assets are as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Fair value of plan assets		
At January 1	$ 418,269	$ 389,716
Expected return on plan assets	7,377	6,815
Actuarial profit (loss)	2,588	(1,670)
Employee contributions	88,047	84,048
Benefits paid	(58,732)	(60,640)
At December 31	$ 457,549	$ 418,269

(e)Amounts of expenses recognised in comprehensive income statements are as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Current service cost	$ 11,983	$ 10,953
Interest cost	31,976	27,429
Expected return on plan assets	(7,377)	(6,815)
Past service cost	1,607	1,607
Current pension cost	$ 38,189	$ 33,174

Details of cost and expenses recognised in comprehensive income statements are as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Operating cost	$ 8,456	$ 7,070
General and administrative expenses	29,733	26,104
	$ 38,189	$ 33,174

(f)Amounts recognised under other comprehensive income (loss) are as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Recognition for current period	($ 30,982)	($ 21,972)
Accumulated amount	$ 6,142	$ 37,124

(g)The Bank of Taiwan was commissioned to manage the Fund of the Company's defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. The constitution of fair value of plan assets as of December 31, 2014 and 2013 is given in the Annual Labor Retirement Fund Utilisation Report published by the government.

Expected return on plan assets was a projection of overall return for the obligations period, which was estimated based on historical returns and by reference to the status of Labor Retirement Fund utilisation by the Labor Pension Fund Supervisory Committee and taking into account the effect that the Fund's minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks.

The actual return on plan assets of the Company for the years ended December 31, 2014 and 2013 were $9,965 and $5,145, respectively.

(h)The principal actuarial assumptions used were as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Discount rate	1.75%	1.75%
Future salary increases	2.00%	2.00%
Expected return on plan assets	1.75%	1.75%

Assumptions regarding future mortality rate was estimated based on the 5th Taiwan Standard Ordinary Experience Mortality Table.

(i)Historical information of experience adjustments was as follows:

	Year ended December 31, 2014	Year ended December 31, 2013	Year ended December 31, 2012
Present value of defined benefit obligations	($ 1,887,464)	($ 1,874,129)	($ 1,879,570)
Fair value of plan assets	457,549	418,269	389,716
Deficit in the plan	($ 1,429,915)	($ 1,455,860)	($ 1,489,854)
Experience adjustments on plan liabilities	($ 33,570)	($ 20,302)	$ 63,738
Experience adjustments on plan assets	$ 2,588	($ 1,670)	($ 4,642)

(j)Expected contributions to the defined benefit pension plans of the Company within one year from December 31, 2014 amounts to $41,328.

B.(a)Effective July 1, 2005, the Company has established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company contributes monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b)The pension costs under defined contribution pension plans of the Company for the years ended December 31, 2014 and 2013 were $53,342 and $48,229, respectively.

(17) Capital stock

A.As of December 31, 2014, the Company’s authorized capital was $36,000,000, and the paid-in capital was $34,775,802, divided into 3,477,580 thousand shares of common stocks with a par value of $10 (in dollars) per share. All proceeds from shares issued have been collected.

B.Details of the common stock converted from the domestic unsecured convertible bonds issued by the Company for the years ended December 31, 2014 and 2013 are set forth below:

	Year ended December 31, 2014			Year ended December 31, 2013		
	No. of Shares (in 000's)		Amount	No. of Shares (in 000's)		Amount
Third unsecured convertible bonds	2,628	$	26,279	12	$	116

(18) Capital reserve

A.The Securities and Exchange Act requires that capital reserve shall be exclusively used to cover accumulated deficit or to increase capital and shall not be used for any other purpose. However, capital reserve arising from paid-in capital in excess of par value on issuance of common stock and donations can be capitalized once a year, provided that the Company has no accumulated deficit and the amount to be capitalized does not exceed 10% of the paid-in capital.

	Year ended December 31, 2014								
	Share premium		Adjustments to share of changes in equity of associates and joint ventures		Donated assets		Stock warrants		Others
At January 1	$ 5,817,998	$	1,388,550	$	446	$	58,250		$6,713
Convertible bonds converted	23,555		-		-	(	4,632)		-
Corporate bond expired	53,618		-		-	(	53,618)		-
Recognition of change in equity of associates in proportion to the Company's ownership	-		1,578		-		-		-
At December 31	$ 5,895,171	$	1,390,128	$	446	$	-		$6,713

	Year ended December 31, 2013								
	Share premium		Adjustments to share of changes in equity of associates and joint ventures		Donated assets		Stock warrants		Others
At January 1	$ 5,817,899	$	1,388,550	$	446	$	58,271		$6,713
Convertible bonds converted	99		-		-	(	21)		-
At December 31	$ 5,817,998	$	1,388,550	$	446	$	58,250		$6,713

B.Information related to “capital reserve from stock warrants” is stated in Note 6 (13).

(19) Retained earnings

	Year ended December 31, 2014	Year ended December 31, 2013
At January 1	$ 1,118,877	$ 5,121,929
Profit (loss) for the period	1,176,039	(1,497,304)
Appropriation of earnings	4,986,053	(2,234,566)
Actuarial gains (loss) on post employment benefit obligations, net of tax	(10,963)	(270,967)
Recognised the reduction to retained earnings attributed to investee company non-subscribed proportionately	-	(215)
At December 31	$ 7,270,006	$ 1,118,877

A.According to the Company's Articles of Incorporation, if there is any profit for a fiscal year, the Company shall first make provision for income tax and cover prior years' losses, then appropriate 10% of the residual amount as legal reserve. Dividends shall be proposed by the Board of Directors and resolved by the stockholders. Bonuses paid to employees shall be at least 0.5% of the total distributed amount and the remuneration paid to the directors and supervisors shall not exceed 5% of the total distributed amount.

B.Dividend policy

The Company is currently at the stable growth stage. In order to facilitate future expansion plans, dividends to stockholders are distributed mutually in the form of both cash and stocks with the basic principle that the ratio of cash dividends to total stock dividends shall not be lower than 10%.

C.Legal reserve

Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.

D.(a)In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.

(b)The amounts previously set aside by the Company as special reserve on initial application of IFRSs in accordance with Jin-Guan-Zheng-Fa-Zi Letter No. 1010012865, dated April 6, 2013, shall be reversed proportionately when the relevant assets are used, disposed of or reclassified subsequently. Such amounts are reversed upon disposal or reclassified if the assets are investment property of land, and reversed over the use period if the assets are investment property other than land.

E. In response to future operating plans, the Company has retained all distributable earnings and has not appropriated any bonus to shareholders, directors' and supervisors' remuneration and employees' bonus for the year ended December 31, 2013. As of December 31, 2014 and 2013, the Company distributed no dividends to shareholders, bonus to employees, or remuneration to the directors and supervisors in order to facilitate future expansion plans.

F. The employees' bonus of $15,160 and directors' and supervisors' remuneration of $11,000 for the year ended December 31, 2014 were accrued based on profit after tax for the year, as well as legal reserve and others. The basic accrual is within the percentage stated in the Company's Articles of Incorporation.

G. The appropriation of 2014 earnings resolved by the Board of Directors on March 27, 2015 was as follows:

	Year ended December 31, 2014	
	Amount	Dividend per share (in dollars)
Accrual of legal reserve	$ 117,604	
Reversal of special reserve	$ 828,940	
Appropriate cash dividends to shareholders	$ 347,758	$ 0.1
Appropriate stock dividends to shareholders	$ 347,758	$ 0.1

For more information on the bonus allocation to employees and remuneration to the directors and supervisors of the Company as resolved by the Board of Directors and approved by the stockholders, please visit the "Market Observation Post System" website of the Taiwan Stock Exchange.

As of March 31, 2015, the above-mentioned 2014 earnings appropriation had not been resolved by the stockholders.

(20) Other equity items

	Hedging reserve	Available-for-sale investment	Currency translation	Total
At January 1, 2014	$ 12,331	($ 36,456)	($ 804,815)	($ 828,940)
Revaluation – gross	-	(83,883)	-	(83,883)
Revaluation – tax		(1,301)		(1,301)
Revaluation – associates	-	776,973	-	776,973
Revaluation – associates – tax	-	(18,814)	-	(18,814)
Cash flow hedges:				
– Fair value loss in the period				
– associates	(455,552)	-	-	(455,552)
– associates – tax	77,444	-	-	77,444
Currency translation differences:				
–Parent	-	-	1,934,877	1,934,877
–Tax of Parent			(37)	(37)
–Associates	-	-	225,684	225,684
At December 31, 2014	($ 365,777)	$ 636,519	$ 1,355,709	$ 1,626,451

	Hedging reserve	Available-for-sale investment	Currency translation	Total
At January 1, 2013	$ 10,289	($ 490,002)	($ 1,867,363)	($ 2,347,076)
Revaluation – gross	-	109,835	-	109,835
Revaluation – tax	-	969	-	969
Revaluation – associates	-	362,864	-	362,864
Revaluation – associates – tax	-	(20,122)	-	(20,122)
Cash flow hedges:				
– Fair value gains in the period				
– associates	2,460	-	-	2,460
– associates–tax	(418)	-	-	(418)
Currency translation				
–Parent	-	-	966,519	966,519
–Tax of Parent	-	-	(10)	(10)
–Associates	-	-	96,039	96,039
At December 31, 2013	$ 12,331	($ 36,456)	($ 804,815)	($ 828,940)

(21) Operating revenue

	Year ended December 31, 2014	Year ended December 31, 2013
Marine freight income	$ 24,650,532	$ 18,119,632
Ship rental income and slottage income	507,053	553,334
Commission income and agency service income	272,896	273,414
Other income	721,357	562,450
	$ 26,151,838	$ 19,508,830

(22) Other gains-net

	Year ended December 31, 2014	Year ended December 31, 2013
Gains on disposal of property, plant and equipment	$ 1,996,633	$ 1,676,175

(23) Other income

	Year ended December 31, 2014	Year ended December 31, 2013
Rental revenue	$ 99,040	$ 98,462
Dividend income	57,837	29,498
Interest income:		
Interest income from bank deposits	142,190	93,489
Interest income from financial assets other than financial assets at fair value through profit or loss	10,271	10,272
Other income – others	545,591	53,242
	$ 854,929	$ 284,963

(24) Other gains and losses

	Year ended December 31, 2014	Year ended December 31, 2013
Net (losses) profits on financial assets at fair value through profit or loss	($ 5,258)	$ 18,964
Net currency exchange gains (losses)	104,068	(50,611)
Gains on disposal of investments	1,806	50,978
Investment property depreciation	(19,146)	(19,149)
Other non-operating expenses	(187,351)	(53,447)
	($ 105,881)	($ 53,265)

(25) Finance costs

	Year ended December 31, 2014	Year ended December 31, 2013
Interest expense:		
Bank loans	$ 466,803	$ 398,966
Corporate bonds	45,693	50,931
	512,496	449,897
Less: capitalisation of qualifying assets	(39,307)	(67,948)
Finance costs	$ 473,189	$ 381,949

(26) Expenses by nature

	Year ended December 31, 2014	Year ended December 31, 2013
Employee benefit expense	$ 1,695,281	$ 1,451,249
Depreciation on property, plant and equipment	1,660,216	1,812,582
Amortisation on intangible assets	9,967	8,781
Stevedorage	5,614,357	3,814,899
Inland haulage and canal due	5,326,838	3,758,968
Bunker fuel	5,046,242	4,221,092
Operating lease payments	2,499,626	2,455,340
Port charge	1,010,863	858,400
Commission	877,479	637,450
Professional service and data service expenses	204,538	195,219
Ship supplies and lubricant oil	192,744	231,041
Other expenses	422,250	286,228
Total	$ 24,560,401	$ 19,731,249

(27) Employee benefit expense

	Year ended December 31, 2014	Year ended December 31, 2013
Wages and salaries	$ 1,432,034	$ 1,225,849
Labor and health insurance fees	102,160	88,000
Pension costs	91,531	81,403
Other personnel expenses	69,556	55,997
	$ 1,695,281	$ 1,451,249

(28) Income tax

A.Income tax expense

(a)Components of income tax expense:

	Year ended December 31, 2014	Year ended December 31, 2013
Current tax:		
Current tax on profits for the period	$ 496,399	$ 51,549
Tax on undistributed earnings	194,069	-
Adjustments in respect of prior years	10,490	-
Total current tax	700,958	51,549
Deferred tax:		
Origination and reversal of temporary differences	64,573	(5,847)
Total deferred tax	64,573	(5,847)
Income tax expense	$ 765,531	$ 45,702

(b)The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Fair value gains (losses) on available -for-sale financial assets	($ 1,301)	$ 969
Exchange differences on translating the financial statements of foreign operations	(37)	(10)
Actuarial gains on defined benefit obligations	5,267	3,735
Share of other comprehensive losses of associates	(15,041)	(4,118)
	($ 11,112)	$ 576

(c)The income tax charged/(credited) to equity during the period is as follows:

	Year ended December 31, 2014	Year ended December 31, 2013
Reduction in capital surplus caused by recognition of foreign investees based on the shareholding ratio	($ 60)	$ -
Reduction in retained earnings caused by recognition of foreign investees not based on the shareholding ratio	-	7
	($ 60)	$ 7

B.Reconciliation between income tax expense and accounting profit

	Year ended December 31, 2014	Year ended December 31, 2013
Tax calculated based on profit before tax and statutory tax rate	$ 330,066	($ 246,772)
Expenses disallowed by tax regulation	249,349	345,469
Tax exempted income by tax regulation	(9,245)	(16,995)
Effect from tax credit of investment	(9,198)	(36,000)
Prior year income tax underestimation	10,490	-
Tax on undistributed earnings	194,069	-
Income tax expenses	$ 765,531	$ 45,702

C.Amounts of deferred tax assets or liabilities as a result of temporary difference, loss carryforward and investment tax credit are as follows:

	Year ended December 31, 2014				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in equity	December 31
Temporary differences:					
—Deferred tax assets:					
Bad debts expense	$ 404	$ 38	$ -	$ -	$ 442
Loss on valuation of financial assets	23,311	(22,342)	(969)	-	-
Deferred profit from disposal of loading and unloading equipment	13,145	(7,729)	-	-	5,416
Unrealized expense	5,975	680	-	-	6,655
Unrealized exchange loss	3,233	6,855	-	-	10,088
Pension expense	251,895	(9,405)	-	-	242,490
Investment tax credit	122,803	(122,803)	-	-	-
Subtotal	$ 420,766	($ 154,706)	($ 969)	$ -	$ 265,091
—Deferred tax liabilities:					
Gain on valuation of financial assets	$ -	$ -	($ 332)	$ -	($ 332)
Equity-accounted investment income	(1,165,725)	90,133	(15,078)	(60)	(1,090,730)
Actuarial losses/(gains)	(6,312)	-	5,267	-	(1,045)
Subtotal	(1,172,037)	90,133	(10,143)	(60)	(1,092,107)
Total	($ 751,271)	($ 64,573)	($ 11,112)	($ 60)	($ 827,016)

	Year ended December 31, 2013				
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in equity	December 31
Temporary differences:					
－Deferred tax assets:					
Bad debts expense	$ 404	$ -	$ -	$ -	$ 404
Loss on valuation of financial assets	22,342	-	969	-	23,311
Deferred profit from disposal of loading and unloading equipment	15,568	(2,423)	-	-	13,145
Unrealized expense	4,778	1,197	-	-	5,975
Unrealized exchange loss	-	3,233	-	-	3,233
Pension expense	261,136	(9,241)	-	-	251,895
Loss carryforwards	145,534	(145,534)	-	-	-
Investment tax credits	114,561	8,242	-	-	122,803
Subtotal	$ 564,323	($ 144,526)	$ 969	$ -	$ 420,766
－Deferred tax liabilities:					
Unrealised exchange gain	($ 16,082)	$ 16,082	$ -	$ -	$ -
Equity-accounted investment income	(1,295,895)	134,291	(4,128)	7	(1,165,725)
Actuarial losses/(gains)	(10,047)	-	3,735	-	(6,312)
Subtotal	(1,322,024)	150,373	(393)	7	(1,172,037)
Total	($ 757,701)	$ 5,847	$ 576	$ 7	($ 751,271)

D.According to Act for Industrial Innovation and Statute for Upgrading Industries (before its abolishment), details of the amount the Company is entitled as investment tax credit and unrecognised deferred tax assets are as follows:

	December 31, 2013		
Qualifying items	Unused tax credits	Unrecognised deferred tax assets	Final year tax credits are due
Investments in emerging important strategic industries	$ 26,803	$ -	2015
Investments in emerging important strategic industries	60,000	-	2016
Investments in emerging important strategic industries	36,000	-	2017
	$ 122,803	$ -	

E. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2014 and 2013, the amounts of temporary difference unrecognised as deferred tax liabilities were $20,567,275 and $19,884,906, respectively.

F. As of December 31, 2014, the Company's income tax returns through 2012 have been assessed and approved by the Tax Authority.

G. Unappropriated retained earnings:

	December 31, 2014	December 31, 2013
Earnings generated in and before 1997	$ 1,673,273	$ 1,118,877
Earnings generated in and after 1998	5,596,733	-
	$ 7,270,006	$ 1,118,877

H. As of December 31, 2014 and 2013, the balance of the imputation tax credit account was $1,616,279 and $438,661, respectively. The creditable tax rate was 0% for 2013 and is estimated to be 28.88% for 2014.

(29) Earnings (loss) per share

	Year ended December 31, 2014		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Earnings per share (in dollars)
Basic earnings per share			
Net income attributable to ordinary shareholders of the parent	$ 1,176,039	3,476,061	$ 0.34
Diluted earnings per share			
Net income attributable to ordinary shareholders of the parent	$ 1,176,039	3,476,061	
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	-	1,519	
Employees' bonus	-	687	
Net income attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	$ 1,176,039	3,478,267	$ 0.34

	Year ended December 31, 2013		
	Amount after tax	Weighted average number of ordinary shares outstanding (share in thousands)	Loss per share (in dollars)
Basic loss per share			
Net loss attributable to ordinary shareholders of the parent	($ 1,497,304)	3,474,948	($ 0.43)
Diluted loss per share			
Net loss attributable to ordinary shareholders of the parent	($ 1,497,304)	3,474,948	
Assumed conversion of all dilutive potential ordinary shares			
Convertible bonds	Note 1	Note 1	
Net loss attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	($ 1,497,304)	3,474,948	($ 0.43)

Note 1:

According to IAS 33 "Earnings per share", the potential common stock should not be considered in calculation of basic loss per share, due to net loss from continuing operation for 2014, which leads to anti-dilutive effect.

(30) Non-cash transactions

A.Investing activities with partial cash payments

(a)Property, plant and equipment

	Year ended December 31, 2014	Year ended December 31, 2013
Purchase of property, plant and equipment	$ 1,613,195	$ 46,470
Add: opening balance of payable on equipment	1,118	1,749
Less: ending balance of payable on equipment	(1,556)	(1,118)
Cash paid during the period	$ 1,612,757	$ 47,101

(b)Advance on equipment

	Year ended December 31, 2014	Year ended December 31, 2013
Acquisition of prepayments for equipment	$ 4,725,126	$ 5,559,911
Add: opening balance of payable on equipment	4,597	8,488
Less: ending balance of payable on equipment	(277,413)	(4,597)
Capitalized interest	(39,307)	(67,948)
Cash paid during the period	$ 4,413,003	$ 5,495,854

B.Financing activities with no cash flow effects

	Year ended December 31, 2014	Year ended December 31, 2013
Convertible bonds being converted to capital stocks	$ 45,200	$ 200

7. RELATED PARTY TRANSACTIONS

(31) Names of the related parties and their relationship with the Company

Names of related parties	Relationship with the Company
Taiwan Terminal Services Co., Ltd. (TTSC)	Subsidiary
Peony Investment S.A. (Peony)	Subsidiary
Everport Terminal Services Inc. (ETS)	Subsidiary
Kingtrans International Logistics (Tianjin) Co., Ltd. (KTIL)	Indirect subsidiary
Vigor Enterprise S.A. (VIGOR)	Indirect subsidiary (Completely liquidated in December 2014)
Clove Holding Ltd. (CLOVE)	Indirect subsidiary
PT. Multi Bina Transport (MBT)	Indirect subsidiary
PT. Multi Bina Pura International (MBPI)	Indirect subsidiary
Greencompass Marine S.A. (GMS)	Indirect subsidiary
Evergreen Heavy Industrial Co., (Malaysia) Berhad. (EHIC(M))	Indirect subsidiary
Evergreen Marine (UK) Limited (EMU)	Indirect subsidiary
Evergreen Shipping Agency (Deutschland) GmbH (EGD)	Indirect subsidiary
Evergreen Shipping Agency (U.K.) Limited (EGU)	Indirect subsidiary
Evergreen Shipping Agency (Switzerland) S.A. (EGDL)	Indirect subsidiary
Evergreen Shipping Agency (Austria) GmbH (EGDV)	Indirect subsidiary

Names of related parties	Relationship with the Company
Evergreen Shipping Agency (Ireland) Ltd. (EGUD)	Indirect subsidiary
Evergreen Shipping Agency (Netherlands) B.V. (EGN)	Indirect subsidiary
Evergreen Shipping Agency (Poland) SP.ZO.O (EGD-WWX)	Indirect subsidiary
Evergreen Argentina S.A. (EGB)	Indirect subsidiary
Evergreen Shipping Agency France S.A.S. (EGF)	Indirect subsidiary
Evergreen Shipping (Spain) S.L. (EES)	Indirect subsidiary
Evergreen Shipping Agency (Italy) S.p.A. (EIT)	Indirect subsidiary
Evergreen Shipping Agency (Vietnam) Corp. (EGV)	Indirect subsidiary
Island Equipment LLC. (Island)	Indirect subsidiary
Armand Investment (Netherlands) N.V. (Armand N.V.)	Indirect subsidiary
Evergreen Shipping Agency (Australia) Pty. Ltd. (EMA)	Indirect subsidiary
Evergreen Shipping Agency (Thailand) Co., Ltd. (EGT)	Indirect subsidiary
Evergreen Shipping Agency (Singapore) Pte. Ltd. (EGS)	Indirect subsidiary
Evergreen Shipping Agency (India) Pvt. Ltd. (EGI)	Indirect subsidiary
Evergreen Shipping Agency (Russia) Ltd. (ERU)	Indirect subsidiary
Evergreen Agency (South Africa) (Pty) Ltd.(ESA)	Indirect subsidiary
Evergreen Shipping Agency (Korea) Corporation (EGK)	Indirect subsidiary
Armand Estate B.V. (Armand B.V.)	Indirect subsidiary
Whitney Equipment LLC. (Whitney)	Indirect subsidiary
Hemlock Equipment LLC. (Hemlock)	Indirect subsidiary

(32) Significant related party transactions and balances

A.Sales of services:

	Year ended December 31, 2014	Year ended December 31, 2013
Sales of services:		
Subsidiaries	$ 2,509,663	$ 2,226,668
Associates	912,249	907,189
Other related parties	3,498,645	3,118,247
	$ 6,920,557	$ 6,252,104

The business terms on which the Company transacts with related parties are of no difference from those with non-related parties.

B.Purchases of services:

	Year ended December 31, 2014	Year ended December 31, 2013
Purchases of services:		
Subsidiaries	$ 2,161,098	$ 1,777,544
Associates	1,165,780	1,072,298
Other related parties	2,446,328	2,222,764
	$ 5,773,206	$ 5,072,606

Services are purchased from subsidiaries, associates and other related parties under general conditions.

C. Receivables from related parties:

	December 31, 2014	December 31, 2013
Accounts receivable:		
Subsidiaries	$ 14,281	$ 19,103
Associates	57,249	59,508
Other related parties	75,396	107,052
	$ 146,926	$ 185,663

	December 31, 2014	December 31, 2013
Other receivables:		
Subsidiaries	$ 6,889	$ 1,113
Associates	784	3,671
Other related parties	6,868	59,623
	$ 14,541	$ 64,407

The receivables from related parties arise mainly from sale transactions. The receivables are unsecured in nature and bear no interest. There are no provisions held against receivables from related parties.

D. Payables to related parties:

	December 31, 2014	December 31, 2013
Accounts payable:		
Subsidiaries	$ 62,327	$ 85,307
Associates	46,295	12,417
Other related parties	7,599	138,949
	$ 116,221	$ 236,673

	December 31, 2014	December 31, 2013
Other payables:		
Associates	$ 4,272	$ 5,169
Other related parties	13,917	13,424
	$ 18,189	$ 18,593

The payables to related parties arise mainly from purchase transactions. The payables bear no interest.

E. Agency accounts:

(a)Debit balance of agency accounts

	December 31, 2014	December 31, 2013
Subsidiaries	$ 27,938	$ 41,044
Associates	9,989	1,765
	$ 37,927	$ 42,809

(b)Credit balance of agency accounts

	December 31, 2014	December 31, 2013
Subsidiaries	$ 18,034	$ 60,066
Associates	15,521	-
Other related parties	23,051	9,610
	$ 56,606	$ 69,676

F. Shipowner's accounts:

(a)Debit balance of shipowner's accounts

	December 31, 2014	December 31, 2013
Associates	$ 394,527	$ 294,608
Other related parties	354,312	544,636
	$ 748,839	$ 839,244

(b)Credit balance of shipowner's accounts

	December 31, 2014	December 31, 2013
Subsidiaries	$ 507,815	$ 605,611
Other related parties	136,127	254,555
	$ 643,942	$ 860,166

G.Property transactions:

(a)Acquisition of property, plant and equipment:

	Year ended December 31, 2014	Year ended December 31, 2013
Subsidiaries	$ 157,493	$ -
Associates	28	-
Other related parties	233	-
	$ 157,754	$ -

(b)Disposal of property, plant and equipment:

	Year ended December 31, 2014		Year ended December 31, 2013	
	Disposal proceeds	(Loss) gain on disposal	Disposal proceeds	Gain (loss) on disposal
Associates	$ -	$ -	$ 12,000	$ 11,878
Other related parties	1,455	(329)	42	4
	$ 1,455	($ 329)	$ 12,042	$ 11,882

H.Endorsements and guarantees provided to related parties:

	December 31, 2014	December 31, 2013
Subsidiaries	$ 74,438,427	$ 78,116,016
Associates	1,751,630	2,189,464
	$ 76,190,057	$ 80,305,480

(33) Key management compensation

	Year ended December 31, 2014	Year ended December 31, 2013
Salaries and other short-term employee benefits	$ 55,477	$ 39,000
Post-employment benefits	3,492	2,746
	$ 58,969	$ 41,746

8. PLEDGED ASSETS

The Company's assets pledged as collateral are as follows:

	Book value		
Pledged assets	December 31, 2014	December 31, 2013	Purpose
Other financial assets			
- Pledged time deposits	$ 121,648	$ 122,935	Guarantee
Property, plant and equipment			
-Land	514,312	514,312	Long-term loan
-Buildings	210,452	217,814	"
-Ships	15,864,818	10,299,538	"
Investment property			
-Land	1,285,781	1,285,781	Long-term loan
-Buildings	526,129	544,536	"
	$ 18,523,140	$ 12,984,916	

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

A. As of December 31, 2014, the Company had delegated ANZ Bank to issue Standby Letter of Credit amounting to USD 5,000.

B. A former stockholder of the Company sold some of its shares through issuance of global depository receipts (GDRs). The issuance of GDRs was approved by the SEC on June 19, 1996 as per Letter (85) Tai-Cai-Zheng (1) No. 35410. On August 2, 1996, the GDRs were approved by the UK governing authority to be listed on the London Stock Exchange and were issued in Asia, Europe and the US. The initial number of units issued was 5,449,592, representing 54,495,920 shares of the Company's common stock at $50.50 (in dollars) per share, and the number of supplementary units issued was 817,438. In total, the number of units issued was 6,267,030, representing 62,670,300 shares of the Company's common stock at $50.50 (in dollars) per share, and the GDRs issued amounted to USD115,000. Another 2,085,856 units, representing 20,858,634 shares of the Company's common stock, were issued during the period from 1997 to December 31, 2014. As of December 31, 2014, 8,013,574 units were redeemed and 339,312 units were outstanding, representing 3,393,194 shares of the Company's common stock.

C. As of December 31, 2014, the long-term and medium-term loan facilities granted by the financial institutions with the resolution from the Board of Directors to finance the Company's purchase of new ships and general working capital requirement amounted to $41,525,057 and the unutilized credits was $9,678,984.

D. Operating lease

The estimated amount of minimurn lease payments in the following years under long-term contracts is set forth as follows:

	December 31, 2014	
Within 1 year	USD	60,316
1~5 years		136,072
Over 5 years		70,694
	USD	267,082

E. As of December 31, 2014, the amount of guaranteed notes issued by the Company for loans borrowed was $42,906,696.

F. To meet operational needs, the Company signed shipbuilding contracts with Taiwan Shipbuilding Co., Ltd. As of December 31, 2014, the total price of shipbuilding contracts amounted to USD207,160, USD124,760 of which remained unpaid.

G. The Company has signed contracts for acquiring machinery with Shanghai Zhenhua Heavy Industry Co., Ltd. and Mitsui Engineering and Shipbuilding Co., Ltd. for operational needs. As of December 31, 2014, the contracted acquisition price was USD19,408 and USD5,934 and the unpaid amount was USD13,586 and USD4,154, respectively.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

A.On September 30, 2014, the Board of Directors has resolved the capital increase of the Company's investee accounted for using equity method－EVA Airways Corporation. The increase was set effective on December 17, 2014 and the duration for payment to capital increase is from December 26, 2014 to January 26, 2015. The Company did not participate in the capital increase and thus the shareholding ratio was reduced from 19.32% to 16.31%.

B.The Company's Board of Directors proposed the appropriation of earnings on March 27, 2015 and the related information is described in Note 6(19).

12. OTHERS

(1) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders and issue new shares to maintain an optimal capital.

(2) Financial instruments

A.Fair value information of financial instruments

Except for those listed in the table below, the carrying amounts of the Company's financial instruments not measured at fair value (including cash and cash equivalents, notes receivable, accounts receivable, other receivables, other financial assets, refundable deposits, guarantee deposits received, held-to-maturity financial assets, short-term loans, accounts payable and other payables) are approximate to their fair values. The fair value information of financial instruments measured at fair value is provided in Note 12(3).

	December 31, 2014	
	Book value	Fair value
Financial liabilities:		
Bonds payable	$ 3,000,000	$ 3,038,469
Long-term loans (including current portion)	31,839,178	33,129,147
	$ 34,839,178	$ 36,167,616

	December 31, 2013	
	Book value	Fair value
Financial liabilities:		
Bonds payable (including current portion)	$ 3,561,023	$ 3,575,555
Long-term loans (including current portion)	31,366,774	32,511,361
	$ 34,927,797	$ 36,086,916

B.Financial risk management policies

(a)The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial position and financial performance.

(b)Risk management is carried out by the Company's Finance Department under policies approved by the Board of Directors. The Company's Finance Department identifies, evaluates and hedges financial risks in close co-operation with the Company's Operating Department. The Board of Directors provides written principles for overall risk management, as well as written policies covering specific areas and matters, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

C.Significant financial risks and degrees of financial risks

(a)Market risk

<u>Foreign exchange risk</u>

i.The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD, RMB and EUR. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investment in foreign operations.

ii.The Company's management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The group companies are required to hedge their entire foreign exchange risk exposure with the Company's Finance Department. To manage their foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, entities in the Company use forward foreign exchange contracts, transacted with Company's Finance Department. Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a foreign currency that is not the entity's functional currency.

iii.The Company's businesses involve some non-functional currency operations (the Company's and certain subsidiaries' functional currency: NTD; other certain subsidiaries' functional currency: USD, EUR and others). The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

	December 31, 2014		
	Foreign currency amount (In Thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 840,072	31.6865	$ 26,618,941
Financial liabilities			
Monetary items			
USD:NTD	$ 789,335	31.6865	$ 25,011,263

	December 31, 2013		
	Foreign currency amount (In Thousands)	Exchange rate	Book value (NTD)
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	$ 397,327	29.8430	$ 11,857,430
RMB:NTD	61,920	4.9231	304,838
Financial liabilities			
Monetary items			
USD:NTD	$ 362,589	29.8430	$ 10,820,744
RMB:NTD	17,948	4.9231	88,360

iv.Analysis of foreign currency market risk arising from significant foreign exchange variation:

	Year ended December 31, 2014		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 266,189	$ -
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 250,113	$ -

	Year ended December 31, 2013		
	Sensitivity analysis		
	Degree of variation	Effect on profit or loss	Effect on other comprehensive income
(Foreign currency: functional currency)			
Financial assets			
Monetary items			
USD:NTD	1%	$ 118,574	$ -
RMB:NTD	1%	3,048	-
Financial liabilities			
Monetary items			
USD:NTD	1%	$ 108,207	$ -
RMB:NTD	1%	884	-

Price risk

i. The Company is exposed to equity securities price risk because of investments held by the Company and classified on the balance sheet either as available-for-sale or at fair value through profit or loss. The Company is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

ii. The Company's investments in equity securities comprise domestic listed and unlisted stocks. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, other components of equity for the years ended December 31, 2014 and 2013, would have increased/decreased by $13,934 and $14,786, respectively, as a result of gains/losses on equity securities classified as available-for-sale.

Interest rate risk

i. The Company's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk which is partially offset by cash and cash equivalents held at variable rates. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. During the years ended December 31, 2014 and 2013, the Company's borrowings at floating rate were denominated in the NTD and USD.

ii. At December 31, 2014 and 2013, if interest rates on borrowings had been 1% higher/lower with all other variables held constant, post-tax profit for the years ended December 31, 2014 and 2013 would have been $227,802 and $222,247 lower/higher, respectively, mainly as a result of higher/lower interest expense on floating rate borrowings.

(b)Credit risk

i.Credit risk refers to the risk of financial loss to the Company arising from default by the clients or counterparties of financial instruments on the contract obligations. According to the Company's credit policy, each local entity in the Company is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Internal risk control assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board of Directors. The utilisation of credit limits is regularly monitored. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

ii.No credit limits were exceeded during the reporting periods, and management does not expect any significant losses from non-performance by these counterparties.

iii.For credit quality information of financial assets that are neither past due nor impaired, please refer to Note 6(5).

(c)Liquidity risk

i.Cash flow forecasting is performed in the operating entities of the Company and aggregated by the Company's Finance Department. The Company's Finance Department monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs.

ii.The table below analyses the Company's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities.

Non-derivative financial liabilities:

December 31, 2014	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Accounts payable	$ 2,289,528	$ 6	$ -	$ -	$ -	$2,289,534
Accounts payable - relate parties	116,221	-	-	-	-	116,221
Other payables	674,756	52,461	-	-	-	727,217
Other payables - related parties	18,189	-	-	-	-	18,189
Bonds payable	-	38,400	38,400	3,038,400	-	3,115,200
Long-term loans (including current portion)	1,863,859	6,255,166	11,288,109	6,876,956	6,891,390	33,175,480
Guarantee deposits received	-	-	-	-	9,554	9,554

Non-derivative financial liabilities:

December 31, 2013	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Accounts payable	$ 1,793,539	$ 1	$ -	$ -	$ -	$ 1,793,540
Accounts payable - relate parties	236,673	-	-	-	-	236,673
Other payables	305,290	26,350	-	-	1	331,641
Other payables - related parties	18,593	-	-	-	-	18,593
Bonds payable	-	573,121	38,400	3,076,800	-	3,688,321
Long-term loans (including current portion)	519,648	4,464,291	8,301,918	13,429,514	5,939,058	32,654,429
Guarantee deposits received	-	-	-	-	48	48

(3) Fair value estimation

A.The table below analyses financial instruments measured at fair value, by valuation method. The different levels have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data.

The following table presents the Company's financial assets and liabilities that are measured at fair value at December 31, 2014 and 2013:

December 31, 2014	Level 1	Level 2	Level 3	Total
Financial assets:				
Available-for-sale financial assets				
Equity securities	$ 1,266,490	$ -	$ 133,627	$ 1,400,117

December 31, 2013	Level 1	Level 2	Level 3	Total
Financial assets:				
Financial assets at fair value through profit or loss				
Embedded derivatives	$ -	$ -	$ 5,173	$ 5,173
Available-for-sale financial assets				
Equity securities	1,373,322	-	110,678	1,484,000
	$ 1,373,322	$ -	$ 115,851	$ 1,489,173

B.The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the closing price. These instruments are included in level 1. Instruments included in level 1 comprise primarily equity instruments and debt instruments classified as financial assets/financial liabilities at fair value through profit or loss or available-for-sale financial assets.

C.The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value of an instrument are observable, the instrument is included in level 2.

D.If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

E.Specific valuation techniques used to value financial instruments include:

(a)Quoted market prices or dealer quotes for similar instruments.

(b)Other techniques, such as discounted cash flow analysis, are used to determined fair value for the remaining financial instruments.

F. The following table presents the changes in level 3 instruments as at December 31, 2014 and 2013.

	Equity securities	Derivative financial instruments	Total
At January 1, 2014	$ 110,678	$ 5,173	$ 115,851
Gains and losses recognised in profit or loss	-	(5,173)	(5,173)
Gains and losses recognised in other comprehensive income	22,949	-	22,949
At December 31, 2014	$ 133,627	$ -	$ 133,627

	Equity securities	Debt securities	Derivative financial instruments	Total
At January 1, 2013	$ 100,281	$ 76,648	$ 3,923	$ 180,852
Gains and losses recognised in profit or loss	-	23,352	1,250	24,602
Gains and losses recognised in other comprehensive income	10,397	-	-	10,397
Disposed of during the period	-	(100,000)	-	(100,000)
At December 31, 2013	$ 110,678	$ -	$ 5,173	$ 115,851

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others:

Unit：Thousands of New Taiwan Dollars

Number (Note 1)	Creditor	Borrower	General ledger account (Note 2)	Is a related party	Maximum outstanding balance during the year ended December 31, 2014 (Note 3)	Balance at December 31, 2014 (Note 8)	Actual amount drawn down	Interest rate(%)	Nature of loan (Note 4)	Amount of transactions with the borrower (Note 5)	Reason for short-term financing (Note 6)	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 7)	Ceiling on total loans granted (Note 7)	Footnote
													Item	Value			
1	Peony Investment S.A.	Kingtrans Intl.Logistics (Tianjin) Co., Ltd.	Receivables from related parties	Yes	$ 47,530	$ 47,530	$ -	1.3253	2	$ -	Working capital requirement	$ -	-	$ -	$ 8,028,834	$ 20,072,086	
	Peony Investment S.A.	Luanta Investment (NetherLands) N.V.	Receivables from related parties	Yes	521,541	475,298	307,199	1.2550~ 1.2655	2	-	Working capital requirement	-	-	-	8,028,834	20,072,086	
	Peony Investment S.A.	Clove Holding Ltd.	Receivables from related parties	Yes	348,552	348,552	332,708	1.2670	2	-	Working capital requirement	-	-	-	16,057,669	20,072,086	
	Peony Investment S.A.	Hemlock Equipment LLC.	Receivables from related parties	Yes	79,216	79,216	79,216	1.2688	2	-	Working capital requirement	-	-	-	16,057,669	20,072,086	
2	Clove Holding Ltd.	Whitney Equipment LLC.	Receivables from related parties	Yes	126,746	126,746	126,746	1.2326	2	-	Working capital requirement	-	-	-	1,078,881	1,348,601	
3	Evergreen Marine (UK) Ltd.	Kingtrans Intl. Logistics (Tianjin) Co., Ltd.	Receivables from related parties	Yes	47,530	47,530	-	1.3253	2	-	Working capital requirement	-	-	-	1,011,029	2,022,058	

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:
(1) The Company is '0'.
(2) The subsidiaries are numbered in order starting from '1'.

Note 2: Fill in the name of account in which the loans are recognised, such as receivables–related parties, current account with stockholders, prepayments, temporary payments, etc.

Note 3 Fill in the year-to-date maximum outstanding balance of loans to others as of the reporting period.

Note 4: The column of 'Nature of loan' shall fill in 1.'Business association' or 2.'Short-term financing'.

Note 5: Fill in the amount of business transactions when nature of the loan is related to business transactions, which is the amount of business transactions occurred between the creditor and borrower in the current year.

Note 6: Fill in purpose of loan when nature of loan belongs to short-term financing, for example, repayment of loan, acquisition of equipment, working capital, etc.

Note 7: Fill in limit on loans granted to a single party and ceiling on total loans granted as prescribed in the creditor company's "Procedures for Provision of Loans", and state each individual party to which the loans have been provided and the calculation for ceiling on total loans granted in the footnote

1.According to the company's credit policy, the total amount of loans granted to a single company should not exceed 20% of the net worth stated in the latest financial statements.
The calculation is as follows:
PEONY USD 1,266,917*31.6865*20%=8,028,834
EMU USD 159,536*31.6865*20%=1,011,029
The company held 100% voting shares directly and indirectly in foreign company, that the total amount of loans granted to a single company shoud not exceed 40% of the net worth stated in the financial statements.
The calculation is as follows:
PEONY USD 1,266,917*31.6865*40%=16,057,669
CLOVE USD 85,122*31.6865*40%=1,078,881

2.According to the company's credit policy, the total amount of loans granted by the company should not exceed 40% of the net worth stated in the latest financial statements.
The calculation is as follows:
EMU USD 159,536*31.6865*40%=2,022,058
The company held 100% voting shares directly and indirectly in foreign company, that the total amount of loans granted to the company shoud not exceed 50% of the net worth stated in the financial statements.
The calculation is as follows:
PEONY USD 1,266,917*31.6865*50%=20,072,086
CLOVE USD 85,122*31.6865*50%=1,348,601

Note 8: The amounts of funds to be loaned to others which have been approved by the board of directors of a public company in accordance with Article 14, Item 1 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" should be included in its published balance of loans to others at the end of the reporting period to reveal the risk of loaning the public company bears, even though they have not yet been appropriated. However, this balance should exclude the loans repaid when repayments are done subsequently to reflect the risk adjustment. In addition, if the board of directors of a public company has authorized the chairman to loan funds in instalments or in revolving within certain lines and within one year in accordance with Article 14, Item 2 of the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies", the published balance of loans to others at the end of the reporting period should also include these lines of loaning approved by the board of directors, and these lines of loaning should not be excluded from this balance even though the loans are repaid subsequently, for taking into consideration they could be loaned again thereafter.

B. Provision of endorsements and guarantees to others:

Unit：Thousands of New Taiwan Dollars

Number (Note 1)	Endorser/guarantor	Party being endorsed / guaranteed		Limit on endorsements/ gurantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount as of December 31, 2014 (Note 4)	Outstanding endorsement/ guarantee amount at December 31, 2014 (Note 5)	Actual amount drawn down (Note 6)	Amount of endorsements /guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/guarantor company	Ceiling on total amount of endorsements / gurantees provided (Note 3)	Provision of endorsements / guarantees by parent company to subsidiary (Note 7)	Provision of endorsements / guarantees by subsidiary to parent company (Note 7)	Provision of endorsements / guarantees to the party in Mainland China (Note 7)	Footnote
		Company name	Relationship with the endorser/ guarantor (Note 2)											
0	Evergreen Marine Corporation	Greencompass Marine S.A.	3	$ 121,818,589	$ 33,326,933	$ 30,062,784	$ 20,642,658	$ -	49.36	$ 152,273,236	Y	N	N	
0	Evergreen Marine Corporation	Peony Investment S.A.	2	121,818,589	468,960	468,960	310,528	-	0.77	152,273,236	Y	N	N	
0	Evergreen Marine Corporation	Evergreen Marine (UK) Limited	3	121,818,589	43,992,095	42,192,010	38,238,821	-	69.27	152,273,236	Y	N	N	
0	Evergreen Marine Corporation	Whitney Equipment LLC.	3	121,818,589	1,563,014	1,155,653	1,131,054	-	1.90	152,273,236	Y	N	N	
0	Evergreen Marine Corporation	Hemlock Equipment LLC.	3	121,818,589	659,131	559,020	549,313	-	0.92	152,273,236	Y	N	N	
0	Evergreen Marine Corporation	Colon Container Terminal S.A.	6	30,454,647	695,836	695,836	179,780	-	1.14	152,273,236	N	N	N	
0	Evergreen Marine Corporation	Balsam Investment (Netherlands) N.V.	6	30,454,647	1,621,057	1,055,794	753,030	-	1.73	152,273,236	N	N	N	
1	Greencompass Marine S.A.	Taranto Container Terminal S.p.A	1	147,678	123,969	26,777	26,777	-	0.11	62,104,357	N	N	N	

Note 1: The numbers filled in for the endorsements/guarantees provided by the Company or subsidiaries are as follows:

(1) The Company is ‘0’

(2) The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following six categories; fill in the number of category each case belongs to

(1) Having business relationship.

(2) The endorser/guarantor parent company owns directly more than 50% voting shares of the endorsed/guaranteed subsidiary.

(3) The endorser/guarantor parent company and its subsidiaries jointly own more than 50% voting shares of the endorsed/guaranteed company.

(4) The endorsed/guaranteed parent company directly or indirectly owns more than 50% voting shares of the endorser/guarantor subsidiary.

(5) Mutual guarantee of the trade as required by the construction contract.

(6) Due to joint venture, each shareholder provides endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.

Note 3: Fill in limit on endorsements/guarantees provided for a single party and ceiling on total amount of endorsements/guarantees provided as prescribed in the endorser/guarantor company’s “Procedures for Provision of Endorsements and Guarantees”, state each individual party to which the endorsements/guarantees have been provided, and the calculation for ceiling on total amount of endorsements/guarantees provided in the footnote.

According to the company's credit policy, the total amount of endorsements or gurantees provided by the company should not exceed 250% of the net worth stated in the latest financial statements.

The calculation is as follows:

The Company: 60,909,295*250%=152,273,236

Limit on endorsement or guarantees provided by the company for a single entity is $30,454,647 (amounting to 50% of its net worth).

When the Company owns more than 50% voting shares of the endorsed/ guaranteed company, the limit on endorsement or guarantees provided by the Company should not exceed the 200% of the its net worth, which equals to $121,818,589.

According to the GMS's credit policy, the total amount of endorsements or gurantees provided by the GMS should not exceed 250% of the net worth stated in the latest financial statements.

The calculation is as follows:

USD 783,985*31.6865*250%=62,104,357

The amount of endorsement or guarantees provided by the Company for a single entity should not exceed the transaction amounts for the latest fiscal year with the entity.

The calculation is as follows: USD 4,661*31.6865=147,678.

Note 4: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period.

Note 5: Once endorsement/guarantee contracts or promissory notes are signed/issued by the endorser/guarantor company to the banks, the endorser/guarantor company bears endorsement/guarantee liabilities.

And all other events involve endorsements and guarantees should be included in the balance of outstanding endorsements and guarantees.

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

Note 7: Fill in ‘Y’ for those cases of provision of endorsements/guarantees by listed parent company to subsidiary and provision by subsidiary to listed parent company, and provision to the party in Mainland China.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures):

Unit：Thousands of New Taiwan Dollars / Thousands of shares

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2014				Footnote (Note 4)
				Number of shares	Book value (Note 3)	Ownership (%)	Fair value	
Evergreen Marine Corporation	Stock:							
	Power World Fund Inc.		Available-for-sale financial assets - non-current	1,017	$ 10,169	5.68	$ 10,169	
	Taiwan HSR Consortium		〃	126,735	501,871	1.95	501,871	
	Linden Technologies, Inc.		〃	50	33,756	2.49	33,756	
	TopLogis, Inc.		〃	2,464	5,668	17.48	5,668	
	Ever Accord Construction Corp.		〃	9,317	84,034	17.50	84,034	
	Central Reinsurance Corp.		〃	47,492	764,619	8.45	764,619	
	Financial bonds:							
	Bank of Taichung Unsecured Subordinated Financial Debentures		Held-to-maturity financial asset - non-current	-	220,000	-	220,000	
	Ta Chong Commercial Bank 1st Unsecured Subordinate Financial Debentures-B Issue in 2009		〃	-	100,000	-	100,000	
	Sunny Bank 1st Subordinate Financial Debentures- B Issue in 2010		〃	-	50,000	-	50,000	

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer (Note 2)	General ledger account	As of December 31, 2014							Footnote (Note 4)
				Number of shares	Book value (Note 3)		Ownership (%)	Fair value			
Peony Investment S.A.	Dongbu Pusan Container Terminal Co. Ltd.		Available-for-sale financial assets - non-current	300	USD	8,446	15.00	USD	8,446		
	Hutchison Inland Container Depots Ltd.		〃	0.75	USD	369	7.50	USD	369		
	Colombo - South Asia Gateway Terminal		〃	18,942	USD	16,707	5.00	USD	16,707		
Evergreen Shipping Agency (Singapore) Pte Ltd.	RTW AIR SERVICES (S) Pte. Ltd.		〃	30	SGD	44	2.00	SGD	44		
Evergreen Shipping Agency (Thailand) Co., Ltd.	Green Siam Air Service Co., Ltd		〃	4	THB	1,160	2.00	THB	1,160		
Evergreen Shipping Agency (Deutschland) GmbH	Zoll Pool Hafen hamburg AG		〃	10	EUR	10	2.86	EUR	10		

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IAS 39 ‘Financial instruments : recognition and measurement.’

Note 2: Leave the column blank if the issuer of marketable securities is non-related party.

Note 3: Fill in the amount after adjusted at fair value and deducted by accumulated impairment for the marketable securities measured at fair value; fill in the acquisition cost or amortised cost deducted by accumulated impairment for the marketable securities not measured at fair value.

Note 4: The number of shares of securities and their amounts pledged as security or pledged for loans and their restrictions on use under some agreements should be stated in the footnote if the securities presented herein have such conditions.

D. Acquisition or sale of the same security with the accumulated cost exceeding $300 million or 20% of the Company's paid-in capital:

Unit：Thousands of New Taiwan Dollars / Thousands of shares

Investor	Marketable securities (Note 1)	General ledger account	Counterparty (Note 2)	Relationship with the investor (Note 2)	Balance as at January 1, 2014		Addition (Note 3)		Disposal (Note 3)				Balance as at December 31, 2014	
					Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount
Evergreen Marine Corporation	Beneficary Certificates:													
	PCAWell Pool Money Market Fund	Financial assets at fair value through profit or loss -current			-	$ -	22,569	$ 300,000	22,569	$ 300,191	$ 300,000	$ 191	-	$ -
	Taishin 1699 Money Market Fund	〃			-	-	30,235	400,000	30,235	400,307	400,000	307	-	-
	Capital Money Market	〃			-	-	30,381	480,000	30,381	480,236	480,000	236	-	-
	Mega Diamond Bond Fund	〃			-	-	45,676	560,000	45,676	560,861	560,000	861	-	-

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.

Note 2: Fill in the columns the counterparty and relationship if securities are accounted for under the equity method; otherwise leave the columns blank.

Note 3: Aggregate purchases and sales amounts should be calculated separately at their market values to verify whether they individually reach NT$300 million or 20% of paid-in capital or more.

Note 4: Paid-in capital referred to herein is the paid-in capital of parent company.

E. Acquisition of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

F. Disposal of real estate reaching NT$300 million or 20% of paid-in capital or more: None.

G. Purchases or sales of goods from or to related parties reaching NT$100 million or 20% of paid-in capital or more:

Unit：Thousands of New Taiwan Dollars

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote (Note 2)
			Purchases (Sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Evergreen Marine Corporation	Evergreen International Storage & Transport Corp.	Investee accounted for under equity method	Purchases	$ 439,387	2%	30~60 Days	$ -	-	($ 13,753)	1%	
	Evergreen International Corp.	Investee of the Company's major shareholder	Sales	1,761,067	7%	30~60 Days	-	-	62,819	3%	
			Purchases	382,827	2%	30~60 Days	-	-	(448)	-	
	Taiwan Terminal Services Co., Ltd.	Subsidiary of the Company	Purchases	799,897	3%	30~60 Days	-	-	(45,113)	2%	
	Gaining Enterprise S.A.	Subsidiary of EITC accounted for using equity method	Purchases	1,567,481	6%	30~60 Days	-	-	-	-	
	Greencompass Marine S.A.	Indirect subsidiary of the Company	Sales	1,402,515	5%	30~60 Days	-	-	4,974	-	
			Purchases	811,262	3%	30~60 Days	-	-	-	-	
	Evergreen Marine (UK) Limited	Indirect subsidiary of the Company	Sales	1,103,979	4%	30~60 Days	-	-	9,307	-	
			Purchases	272,428	1%	30~60 Days	-	-	-	-	
	Italia Marittima S.p.A.	Investee of Balsam	Sales	818,875	3%	30~60 Days	-	-	33,294	1%	
			Purchases	522,453	2%	30~60 Days	-	-	(30,744)	1%	
	Evergreen Marine (Singapore) Pte. Ltd.	Investee of the Company's major shareholder	Sales	1,646,472	6%	30~60 Days	-	-	2,053	-	
			Purchases	192,007	1%	30~60 Days	-	-	(7,125)	-	
	Evergreen Marine (Hong Kong) Ltd.	Investee of the Company's major shareholder	Purchases	212,704	1%	30~60 Days	-	-	-	-	
Taiwan Terminal Services Co., Ltd.	Evergreen Marine Corp.	The parent	Sales	799,897	100%	30~60 Days	-	-	45,113	100%	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote (Note 2)
			Purchases (Sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Everport Terminal Services Inc.	Evergreen Marine (Singapore) Pte. Ltd.	Investee of the Parent Company's major shareholder	Sales	USD 22,642	27%	10 Days	$ -	-	USD 743	20%	
	Greencompass Marine S.A.	Indirect subsidiary of the Parent Company	Sales	USD 13,396	16%	10 Days	-	-	USD 426	11%	
	Evergreen Marine (UK) Limited	Indirect subsidiary of the Parent Company	Sales	USD 23,936	28%	10 Days	-	-	USD 741	20%	
	Seaside Transportation Service LLC.	Investee of the Parent Company's major shareholder	Sales	USD 15,302	18%	10 Days	-	-	USD 1,057	28%	
	Italia Marittima S.p.A.	Investee of Balsam	Sales	USD 5,629	7%	10 Days	-	-	USD 175	5%	
Greencompass Marine S.A.	Evergreen Marine (Hong Kong) Ltd.	Investee of the Parent Company's major shareholder	Purchases	USD 42,464	2%	15~30 Days	-	-	-	-	
	Evergreen International S.A.	Major shareholder of the Parent Company's	Purchases	USD 16,884	1%	15~30 Days	-	-	(USD 2,211)	1%	
	Evergreen Marine (UK) Limited	Indirect subsidiary of the Parent Company	Sales	USD 27,123	1%	15~30 Days	-	-	-	-	
			Purchases	USD 18,233	1%	15~30 Days	-	-	-	-	
	Evergreen Marine (Singapore) Pte. Ltd.	Investee of the Parent Company's major shareholder	Sales	USD 61,339	3%	15~30 Days	-	-	USD 756	-	
			Purchases	USD 21,406	1%	15~30 Days	-	-	-	-	
	Italia Marittima S.p.A.	Investee of Balsam	Sales	USD 33,491	2%	15~30 Days	-	-	-	-	
			Purchases	USD 42,590	2%	15~30 Days	-	-	-	-	
	Evergreen Marine Corp.	The parent	Sales	USD 26,762	1%	30~60 Days	-	-	-	-	
			Purchases	USD 46,267	2%	30~60 Days	-	-	(USD 157)	-	
	Everport Terminal Services Inc.	Subsidiary of the Parent Company	Purchases	USD 13,396	1%	15~30 Days	-	-	(USD 426)	-	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote (Note 2)
			Purchases (Sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Greencompass Marine S.A.	Evergreen Insurance Company Limited	Investee of the Parent Company's major shareholder	Purchases	USD 6,263	-	15~30 Days	$ -	-	(USD 841)	-	
	Evergreen International Corp.	Investee of the Parent Company's major shareholder	Purchases	USD 10,370	-	15~30 Days	-	-	-	-	
Evergreen Marine (UK) Limited	Greencompass Marine S.A.	Indirect subsidiary of the Parent Company	Sales	USD 18,233	1%	30~60 Days	-	-	-	-	
			Purchases	USD 27,123	2%	30~60 Days	-	-	-	-	
	Evergreen International Corp.	Investee of the Parent Company's major shareholder	Purchases	USD 7,958	-	30~60 Days	-	-	-	-	
	Evergreen Marine (Singapore) Pte. Ltd.	Investee of the Parent Company's major shareholder	Sales	USD 36,712	2%	30~60 Days	-	-	USD 489	-	
			Purchases	USD 13,807	1%	30~60 Days	-	-	(USD 38)	-	
	Everport Terminal Services Inc.	Subsidiary of the Parent Company	Purchases	USD 23,936	1%	30~60 Days	-	-	(USD 741)	-	
	Evergreen Marine Corp.	The parent	Sales	USD 8,987	1%	30~60 Days	-	-	-	-	
			Purchases	USD 36,418	2%	30~60 Days	-	-	(USD 294)	-	
	Italia Marittima S.p.A.	Investee of Balsam	Sales	USD 20,740	1%	30~60 Days	-	-	USD 2,049	1%	
			Purchases	USD 45,456	3%	30~60 Days	-	-	(USD 628)	-	
	Evergreen Insurance Company Limited	Investee of the Parent Company's major shareholder	Purchases	USD 5,310	-	30~60 Days	-	-	-	-	
	Evergreen Shipping Agency (Deutschland) GmbH	Indirect subsidiary of the Parent Company	Purchases	USD 4,637	-	30~60 Days	-	-	-	-	
	Evergreen Shipping Agency (Netherlands) B.V.	Indirect subsidiary of the Parent Company	Purchases	USD 4,554	-	30~60 Days	-	-	-	-	
Evergreen Shipping Agency (Deutschland) GmbH	Evergreen Marine (UK) Limited	Indirect subsidiary of the Parent Company	Sales	EUR 3,490	27%	45 Days	-	-	-	-	
	Evergreen Marine (Singapore) Pte. Ltd.	Investee of the Parent Company's major shareholder	Sales	EUR 3,458	26%	45 Days	-	-	EUR 280	3%	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Footnote (Note 2)
			Purchases (Sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	
Evergreen Shipping Agency (Deutschland) GmbH	Italia Marittima S.p.A.	Investee of Balsam	Sales	EUR 2,946	22%	45 Days	$ -	-	EUR 239	2%	
Evergreen Shipping Agency (Netherlands) B.V.	Evergreen Marine (UK) Limited	Indirect subsidiary of the Parent Company	Sales	EUR 3,428	30%	30-60 Days	-	-	-	-	
	Italia Marittima S.p.A.	Investee of Balsam	Sales	EUR 2,821	25%	30-60 Days	-	-	-	-	
	Evergreen Marine (Singapore) Pte. Ltd.	Investee of the Parent Company's major shareholder	Sales	EUR 2,772	25%	30-60 Days	-	-	-	-	
Evergreen Heavy Industrial Corp (Malaysia) Berhad	Gaining Enterprise S.A.	Subsidiary of EITC accounted for using equity method	Sales	MYR 12,307	4%	45 Days	-	-	-	-	
	Evergreen Marine Corp.	The parent	Sales	MYR 16,708	6%	45 Days	-	-	-	-	
Island Equipment LLC	Seaside Transportation Service LLC.	Investee of the Parent Company's major shareholder	Sales	USD 4,413	27%	5 Days	-	-	USD 10	100%	

Note 1: If terms of related-party transactions are different from third-party transactions, explain the differences and reasons in the ‘Unit price’ and ‘Credit term’ columns.
Note 2: In case related-party transaction terms involve advance receipts (prepayments) transactions, explain in the footnote the reasons, contractual provisions, related amounts, and differences in types of transactions compared to third-party transactions.
Note 3: Paid-in capital referred to herein is the paid-in capital of parent company.

H. Receivables from related parties reaching NT$100 million or 20% of paid-in capital or more:

Unit：Thousands of New Taiwan Dollars

Creditor	Counterparty	Relationship with the Counterparty	Balance as at December 31, 2014 (Note1)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
					Amount	Action Taken		
Peony Investment S.A.	Clove Holding Ltd.	Subsidiary of the Company	USD 10,503	-	$ -	-	$ -	$ -
	Luanta Investment (Netherlands) N.V.	Related Company of Peony Investment S.A.	USD 9,744	-	-	-	-	-
Clove Holding Ltd.	Whitney Equipment LLC	Subsidiary of the Company	USD 4,000	-	-	-	USD 1,500	-

Note 1: Fill in separately the balances of accounts receivable–related parties, notes receivable–related parties, other receivables–related parties, etc.

Note 2: Paid-in capital referred to herein is the paid-in capital of parent company.

I. Derivative financial instruments undertaken during the year ended December 31, 2014.

J. Significant inter-company transactions during the year ended December 31, 2014:

Unit：Thousands of New Taiwan Dollars

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			
				General ledger account	Amount	Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 3)
0	Evergreen Marine Corporation	Taiwan Terminal Service Co., Ltd.	1	Operating cost	$ 799,897	Note 4	0.55
0	Evergreen Marine Corporation	Greencompass Marine S.A.	1	Shipowner's accounts - credit	402,315	"	0.21
0	Evergreen Marine Corporation	Greencompass Marine S.A.	1	Operating revenue	1,402,515	"	0.97
0	Evergreen Marine Corporation	Greencompass Marine S.A.	1	Operating cost	811,262	"	0.56
0	Evergreen Marine Corporation	Evergreen Marine (UK) Limited	1	Shipowner's accounts - credit	105,500	"	0.06
0	Evergreen Marine Corporation	Evergreen Marine (UK) Limited	1	Operating revenue	1,103,979	"	0.77
0	Evergreen Marine Corporation	Evergreen Marine (UK) Limited	1	Operating cost	272,428	"	0.19
1	Greencompass Marine S.A.	Evergreen Marine (UK) Limited	3	Operating revenue	822,190	"	0.57
1	Greencompass Marine S.A.	Evergreen Marine (UK) Limited	3	Operating cost	552,705	"	0.38
1	Greencompass Marine S.A.	Evergreen Marine (UK) Limited	3	Shipowner's accounts - debit	161,309	"	0.09
1	Greencompass Marine S.A.	Everport Terminal Services Inc.	3	Operating cost	406,068	"	0.28
2	Evergreen Marine (UK) Limited	Evergreen Shipping Agency (Deutschland) GmbH	3	Operating cost	140,555	"	0.10
2	Evergreen Marine (UK) Limited	Evergreen Shipping Agency (Netherlands) B.V.	3	Operating cost	138,053	"	0.10
2	Evergreen Marine (UK) Limited	Everport Terminal Services Inc.	3	Operating cost	725,585	"	0.50
3	Evergreen Heavy Industrial Co., (Malaysia) Berhad	Evergreen Marine Corporation	2	Operating revenue	154,743	"	0.11
4	Peony Investment S.A.	Clove Holding Ltd.	3	Other receivables	332,807	"	0.18
5	Clove Holding Ltd.	Whitney Equipment LLC.	3	Other receivables	126,746	"	0.07

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is '0'.

(2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.):

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: Terms are approximately the same as for general transactions.

Note 5: The Company may decide to disclose or not to disclose transaction details in this table based on the Materiality Principle.

(2) Information on investees (not including investees in Mainland China)

Unit：Thousands of shares/Thousands of New Taiwan Dollars

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2014			Net profit (loss) of the investee for the year ended December 31, 2013 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2013 (Note 2(3))	Footnote
				Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value			
Evergreen Marine Corp.	Peony Investment S.A.	Republic of Panama	Investment activities	$ 15,098,617	$ 15,098,617	4,765	100.00	$ 40,029,642	($ 2,121,705)	($ 2,108,469)	Subsidiary of the Company
	Taiwan Terminal Services Co., Ltd.	Taiwan	Loading and discharging operations of container yards	55,000	55,000	5,500	55.00	36,262	30,094	16,551	〃
	Everport Terminal Services Inc.	U.S.A	Terminal services	3,169	3,169	1	100.00	147,345	72,517	72,517	〃
	Charng Yang Development Co., Ltd.	Taiwan	Development, rental, and sale of residential and commercial buildings	320,000	320,000	55,622	40.00	484,175	162,193	64,877	Investee accounted for using the equity method
	Evergreen International Storage and Transport Corporation	Taiwan	Container transportation and gas stations	4,753,514	4,753,514	424,062	39.74	8,323,748	668,344	268,439	〃
	Evergreen Security Corporation	Taiwan	General security guards services	25,000	25,000	6,336	31.25	76,179	34,059	10,644	〃
	EVA Airways Corporation	Taiwan	International passenger and cargo transportation	10,767,879	10,767,879	629,483	19.32	6,544,364	(1,306,724)	(252,401)	〃
	Taipei Port Container Terminal Corporation	Taiwan	Container distribution and cargo stevedoring	1,094,073	1,094,073	109,378	21.03	1,005,287	24,947	5,247	〃
	Evergreen Marine (Latin America), S.A.	Republic of Panama	Management consultancy	3,327	3,327	105	17.50	3,824	1,347	236	〃

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2014			Net profit (loss) of the investee for the year ended December 31, 2014 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2014 (Note 2(3))	Footnote
				Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value			
Peony Investment S.A.	Clove Holding Ltd.	British Virgin Islands	Investment holding company	$ 1,665,103	$ 1,665,103	10	100.00	$ 2,697,203	$ 90,978	$ 90,978	Indirect subsidiary of the Company
	Evergreen Shipping Agency (Deutschland) GmbH	Germany	Shipping agency	263,505	263,505	-	100.00	238,151	9,153	9,153	〃
	Evergreen Shipping Agency (Ireland) Ltd.	Ireland	Shipping agency	3,010	3,010	0.1	100.00	8,214	843	843	〃
	Evergreen Shipping Agency (Korea) Corporation	South Korea	Shipping agency	76,871	76,871	121	100.00	84,940	31,117	31,117	〃
	Evergreen Shipping Agency (Netherlands) B.V.	Netherlands	Shipping agency	126,017	126,017	0.047	100.00	142,583	(20,575)	(20,575)	〃
	Evergreen Shipping Agency (Poland) SP. ZO.O	Poland	Shipping agency	20,976	20,976	2	100.00	11,265	(318)	(318)	〃
	Greencompass Marine S.A.	Republic of Panama	Marine transportation	11,201,178	11,201,178	3,535	100.00	24,841,743	(1,676,984)	(1,676,984)	〃
	Evergreen Shipping Agency (India) Pvt. Ltd.	India	Shipping agency	37,288	37,288	100	99.99	164,055	61,970	61,970	〃

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2014			Net profit (loss) of the investee for the year ended December 31, 2014 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2014 (Note 2(3))	Footnote
				Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value			
Peony Investment S.A.	Evergreen Argentina S.A.	Argentina	Leasing	$ 4,436	$ 4,436	150	95.00	$ 4,336	($ 8,730)	($ 8,293)	Indirect subsidiary of the Company
	Evergreen Shipping Agency France S.A.S.	France	Shipping agency	28,740	28,740	5	100.00	62,244	6,340	6,340	〃
	PT. Multi Bina Pura International	Indonesia	Loading and discharging operations of container yards and inland transportation	248,452	248,452	17	95.03	384,999	80,204	76,218	〃
	PT. Multi Bina Transport	Indonesia	Container repair, cleaning and inland transportation	25,485	25,485	2	17.39	13,653	8,929	1,553	〃
	Evergreen Heavy Industrial Corp. (Malaysia) Berhad	Malaysia	Container manufacturing	864,878	864,878	42,120	84.44	1,309,966	62,531	52,801	〃
	Armand Investment (Netherlands) N.V.	Curacao	Investment holding company	364,792	364,792	4	70.00	324,593	(424)	(297)	〃
	Evergreen Shipping (Spain) S.L.	Spain	Shipping agency	122,627	122,627	3	55.00	106,993	112,015	61,608	〃
	Evergreen Shipping Agency (Italy) S.p.A.	Italy	Shipping agency	74,527	74,527	0.55	55.00	80,028	41,444	22,794	〃

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2014			Net profit (loss) of the investee for the year ended December 31, 2014 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2014 (Note 2(3))	Footnote
				Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value			
Peony Investment S.A.	Evergreen Marine (UK) Limited	U.K.	Marine transportation	$ 1,017,220	$ 532,417	765	51.00	$ 2,577,994	$ 1,047,549	$ 534,250	Indirect subsidiary of the Company
	Evergreen Shipping Agency (Australia) Pty. Ltd.	Australia	Shipping agency	7,829	7,829	0.675	67.50	41,347	58,978	39,810	〃
	Evergreen Shipping Agency (Russia) Ltd.	Russia	Shipping agency	26,870	26,870	-	51.00	16,365	114,938	58,619	〃
	Evergreen Shipping Agency (Singapore) Pte. Ltd.	Singapore	Shipping agency	68,348	68,348	765	51.00	141,587	76,438	38,984	〃
	Evergreen Shipping Agency (Thailand) Co., Ltd.	Thailand	Shipping agency	46,706	46,706	408	51.00	71,518	92,333	47,090	〃
	Evergreen Shipping Agency (Vietnam) Corp.	Vietnam	Shipping agency	14,386	14,386	-	51.00	45,694	70,980	36,200	〃
	Evergreen Agency (South Africa) (Pty) Ltd.	South Africa	Shipping agency	18,403	18,403	5,500	55.00	139,610	111,727	61,450	〃
	PT. Evergreen Shipping Agency Indonesia	Indonesia	Shipping agency	30,831	30,831	0.441	49.00	113,784	87,695	42,971	Investee company of Peony accounted for using the equity method

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2014			Net profit (loss) of the investee for the year ended December 31, 2014 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2014 (Note 2(3))	Footnote
				Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value			
Peony Investment S.A.	Luanta Investment (Netherlands) N.V.	Curagao	Investment holding company	$ 1,429,825	$ 1,359,615	460	50.00	$ 2,439,505	($ 454,368)	($ 227,184)	Investee company of Peony accounted for using the equity method
	Balsam Investment (Netherlands) N.V.	Curagao	Investment holding company	8,202,415	7,332,937	0.451	49.00	696,474	(3,472,805)	(1,701,675)	〃
	Green Peninsula Agencies SDN. BHD.	Malaysia	Investment holding company	229,886	229,886	1,500	30.00	253,223	204,625	61,388	〃
	Evergreen Shipping Agency Co. (U.A.E.) LLC.	U.A.E	Shipping agency	65,971	65,971	-	49.00	85,508	95,402	46,747	〃
	Greenpen Properties Sdn. Bhd.	Malaysia	Renting estate and storehouse company	2,873	2,873	300	30.00	35,282	4,814	1,444	〃
Armand Investment (Netherlands) N.V.	Armand Estate B.V.	Netherlands	Investment holding company	536,640	536,640	0.045	100.00	464,661	299	299	Indirect subsidiary of the Company
Armand Estate B.V.	Taipei Port Container Terminal Corporation	Taiwan	Container distribution and cargo stevedoring	506,019	506,019	50,602	9.73	464,309	24,947	2,427	Investee company of Armand Estate B.V. accounted for using the equity method
Clove Holding Ltd.	Colon Container Terminal S.A.	Republic of Panama	Inland container storage and loading	724,353	724,353	22,860	40.00	2,671,525	218,187	87,275	Investee company of Clove Holding Ltd. accounted for using the equity method

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2014			Net profit (loss) of the investee for the year ended December 31, 2014 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2014 (Note 2(3))	Footnote
				Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value			
Clove Holding Ltd.	Island Equipment LLC.	U.S.A	Investment holding company	$ 4,563	$ 4,563	-	36.00	$ 128,587	$ 9,088	$ 3,272	Indirect subsidiary of the Company
Island Equipment LLC.	Whitney Equipment LLC.	U.S.A	Equipment leasing company	6,337	6,337	-	100.00	125,889	27,796	27,796	〃
	Hemlock Equipment LLC.	U.S.A	Equipment leasing company	6,337	6,337	-	100.00	249,072	(1,625)	(1,625)	〃
Evergreen Marine (UK) Ltd.	Island Equipment LLC.	U.S.A	Investment holding company	1,901	1,901	-	15.00	53,578	9,088	1,363	〃
	Evergreen Shipping Agency (UK) Limited	U.K.	Shipping agency	0.06	0.06	-	100.00	57,096	12,283	12,283	〃
	Evergreen Marine (Latin America), S.A.	Republic of Panama	Management consultancy	3,137	3,137	99	16.50	3,605	1,347	222	Investee company of Evergreen Marine (UK) Ltd. accounted for using the equity method
PT. Multi Bina Pura International	PT. Multi Bina Transport	Indonesia	Container repair, cleaning and inland transportation	104,610	104,610	8	72.95	57,273	8,929	6,514	Indirect subsidiary of the Company

Investor	Investee (Notes 1 and 2)	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2014			Net profit (loss) of the investee for the year ended December 31, 2014 (Note 2(2))	Investment income (loss) recognised by the Company for the year ended December 31, 2014 (Note 2(3))	Footnote
				Balance as at December 31, 2014	Balance as at December 31, 2013	Number of shares	Ownership (%)	Book value			
Evergreen Shipping Agency (Deutschland) GmbH	Evergreen Shipping Agency (Austria) GmbH	Austria	Shipping agency	$ 699	$ 699	-	100.00	$ 19,311	$ 346	$ 346	Indirect subsidiary of the Company
	Evergreen Shipping Agency (Switzerland) S.A.	Switzerland	Shipping agency	2,649	2,649	0.1	100.00	8,684	1,048	1,048	〃

Note 1: If a public company is equipped with an overseas holding company and takes consolidated financial report as the main financial report according to the local law rules, it can only disclose the information of the overseas holding company about the disclosure of related overseas investee information.

Note 2: If situation does not belong to Note 1, fill in the columns according to the following regulations:

(1) The columns of ‘Investee’, ‘Location’, ‘Main business activities’, ‘Initial investment amount’ and ‘Shares held as at December 31, 2014’ should fill orderly in the Company’s (public company’s) information on investees and every directly or indirectly controlled investee’s investment information, and note the relationship between the Company (public company) and its investee each (ex. direct subsidiary or indirect subsidiary) in the ‘footnote’ column.

(2) The ‘Net profit (loss) of the investee for year ended December 31, 2014’ column should fill in amount of net profit (loss) of the investee for this period.

(3) The ‘Investment income (loss) recognised by the Company for the year ended December 31, 2014’ column should fill in the Company (public company) recognised investment income (loss) of its direct subsidiary and recognised investment income (loss) of its investee accounted for under the equity method for this period. When filling in recognised investment income (loss) of its direct subsidiary, the Company (public company) should confirm that direct subsidiary’s net profit (loss) for this period has included its investment income (loss) which shall be recognised by regulations.

(3) Information on investments in Mainland China

Unit：Thousands of New Taiwan Dollars

Investee in Mainland China	Main business activities	Paid-in Capital	Investment method (Note 1)	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2014	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended December 31, 2014		Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2014	Net profit (loss) of the investee for the year ended December 31, 2014	Ownership held by the Company (direct or indirect) (%)	Investment income (loss) recognised by the Company for the year ended December 31, 2014 (Note 2)	Book value of investments in Mainland China as of December 31, 2014	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2014
					Remitted to Mainland China	Remitted back to Taiwan						
Ningbo Victory Container Co., Ltd.	Inland container transportation, container storage, loading, discharging, repair and related activities	$ 123,226	(2)	$ 32,241	$ -	$ -	$ 32,241	$ 14,546	40.00	$ 5,819	$ 71,934	$ -
Qingdao Evergreen Container Storage & Transportation Co., Ltd.	Inland container transportation, storage, loading, discharging, repair, cleaning and related activities	472,592	(2)	140,907	-	-	140,907	157,318	40.00	62,927	277,372	-
Kingtrans Intl. Logistics (Tianjin) Co., Ltd.	Inland container transportation, storage, loading, discharging, repair, cleaning and related activities	398,149	(2)	126,746	-	-	126,746	36,991	40.00	14,796	209,776	-

Name of the company	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2014	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 3)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Evergreen Marine Corp.	$ 299,894	$1,143,639	$ 38,918,905

1.Note 1: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

(1) Investing directly in Mainland China

(2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.

(3) Others (ex. entrusted investment).

Note 2: In the 'Investment income (loss) recognised by the Company for the year ended December 31, 2014' column:

(1) It should be indicated if the investee was still in the incorporation arrangements and had not yet any profit during this period.

(2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:

1. The financial statements that are audited and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C.

2. The financial statements that are audited and attested by R.O.C. parent company's CPA.

3. Others.

Note 3: The numbers in this table are expressed in New Taiwan Dollars.

2. Significant transactions conducted with investees in Mainland China directly or indirectly through other companies in the third areas: None

14. SEGMENT INFORMATION

None.

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Designed and Printed by Cultural Development Division
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