

**EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(Expressed in thousands of New Taiwan Dollars)  
(The consolidated balance sheets as of March 31, 2014 and 2013 are reviewed, not audited)

	Assets	Notes	March 31, 2014		December 31, 2013		March 31, 2013	
			Amount	%	Amount	%	Amount	%
<b>Current assets</b>								
1100	Cash and cash equivalents	6(1)	\$ 33,473,684	18	\$ 33,502,442	19	\$ 29,403,685	19
1110	Financial assets at fair value through profit or loss - current	6(2)	352,397	-	5,172	-	2,793,068	2
1150	Notes receivable, net		88,054	-	102,378	-	159,960	-
1170	Accounts receivable, net	6(5)	13,575,289	7	12,873,750	7	12,469,283	8
1180	Accounts receivable, net - related parties	7	369,866	-	351,973	-	224,315	-
1200	Other receivables		226,272	-	366,713	-	346,086	-
1210	Other receivables - related parties	7	394,508	-	344,493	-	282,683	-
1220	Current income tax assets		10,399	-	9,225	-	22,862	-
130X	Inventories	6(6)	5,399,927	3	5,181,840	3	5,217,122	3
1410	Prepayments		1,025,785	1	924,452	1	863,389	1
1470	Other current assets	6(7), 7 and 8	3,151,735	2	2,421,816	2	2,209,621	1
11XX	<b>Current assets</b>		<u>58,067,916</u>	<u>31</u>	<u>56,084,254</u>	<u>32</u>	<u>53,992,074</u>	<u>34</u>
<b>Non-current assets</b>								
1510	Financial assets at fair value through profit or loss - non-current	6(2)	-	-	-	-	90,486	-
1523	Available-for-sale financial assets - non-current	6(3)	1,948,067	1	1,933,369	1	1,626,133	1
1527	Held-to-maturity financial assets - non-current	6(4)	370,000	-	370,000	-	370,000	-
1550	Investments accounted for using equity method	6(8)	24,424,736	13	23,900,852	14	23,594,093	15
1600	Property, plant and equipment	6(9) and 8	87,291,686	48	76,169,083	44	57,991,919	37
1760	Investment property - net	6(10) and 8	2,002,394	1	2,012,006	1	2,034,715	1
1780	Intangible assets		10,419	-	9,658	-	6,610	-
1840	Deferred income tax assets		498,451	1	487,294	-	656,923	1
1900	Other non-current assets	6(11) and 8	9,708,594	5	13,385,937	8	17,772,478	11
15XX	<b>Non-current assets</b>		<u>126,254,347</u>	<u>69</u>	<u>118,268,199</u>	<u>68</u>	<u>104,143,357</u>	<u>66</u>
1XXX	<b>Total assets</b>		<u>\$ 184,322,263</u>	<u>100</u>	<u>\$ 174,352,453</u>	<u>100</u>	<u>\$ 158,135,431</u>	<u>100</u>

(Continued)

**EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(Expressed in thousands of New Taiwan Dollars)  
(The consolidated balance sheets as of March 31, 2014 and 2013 are reviewed, not audited)

Liabilities and Equity	Notes	March 31, 2014		December 31, 2013		March 31, 2013		
		Amount	%	Amount	%	Amount	%	
<b>Current liabilities</b>								
2100	Short-term loans	6(12)	\$ 1,218,420	1	\$ 596,860	-	\$ 1,194,960	1
2170	Accounts payable		13,399,651	7	12,246,167	7	13,587,855	9
2180	Accounts payable - related parties	7	250,949	-	747,356	1	389,861	-
2200	Other payables		2,444,852	1	1,870,280	1	1,825,481	1
2220	Other payables - related parties	7	82,792	-	81,125	-	115,475	-
2230	Current income tax liabilities		248,626	-	192,053	-	176,747	-
2300	Other current liabilities	6(13) and 7	20,937,640	12	17,885,707	10	13,838,094	9
21XX	<b>Current liabilities</b>		<u>38,582,930</u>	<u>21</u>	<u>33,619,548</u>	<u>19</u>	<u>31,128,473</u>	<u>20</u>
<b>Non-current liabilities</b>								
2530	Corporate bonds payable	6(14)	3,000,000	2	3,000,000	2	3,551,775	2
2540	Long-term loans	6(15)	63,502,719	34	56,930,059	32	44,394,688	28
2570	Deferred income tax liabilities		1,191,514	1	1,248,772	1	1,304,905	1
2600	Other non-current liabilities	6(16)(17) (18)	18,999,695	10	19,384,485	11	17,749,674	11
25XX	<b>Non-current liabilities</b>		<u>86,693,928</u>	<u>47</u>	<u>80,563,316</u>	<u>46</u>	<u>67,001,042</u>	<u>42</u>
2XXX	<b>Total liabilities</b>		<u>125,276,858</u>	<u>68</u>	<u>114,182,864</u>	<u>65</u>	<u>98,129,515</u>	<u>62</u>
<b>Equity attributable to owners of the parent</b>								
<b>Capital</b>								
3110	Common stock	6(19)	34,749,523	19	34,749,523	20	34,749,465	22
<b>Capital surplus</b>								
3200	Capital surplus	6(20)	7,271,957	4	7,271,957	4	7,271,918	5
<b>Retained earnings</b>								
3310	Legal reserve	6(21)	9,115,638	5	9,115,638	5	9,102,785	6
3320	Special reserve		5,814,993	3	5,814,993	3	3,593,280	2
3350	Unappropriated retained earnings		( 575,215)	-	1,118,877	1	3,283,254	2
<b>Other equity interest</b>								
3400	Other equity interest	6(22)	98,129	-	( 828,940)	-	( 1,073,787)	( 1)
31XX	<b>Equity attributable to owners of the parent</b>		<u>56,475,025</u>	<u>31</u>	<u>57,242,048</u>	<u>33</u>	<u>56,926,915</u>	<u>36</u>
36XX	<b>Non-controlling interest</b>		<u>2,570,380</u>	<u>1</u>	<u>2,927,541</u>	<u>2</u>	<u>3,079,001</u>	<u>2</u>
3XXX	<b>Total equity</b>		<u>59,045,405</u>	<u>32</u>	<u>60,169,589</u>	<u>35</u>	<u>60,005,916</u>	<u>38</u>
<b>Significant Contingent Liabilities And Unrecognized Contract Commitments</b>								
<b>Total liabilities and equity</b>			<u>\$ 184,322,263</u>	<u>100</u>	<u>\$ 174,352,453</u>	<u>100</u>	<u>\$ 158,135,431</u>	<u>100</u>

The accompanying notes are an integral part of these consolidated financial statements.  
See review report of independent accountants dated May 14, 2014.

**EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIODS ENDED MARCH 31**  
(Expressed in thousands of New Taiwan Dollars, except loss per share)  
(Reviewed, Not Audited)

Items	Notes	Three months ended March 31			
		2014		2013	
		Amount	%	Amount	%
4000 <b>Operating revenue</b>	6(23) and 7	\$ 34,320,714	100	\$ 33,381,699	100
5000 <b>Operating costs</b>	6(28)(29) and 7	( 34,496,197)	( 101)	( 34,293,165)	( 103)
5900 <b>Gross loss</b>		( 175,483)	( 1)	( 911,466)	( 3)
6000 <b>Operating expenses</b>	6(28)(29) and 7	( 1,399,528)	( 4)	( 1,314,125)	( 4)
6500 <b>Other gains - net</b>	6(24)	193,584	1	180,042	1
6900 <b>Operating loss</b>		( 1,381,427)	( 4)	( 2,045,549)	( 6)
<b>Non-operating income and expenses</b>					
7010 Other income	6(25)	225,854	1	158,483	-
7020 Other gains and losses	6(26)	63,561	-	268,945	1
7050 Finance costs	6(27)	( 128,087)	-	( 91,889)	-
7060 Share of loss of associates and joint ventures accounted for using equity method		( 686,649)	( 2)	( 266,884)	( 1)
7000 <b>Total non-operating income and expenses</b>		( 525,321)	( 1)	68,655	-
7900 <b>Loss before income tax</b>		( 1,906,748)	( 5)	( 1,976,894)	( 6)
7950 Income tax (expense) benefit	6(30)	( 19,760)	-	20,039	-
8200 <b>Loss for the period</b>		( \$ 1,926,508)	( 5)	( \$ 1,956,855)	( 6)
<b>Other comprehensive income (loss)</b>					
8310 Exchange differences on translating the financial statements of foreign operations		\$ 713,218	2	\$ 990,974	3
8325 Unrealized gain on valuation of available-for-sale financial assets		5,147	-	86,363	-
8370 Share of other comprehensive income of associates and joint ventures accounted for using equity method		85,103	-	126,088	1
8399 Income tax relating to the components of other comprehensive income		( 1,144)	-	-	-
8300 <b>Other comprehensive income for the period, net of income tax</b>		\$ 802,324	2	\$ 1,203,425	4
8500 <b>Total comprehensive loss for the period</b>		( \$ 1,124,184)	( 3)	( \$ 753,430)	( 2)
<b>Loss, attributable to:</b>					
8610 Owners of the parent		( \$ 1,694,092)	( 4)	( \$ 1,838,675)	( 6)
8620 Non-controlling interest		( \$ 232,416)	( 1)	( \$ 118,180)	-
<b>Comprehensive loss attributable to:</b>					
8710 Owners of the parent		( \$ 767,023)	( 2)	( \$ 565,386)	( 1)
8720 Non-controlling interest		( \$ 357,161)	( 1)	( \$ 188,044)	( 1)
<b>Loss per share (in dollars)</b>	6(31)				
9750 <b>Basic loss per share</b>		( \$ 0.49)		( \$ 0.53)	
9850 <b>Diluted loss per share</b>		( \$ 0.49)		( \$ 0.53)	

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EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2014 AND 2013  
(Expressed in thousands of New Taiwan Dollars)  
(Reviewed, Not Audited)

Notes	Equity attributable to owners of the parent										Total	Non-controlling interest	Total equity
	Retained Earnings					Other equity interest							
	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 (loss) on effective hedge of cash flow hedges					
<u>Year 2013</u>													
	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	
	Conversion of convertible bonds into common stock	58	49	-	-	-	-	-	-	107	-	107	
	Stock warrants of convertible bonds	-	( 10 )	-	-	-	-	-	-	( 10 )	-	( 10 )	
	Net loss for the period	-	-	-	-	( 1,838,675 )	-	-	-	( 1,838,675 )	( 118,180 )	( 1,956,855 )	
	Other comprehensive income (loss) for the period	-	-	-	-	-	1,158,707	115,681	( 1,099 )	1,273,289	( 69,864 )	1,203,425	
	Balance at March 31, 2013	<u>\$ 34,749,465</u>	<u>\$ 7,271,918</u>	<u>\$ 9,102,785</u>	<u>\$ 3,593,280</u>	<u>\$ 3,283,254</u>	<u>(\$ 708,656)</u>	<u>\$ 374,321</u>	<u>\$ 9,190</u>	<u>\$ 56,926,915</u>	<u>\$ 3,079,001</u>	<u>\$ 60,005,916</u>	
<u>Year 2014</u>													
	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	
	Net loss for the period	-	-	-	-	( 1,694,092 )	-	-	-	( 1,694,092 )	( 232,416 )	( 1,926,508 )	
	Other comprehensive income (loss) for the period	-	-	-	-	-	922,487	6,477	( 1,895 )	927,069	( 124,745 )	802,324	
	Balance at March 31, 2014	<u>\$ 34,749,523</u>	<u>\$ 7,271,957</u>	<u>\$ 9,115,638</u>	<u>\$ 5,814,993</u>	<u>\$ 575,215</u>	<u>\$ 117,672</u>	<u>(\$ 29,979)</u>	<u>\$ 10,436</u>	<u>\$ 56,475,025</u>	<u>\$ 2,570,380</u>	<u>\$ 59,045,405</u>	

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EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE THREE-MONTH PERIODS ENDED MARCH 31  
(Expressed in thousands of New Taiwan Dollars)  
(Reviewed, Not Audited)

	Notes	2014	2013
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Consolidated loss before tax for the period		(\$ 1,906,748 )	(\$ 1,976,894 )
Adjustments			
Income and expenses having no effect on cash flows			
Financial assets at fair value through profit or loss	6(26)	2,960	( 29,129 )
Depreciation	6(9)(10)	1,837,319	1,499,648
Amortization	6(28)	2,910	3,453
Bad debts expense	6(5)	277	-
Amortization of bond discounts		3,150	3,081
Interest income	6(25)	( 96,845 )	( 56,429 )
Interest expense	6(27)	128,087	91,889
Dividend income	6(25)	( 31,530 )	-
Share of loss of associates and joint ventures accounted for using equity method		686,649	266,884
Net gain on disposal of property, plant and equipment		( 193,584 )	( 180,042 )
Gain on disposal of investments		( 69,771 )	-
Realized income with affiliated companies		( 2,233 )	-
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		( 350,184 )	( 1,369,788 )
Notes receivable, net		16,316	( 25,083 )
Accounts receivable		( 617,258 )	861,064
Accounts receivable, net - related parties		( 28,226 )	( 50,531 )
Other receivables		153,607	261,114
Other receivables - related parties		( 44,197 )	( 54,094 )
Inventories		( 123,336 )	151,465
Prepayments		( 103,727 )	( 66,094 )
Other current assets		( 689,864 )	( 141,487 )
Other non-current assets		( 1,549 )	15,908
Net changes in liabilities relating to operating activities			
Accounts payable		968,500	( 203,678 )
Accounts payable - related parties		( 491,044 )	( 316,155 )
Other payables		( 126,500 )	( 254,363 )
Other current liabilities		1,379,408	73,292
Other non-current liabilities		( 25,852 )	737
Cash generated from (used in) operations		276,735	( 1,495,232 )
Interest received		96,845	56,429
Interest paid		( 163,168 )	( 199,183 )
Income tax paid		( 40,369 )	( 9,428 )
Net cash provided by (used in) operating activities		170,043	( 1,647,414 )

(Continued)

EVERGREEN MARINE CORPORATION (TAIWAN) LTD. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE THREE-MONTH PERIODS ENDED MARCH 31  
(Expressed in thousands of New Taiwan Dollars)  
(Reviewed, Not Audited)

	<u>Notes</u>	<u>2014</u>	<u>2013</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of investments accounted for using equity method	6(8)	(\$ 864,351 )	(\$ 385,492 )
Disposal of subsidiaries		( 151,429 )	-
Acquisition of property, plant and equipment	6(32)	( 1,432,487 )	( 62,865 )
Proceeds from disposal of property, plant and equipment		206,954	186,638
Acquisition of intangible assets		( 3,635 )	( 3,816 )
Increase in other non-current assets	6(32)	( 5,591,974 )	( 3,680,167 )
Dividend received		<u>31,530</u>	<u>43,203</u>
Net cash used in investing activities		<u>( 7,805,392 )</u>	<u>( 3,902,499 )</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term loans		609,210	941,051
Decrease in short-term loans		-	( 1,239,791 )
Increase in other payables	7	1,762	5,186
Increase in long-term loans		9,790,273	4,805,346
Decrease in long-term loans		( 2,315,260 )	( 1,440,999 )
Decrease in other non-current liabilities		<u>( 684,320 )</u>	<u>( 421,471 )</u>
Net cash provided by financing activities		<u>7,401,665</u>	<u>2,649,322</u>
Effect of exchange rate changes		<u>204,926</u>	<u>319,568</u>
Decrease in cash and cash equivalents		( 28,758 )	( 2,581,023 )
Cash and cash equivalents at beginning of period		<u>33,502,442</u>	<u>31,984,708</u>
Cash and cash equivalents at end of period		<u>\$ 33,473,684</u>	<u>\$ 29,403,685</u>

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