

TAIWAN CEMENT CORPORATION
MINUTES of 2017 ANNUAL GENERAL SHAREHOLDERS' MEETING
(Translation)

Time and date: 9 a.m., June 28th, 2017

Place: 3F., No.113, Sec. 2, Zhongshan N. Rd., Zhongshan Dist., Taipei City (Shimin Hall, Taiwan Cement Building)

Total outstanding shares of the Company: 3,692,175,869 shares

Total shares represented by shareholders present in person or by proxy: 3,041,916,732 shares

Percentage of shareholding of the shareholders present in person or by proxy: 82.38%

Present Directors: Chang An Ping, Koo Kung Yi, Victor Wang (Independent Director)

Attendance: Song Y.M., Attorneys-at-Law, Lee and Li
Wong Ya Ling, CPA, Deloitte Taiwan

Chairman: Chang An Ping, Chairman of the Board of Directors

Recorder: Tsai Li Wen

Commencement: The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.

I. Chairman's Address (Omitted)

II. Reported Items

(I) Reported 2016 employees' profit bonus and directors' compensation

Explanation:

- A. Pursuant to Article 25 of the Company's amended Company Corporate Charter, "If the Company shows net profit for the year, the Company shall allocate: (1) Employees' remuneration: 0.0001% to 3%. (2) Directors' remuneration: shall not be higher than 1%." Arrangements shall be made accordingly.
- B. The proposal has been adopted by the 12th meeting of the 22nd board of directors of the Corporation. The Corporation proposes to distribute in cash from the 2016 profits NT\$37,113,547 as employees' remuneration and NT\$55,679,530 as directors' remuneration for 2016.

(II) Reported the business and finance of 2016 (see Annex I)

(III) Audit Committee's Review report (see Annex II)

(IV) Reported on partial amendment of the Company's Corporate Social Responsibility Code of Practice.

Explanation:

- A. Amendments were made pursuant to the Letter No. 1050014103 issued by the TWSE on July 28, 2016 with the amendment of Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies.
- B. This resolution was passed by the 12th meeting of the 22nd board of directors of the Corporation. For comparison of the amended provisions, please see Annex III.

III. Approval Items

(I) To accept 2016 Business Report and Financial Statements. (Proposed by the Board of Directors)

Explanation:

- A. Proposal is made according to Article 228 of the Company Act.
- B. The Corporation's 2016 business report, parent company only financial statements and consolidated financial statements have been passing by the 12th meeting of the 22nd board of directors of the Corporation. The parent company only financial statements and consolidated financial statements have been audited by CPAs Wong, Ya-Ling and Shao, Chih-Ming of Deloitte.
- C. The aforementioned final accounts have been submitted to the Audit Committee, and the auditing has been completed. Please see Annex 1.
- D. Please accept this proposal.

Resolution:

Vote Results:

Categories	Vote Numbers
Votes in favor (including 1,331,456,019 votes casted in electronic form)	2,636,344,484 votes
Against Votes (including 72,302 votes casted in electronic form)	72,302 Votes
Abstained votes/ no votes (including 371,968,869 votes in electronic form)	398,539,321 Votes

Shares present at the time of voting: 3,034,956,107

Votes in favor account for shares present at the time of voting are 86.86%.

RESOVED; the above proposal be and hereby was approved as proposed.

(II) To approve 2016 profit Distribution Proposal. (Proposed by the Board of Directors)

Explanation:

- A. The Proposal for distribution of 2016 earnings is in accordance with Articles 228 of the Company Act and Articles 26 of Incorporation.
- B. 2016 net profit after tax is NT\$ 6,358,452,420. After setting aside the legal reserve of NT\$ 635,845,242, and then adding unappropriated retained earnings of previous years of NT\$ 14,222,703,892, reverse from special capital reserve arising from first adoption of TIFRS of NT\$ 11,174 and remeasurement of defined benefit obligation of NT\$ 316,609,207, the total retained earnings available for distribution are NT\$ 20,261,931,451. The proposed cash dividend of NT\$ 1.45 per share is amounted to NT\$ 5,353,655,010.
- C. After the proposal is adopted by the regular shareholder's meeting, a base

date of ex-dividends will be set additionally. On such date, the distribution will be made to shareholders in accordance with the percentage of shares held thereby recorded in the shareholder register. The total cash dividends to be distributed to each shareholder will be rounded down to NT dollar and decimal places will be disregarded.

- D. For the Corporation's earnings distribution table of year 2016, please refer to Annex IV.
- E. The proposal has been adopted by the 12th meeting of the 22nd board of directors of the Corporation, and submitted to and audited by the Audit Committee.
- F. Please accept this proposal.

Resolution:

Vote Results:

Categories	Vote Numbers
Votes in favor (including 1,344,598,112 votes casted in electronic form)	2,649,486,577votes
Against Votes (including 75,641 votes casted in electronic form)	75,641 Votes
Abstained votes/ no votes (including 358,823,437 votes in electronic form)	385,393,889 Votes

Shares present at the time of voting: 3,034,956,107

Votes in favor account for shares present at the time of voting are 87.29%.

RESOVED; the above proposal be and hereby was approved as proposed.

IV. Discussion Items

**(I) To amend the Procedures of the Acquisition or Disposal of Assets.
(Proposed by the Board of Directors)**

Explanation:

- A. The Proposed according to Letter Number 1060001296 issued by the Securities and Futures Bureau, Financial Supervisory Commission, on February 9th, 2017.
- B. This proposal has been passed by the 12th meeting of the 22nd board of directors. For comparison of the provisions proposed for amendment, please refer to Annex V.
- C. Please vote on the matter.

Resolution:

Vote Results:

Categories	Vote Numbers
Votes in favor (including 1,344,567,475 votes casted in electronic form)	2,649,455,940 votes
Against Votes (including 81,010 votes casted in electronic form)	81,010 Votes
Votes in invalid	24,281,000 Votes
Abstained votes/ no votes (including 358,848,705votes in electronic form)	361,138,157 Votes

Shares present at the time of voting: 3,034,956,107

Votes in favor account for shares present at the time of voting are 87.29%.

RESOVED; the above proposal be and hereby was approved as proposed.

V. Election Item

(I) By-election of an Individual Director (Proposed by the Board of Directors)

Explanation:

- A. According to Article 14 of the Articles of Incorporation, the Corporation shall have no less than three independent directors, and the number of such independent directors shall not be less than one fifth of the number of directors. Currently the Corporation has three independent directors, and it is proposed to hold a by-election of one independent director at this Annual General Shareholders' Meeting, who will take office after being elected at this Annual General Shareholders' Meeting on June 28th, 2017 and the term of office starts from June 28th, 2017 to June 17th, 2018.
- B. For the List of Candidates for the by-election of the Individual Director, please refer to Annex VI.
- C. The proposal has been adopted by the 14th meeting of the 22nd board of directors of the Corporation.
- D. Please Vote.

Resolution:

Vote Results:

Title	Account(Name)	Elected Votes
Independent Director	Sheng Chin Jen	2,071,160,323

VI. Discussion Item

(I) Releasing Directors from Non-competition Restrictions. (Proposed by the Board of Directors)

Explanation:

- A. According to Article 209 of the Company Act, "A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval."
- B. Mr. Koo Kung Yi, the representative of the Corporation's legal person director, Heng Qiang Investment Corporation, and the independent director to be elected by the by-election at this shareholder' meeting of the Corporation may have invested in or operated other companies having the same or similar business scope as the Corporation and act as the director or managerial officer therefor. Hence, it is proposed for the Annual General Shareholders' Meeting to agree to release them from non-competition restrictions.
- C. The proposal has been adopted by the 12th meeting of the 22nd board of directors of the Corporation. For the details pertaining to releasing the directors from non-competition restrictions, please refer to Annex VII.
- D. Please vote on the matter.

Resolution:

Vote Results:

Categories	Vote Numbers
Votes in favor (including 1,041,595,843 votes casted in electronic form)	2,370,765,308 votes

Against Votes (including 247,151 votes casted in electronic form)	247,151 Votes
Abstained votes/ no votes (including 661,654,196 votes in electronic form)	663,943,648 Votes

Shares present at the time of voting: 3,034,956,107

Votes in favor account for shares present at the time of voting are 78.11%.

RESOVED; the above proposal be and hereby was approved as proposed.

THE PROCEEDINGS – Shareholders’ Speech Abstracts and the Company’s

Responses

Speech Abstracts:

- 1. The Shareholder with No. 20177137: The subsidiary company Taiwan Prosperity Chemical Corporation(“TPCC”) released the information at the MOPS about adjusting the lease contract of the machines and equipment of the turnkey between TCCC Chemical Corporation (“TCCC”). Does the above adjustment have the great influence on the parent company TCCC or on the operation between the two companies?**

The Chairman:

- (1) The market price of the chemicals has fluctuated dramatically, so the pre-plans should be re-examined or adjusted.
- (2) The amendment of the contract between the two affiliated corporations was based on the principle of fundamental change of circumstances. Under the premises of considering the two companies governance and the principle of the interests balance, the board of directors of the two companies decided to adjust the way to count of the rent and adopt the concept "Profit Sharing" to the contract.
- (3) TCCC has received the rent of NT\$1,200,000,000, and it is enough to cover the relocation cost of NT\$1,000,000,000, thereafter, there will not be a great loss from the relocation cost. The above adjustment will not have great influence on the operation of the Group.

- 2. The Shareholder with No.20230265: Does the Company apply the fixing budget for the public interests and for doing good works every year?**

The General Counsel (invited by the chairman):

- (1) Character Education: About NT\$2,915,100 for Shih-Min School, Life Education Camp for Teachers ,and others 20 schools; About NT\$ 230,000 for Meilun Elementary School (and other 6 schools)
- (2) Community Feedback: About NT\$2,000,000 for 63 related activities
- (3) Sustainable Botanic Conservation: No.1 in the Asia about NT\$14,000,000 to collect 31,066 kinds of conservation plants
- (4) Reduce of Carbon Emissions: NT\$10,000,000 for CO2 Capture of Plant Ho-Ping

- 3. The Shareholder with No.20285249: What is the reason for going-private of the TCC International Holdings Limited(“TCCIH”)?**

The Sales AVP (invited by the chairman):

- (1) TCCIH has the poor liquidity in the securities market in the long terms, so the chance for the shareholders to realize or exchanging for the TCC Stocks has been offered.
- (2) To consolidate the equity of TCC in TCCIH and elevate the efficiency of the Enterprise
- (3) The situation that TCCIH has been underestimated can be vanished after the privatization.

- 4. The Shareholder with No.20667768: Is there any merger case for the Company during 2016?**

Some cases are successful and some cases are not in the past few years, so we must reflect from such the past experiences. We must examine the objects of the merger cases carefully,

complete the due diligence of the financial department and the legal department, and elect the takeover candidates prudentially and sufficiently. In order to drop the learning curve after the merger and fully operate the merger effectively, the possible risks should be examined actually.

VII. EXTEMPORARY MOTIONS

None.

Meeting Adjourned: 10:07 AM, June 28th, 2017

Chairman: Chang An Ping

Recorder: Tsai Li Wen

Annex I To report the Business and Financial Statements of 2016

【Business Report】

The economic turmoil in the previous year continues into 2017. This is accompanied by significant changes in the financial market, including the appreciation of the greenback resulting from US Fed-initiated interest rate hike, and devaluation of Renminbi and currencies of various emerging markets. In addition to the above, volatility in bulk commodity prices led by crude oil price movement, change in the balance of supply and demand caused by mainland China's policy-driven adjustment in production capacity, and the transition in political leadership of various foreign governments, indicating that although the light at the end of the tunnel is in sight, there is still a long way for global economic recovery. All in all, given the economy's bottom out and rebound after a sharp decline in 2016, the Company is cautiously optimistic about the 2017 economic outlook.

Around the world, the US stood out from other economies, with outstanding performance, since 2016. The Fed's formal embarkation on the interest rate upswing is expected to strengthen the USD. It also signifies continued improvement in the US employment market, and a more optimistic prospect for a mild inflation. However, one shall stay vigilant. The domestic demand in the Eurozone remains healthy, and banks are becoming more inclined to lend suggesting a gradual resumption of function of the transmission mechanism of monetary policy, and the economies in the Eurozone (with the exception of France) are on the path of recovery. In Japan, infrastructure development is leading the economy towards a positive direction, supported by Bank of Japan's ("BOJ") earlier continued purchase of Japanese stocks and the nation's negative interest rate, coupled with preparation for the upcoming Tokyo Olympic.

Although mainland China was under the impact of the turbulence of economic structural transformation and reported a 6.5% GDP growth in 2016, which was the lowest in recent years, the situation of corporate default and capital outflow began to ease in late 2016. The market is expecting mainland China to maintain relatively loose monetary and fiscal policies under an overall tightened environment, while it continues the promotion of its "One Belt and One Road Initiative". Mainland China is expected to maintain macro-austerity measures to prevent the emerge of market bubbles and to alleviate the pressure for further economic downturn. Furthermore, following the rapid depreciation of Renminbi in 2016 and relaxation in the burden of capital outflow, it is rather unlikely for a sharp depreciation to repeat.

Under the impact of the aforementioned external environment and driven by the increasing government's investment expenditure and private consumption, Taiwan, as an export-driven shallow plate economy, is also expecting a positive

economic outlook. Most research institutions forecast a modest year-on-year improvement in GDP in 2017.

In 2017, Taiwan Cement Corporation will continue to enhance cost-efficiency and to achieve an improvement in low energy consumption production, in order to fulfill its corporate social responsibility as a global civilian and to entrench its market position under an adverse macro environment. The Company seeks to set new record in sales, and to further penetrate its existing market, with an aim to allow cement sales in mainland China better addressing the demand of end-users. It will also utilize big data to accurately adjust its logistics operation and fraud-prevention measures. Moreover, it will continue to strengthen its cooperation with local governments through the introduction of refuse incineration system, utilizing the Company's niche in cement kiln production, to achieve a win-win situation in the long-run.

Followings are the highlights of the Company's performance in 2016:

1. Cement

In 2016, the Company manufactured 4,976,314 tonnes of cement, and 484,500 tonnes of clinker for sale. Combining the outputs of cement and clinker on a one-to-one basis, the aggregate output amounted to 5,460,814 tonnes, declined by 395,759 tonnens, or 6.76% from that of 2015. The sales of cement and clinker totaled 4,604,712 tonnes, declined by 323,044 tonnes, or 6.56% from that of 2015.

Annual revenue from cement and clinker totaled NT\$8,358,435 thousands, declined by NT\$863,812 thousands, or 9.37% from 2015.

2. Cement products

In 2016, the Company manufactured 3,999,271 cubic meter of ready mixed concrete, representing a decrease of 1,004,587 cubic meter, or 20.08%, from that of 2015. The sales of cement products totaled NT\$8,065,991 thousands, which was NT\$2,655,422 thousands, or 24.77%, less than that of 2015.

3. Limestone

In 2016, the sales of limestone amounted to 58,661 tonnes, which was 8,028 tonnes, or 12.04%, less than that of 2015. The income from sales of limestone in 2016 was NT\$55,728 thousands, a decline of NT\$7,626 thousands, or 12.04%, from that of 2015.

4. Net income and dividends

As for the 2016 operating results, net profit after tax was NT\$6,358,452 thousands, up by 10.08% from that of the corresponding period in 2015, and representing 64.15% of the budget for the year. After the appropriation of NT\$635,845 thousands to statutory surplus reserve, the accumulated distributable surplus was NT\$20,261,931 thousands. After retaining a surplus

of NT\$14,908,276 thousands, the balance of NT\$5,353,655 thousands would be allocated in full for dividend distribution, on the basis of NT\$1.45 for each share as intended cash dividend.

Chairman: Chang, An-Ping

General Manager: Chang, An-Ping

Accounting Supervisor: Yeh, Kuo-Hung

會計師查核報告

台灣水泥股份有限公司 公鑒：

查核意見

台灣水泥股份有限公司民國 105 年及 104 年 12 月 31 日之個體資產負債表，暨民國 105 年及 104 年 1 月 1 日至 12 月 31 日之個體綜合損益表、個體權益變動表、個體現金流量表以及個體財務報表附註（包括重大會計政策彙總），業經本會計師查核竣事。

依本會計師之意見，上開個體財務報表在所有重大方面係依照證券發行人財務報告編製準則編製，足以允當表達台灣水泥股份有限公司民國 105 年及 104 年 12 月 31 日之個體財務狀況，暨民國 105 年及 104 年 1 月 1 日至 12 月 31 日之個體財務績效及個體現金流量。

查核意見之基礎

本會計師係依照會計師查核簽證財務報表規則及一般公認審計準則執行查核工作。本會計師於該等準則下之責任將於會計師查核個體財務報表之責任段進一步說明。本會計師所隸屬事務所受獨立性規範之人員已依會計師職業道德規範，與台灣水泥股份有限公司保持超然獨立，並履行該規範之其他責任。本會計師相信已取得足夠及適切之查核證據，以作為表示查核意見之基礎。

關鍵查核事項

關鍵查核事項係指依本會計師之專業判斷，對台灣水泥股份有限公司民國 105 年度個體財務報表之查核最為重要之事項。該等事項已於查核個體財

務報表整體及形成查核意見之過程中予以因應，本會計師並不對該等事項單獨表示意見。

茲對台灣水泥股份有限公司民國 105 年度個體財務報表之關鍵查核事項敘明如下：

採用權益法投資之減損評估

如個體財務報告附註四、五及十暨附表七所述，採用權益法投資中包括為擴充中國水泥市場業務而投資之子公司，取得該等子公司之過程中其投資成本超過可辨認淨資產公允價值之差額係認列於商譽，而其營運所需之資產則帳列不動產、廠房及設備，由於該等資產對於整體財務報表係屬重大，管理階層依照國際會計準則公報第 36 號「資產減損」規定，需定期針對該等資產進行減損評估測試。

管理階層於評估該等資產是否減損時，需計算其可回收金額及決定所屬適當折現率，而管理階層於決定可回收金額時，由於相關計算涉及諸多假設及主觀判斷，且可能受未來市場或經濟景氣影響，具有估計之不確定性。因是，將採用權益法投資中包含於投資子公司之不動產、廠房及設備暨商譽減損評估考量為關鍵查核事項。

本會計師針對管理階層評估該等資產是否減損時，主要查核程序如下：

1. 瞭解管理階層評估該等資產減損之相關流程及控制作業，包含執行評估中所採用之假設依據及資料來源。
2. 評估管理階層所估計之可回收金額，是否考量近期營運結果及所屬產業概況，以衡量其可達成之情形。
3. 評估管理階層使用之折現率是否合理。

管理階層與治理單位對個體財務報表之責任

管理階層之責任係依照證券發行人財務報告編製準則編製允當表達之個體財務報表，且維持與個體財務報表編製有關之必要內部控制，以確保個體財務報表未存有導因於舞弊或錯誤之重大不實表達。

於編製個體財務報表時，管理階層之責任亦包括評估台灣水泥股份有限公司繼續經營之能力、相關事項之揭露，以及繼續經營會計基礎之採用，除非管理階層意圖清算台灣水泥股份有限公司或停止營業，或除清算或停業外別無實際可行之其他方案。

台灣水泥股份有限公司之治理單位（含審計委員會）負有監督財務報導流程之責任。

會計師查核個體財務報表之責任

本會計師查核個體財務報表之目的，係對個體財務報表整體是否存有導因於舞弊或錯誤之重大不實表達取得合理確信，並出具查核報告。合理確信係高度確信，惟依照一般公認審計準則執行之查核工作無法保證必能偵出個體財務報表存有之重大不實表達。不實表達可能導因於舞弊或錯誤。如不實表達之個別金額或彙總數可合理預期將影響個體財務報表使用者所作之經濟決策，則被認為具有重大性。

本會計師依照一般公認審計準則查核時，運用專業判斷並保持專業上之懷疑。本會計師亦執行下列工作：

1. 辨認並評估個體財務報表導因於舞弊或錯誤之重大不實表達風險；對所評估之風險設計及執行適當之因應對策；並取得足夠及適切之查核證據以作為查核意見之基礎。因舞弊可能涉及共謀、偽造、故意遺漏、不實聲明或踰越內部控制，故未偵出導因於舞弊之重大不實表達之風險高於導因於錯誤者。
2. 對與查核攸關之內部控制取得必要之瞭解，以設計當時情況下適當之查核程序，惟其目的非對台灣水泥股份有限公司內部控制之有效性表示意見。
3. 評估管理階層所採用會計政策之適當性，及其所作會計估計與相關揭露之合理性。
4. 依據所取得之查核證據，對管理階層採用繼續經營會計基礎之適當性，以及使台灣水泥股份有限公司繼續經營之能力可能產生重大疑慮之事件或情況是否存在重大不確定性，作出結論。本會計師若認為該等事件或情況存在重大不確定性，則須於查核報告中提醒個體財務報表使用者注意個體財務報表之相關揭露，或於該等揭露係屬不適當時修正查核意見。本會計師之結論係以截至查核報告日所取得之查核證據為基礎。惟未來事件或情況可能導致台灣水泥股份有限公司不再具有繼續經營之能力。

5. 評估個體財務報表（包括相關附註）之整體表達、結構及內容，以及個體財務報表是否允當表達相關交易及事件。

6. 對於台灣水泥股份有限公司內組成個體之財務資訊取得足夠及適切之查核證據，以對個體財務報表表示意見。本會計師負責查核案件之指導、監督及執行，並負責形成台灣水泥股份有限公司查核意見。

本會計師與治理單位溝通之事項，包括所規劃之查核範圍及時間，以及重大查核發現（包括於查核過程中所辨認之內部控制顯著缺失）。

本會計師亦向治理單位提供本會計師所隸屬事務所受獨立性規範之人員已遵循會計師職業道德規範中有關獨立性之聲明，並與治理單位溝通所有可能被認為會影響會計師獨立性之關係及其他事項（包括相關防護措施）。

本會計師從與治理單位溝通之事項中，決定對台灣水泥股份有限公司民國 105 年度個體財務報表查核之關鍵查核事項。本會計師於查核報告中敘明該等事項，除非法令不允許公開揭露特定事項，或在極罕見情況下，本會計師決定不於查核報告中溝通特定事項，因可合理預期此溝通所產生之負面影響大於所增進之公眾利益。

勤業眾信聯合會計師事務所

會計師 翁 雅 玲

翁雅玲



會計師 邵 志 明

邵志明



金融監督管理委員會核准文號
金管證審字第 1020025513 號

證券暨期貨管理委員會核准文號
台財證六字第 0930128050 號

台灣永福股份有限公司

資產負債表

民國 103 年度 104 年 12 月 31 日

單位：新台幣仟元

		105年12月31日		104年12月31日	
代 碼	資 產	金 額	%	金 額	%
流動資產					
1100	現金及約當現金 (附註四及六)	\$ 1,278,657	1	\$ 1,234,072	1
1125	係供出售金融資產 (附註四及七)	1,342,777	1	1,182,447	1
1150	應收票據 (附註四及八)	848,116	1	1,170,834	1
1160	應收票據 關係人 (附註四及二二)	153,730	-	104,973	-
1170	應收帳款 (附註四及八)	2,326,788	2	2,553,919	2
1180	應收帳款 關係人 (附註四及二二)	374,558	-	365,540	-
1210	其他應收款 關係人 (附註四及二二)	69,715	-	328,732	-
130X	存貨 (附註四、九及二四)	1,489,695	1	1,617,092	1
1470	其他流動資產	122,728	-	137,932	-
11XX	流動資產總計	8,006,764	6	8,697,661	6
非流動資產					
1523	係供出售金融資產 (附註四及七)	3,449,980	3	3,371,466	3
1543	以成本衡量之金融資產 (附註四)	90,992	-	108,239	-
1550	採用權益法之投資 (附註四、五及十)	88,378,924	67	90,740,015	67
1600	不動產、廠房及設備 (附註四、十一及二三)	28,064,674	21	28,635,070	21
1760	投資性不動產 (附註四及十二)	3,353,159	2	3,353,412	3
1821	無形資產 (附註四)	69,359	-	105,600	-
1975	淨確定福利資產 (附註四及十五)	817,828	1	442,783	-
1990	其他非流動資產 (附註四、十八及二三)	227,878	-	230,244	-
15XX	非流動資產總計	124,452,794	94	126,986,889	94
1XXX	資 產 總 計	\$132,459,558	100	\$135,684,550	100
負債					
流動負債					
2100	短期借款 (附註十三)	\$ 5,839,557	4	\$ 4,432,649	3
2110	應付短期票款 (附註十三)	299,858	-	599,426	-
2170	應付帳款	1,015,577	1	935,809	1
2180	應付帳款 關係人 (附註二二)	709,064	1	500,791	-
2219	其他應付款 (附註十四)	1,643,926	1	1,398,695	1
2220	其他應付款 關係人 (附註二二)	41,047	-	68,629	-
2230	本期所得稅負債 (附註四及十八)	39,626	-	266,646	-
2320	一年內到期之長期負債 (附註十三)	3,360,000	3	3,360,000	3
2399	其他流動負債	88,022	-	96,411	-
21XX	流動負債總計	13,086,677	10	11,719,056	8
非流動負債					
2540	長期借款 (附註十三)	7,268,893	5	10,621,053	8
2570	遞延所得稅負債 (附註四及十八)	5,141,802	4	5,069,432	4
2670	其他非流動負債 (附註十)	244,135	-	232,024	-
25XX	非流動負債總計	12,654,830	9	15,922,509	12
2XXX	負債總計	25,741,507	19	27,641,565	20
權益 (附註四及十六)					
3110	股 本	36,921,759	28	36,921,759	27
3200	資本公積	13,534,162	10	12,309,615	9
3300	保留盈餘	47,397,524	36	45,573,057	34
3400	其他權益	8,974,606	7	13,238,554	10
3XXX	權益總計	106,768,051	81	108,042,985	80
負 債 與 權 益 總 計		\$132,459,558	100	\$135,684,550	100

後附之附註係本報財務報告之一部分。

董事長：張安平



經理人：張安平



會計主管：葉國宏



台灣水泥股份有限公司

個體綜合損益表

民國 105 年及 104 年 1 月 1 日至 12 月 31 日

單位：除每股盈餘為新台幣元外，餘係仟元

代 碼		105年度		104年度	
		金 額	%	金 額	%
4110	營業收入（附註四及二二）	\$ 17,299,027	100	\$ 20,667,929	100
4170	減：銷貨退回及折讓	<u>80,028</u>	-	<u>100,369</u>	-
4000	營業收入淨額	17,218,999	100	20,567,560	100
5110	營業成本（附註四、九、十七及二二）	<u>15,080,237</u>	88	<u>18,345,276</u>	89
5900	營業毛利	2,138,762	12	2,222,284	11
5920	與子公司之已實現利益	<u>1,228</u>	-	<u>1,228</u>	-
5950	已實現營業毛利	<u>2,139,990</u>	12	<u>2,223,512</u>	11
	營業費用（附註十七及二二）				
6100	推銷費用	178,878	1	205,210	1
6200	管理費用	<u>685,337</u>	4	<u>545,047</u>	3
6000	營業費用合計	<u>864,215</u>	5	<u>750,257</u>	4
6900	營業淨利	<u>1,275,775</u>	7	<u>1,473,255</u>	7
	營業外收入及支出				
7070	採用權益法之子公司及 關聯企業損益份額 （附註十）	5,266,258	31	4,341,468	21
7130	股利收入（附註四）	357,916	2	388,058	2
7190	其他收入（附註十七）	153,258	1	153,140	1
7050	財務成本	(245,821)	(1)	(247,371)	(1)
7590	其他支出（附註十七）	(271,664)	(2)	(173,961)	(1)
7000	營業外收入及支出 合計	<u>5,259,947</u>	31	<u>4,461,334</u>	22

（接次頁）

(承前頁)

代 碼		105年度		104年度	
		全 額	%	全 額	%
7900	稅前淨利	\$ 6,535,722	38	\$ 5,934,589	29
7950	所得稅費用(附註四及十八)	<u>177,270</u>	<u>1</u>	<u>158,600</u>	<u>1</u>
8200	本年度淨利	<u>6,358,452</u>	<u>37</u>	<u>5,775,989</u>	<u>28</u>
	其他綜合損益				
8310	不重分類至損益之項目				
8311	確定福利計畫之再 衡量數(附註十 五)	379,357	2	(631,163)	(3)
8330	採用權益法認列之 子公司及關聯企 業之其他綜合損 益之份額	1,743	-	(15,776)	-
8349	與不重分類之項目 相關之所得稅 (附註十八)	(<u>64,491</u>)	<u>-</u>	<u>107,298</u>	<u>-</u>
		<u>316,609</u>	<u>2</u>	(<u>539,641</u>)	(<u>3</u>)
8360	後續可能重分類至損益 之項目				
8362	備供出售金融資產 未實現利益	238,844	1	(1,027,693)	(5)
8380	採用權益法之子公 司及關聯企業之 其他綜合損益份 額	(<u>4,502,792</u>)	(<u>26</u>)	(<u>5,015,109</u>)	(<u>24</u>)
		(<u>4,263,948</u>)	(<u>25</u>)	(<u>6,042,802</u>)	(<u>29</u>)
8300	本年度其他綜合損 益(稅後淨額)	(<u>3,947,339</u>)	(<u>23</u>)	(<u>6,582,443</u>)	(<u>32</u>)
8500	本年度綜合損益總額	<u>\$ 2,411,113</u>	<u>14</u>	(<u>\$ 806,454</u>)	(<u>4</u>)
	每股盈餘(附註十九)				
9750	基 本	<u>\$ 1.72</u>		<u>\$ 1.56</u>	
9850	稀 釋	<u>\$ 1.72</u>		<u>\$ 1.56</u>	

後附之附註係本個體財務報告之一部分。

董事長：張安平



經理人：張安平



會計主管：葉國宏



台灣水泥股份有限公司

個體現金流量表

民國 105 年及 104 年 1 月 1 日至 12 月 31 日

單位：新台幣仟元

代 碼		105年度	104年度
	營業活動之現金流量		
A10000	本年度稅前淨利	\$ 6,535,722	\$ 5,934,589
	不影響現金流量之收益費損項目：		
A20100	折舊費用	676,733	890,867
A20200	攤銷費用	36,554	36,553
A20900	財務成本	245,821	247,371
A21200	利息收入	(8,453)	(10,508)
A21300	股利收入	(357,916)	(388,058)
A22400	採用權益法之子公司及關聯企 業損益之份額	(5,266,258)	(4,341,468)
A22500	處分不動產、廠房及設備淨益	(29,540)	(1,681)
A23500	金融資產減損損失	5,724	3,334
A24100	未實現外幣兌換淨損(益)	3,840	(4,726)
A30000	營業資產及負債之淨變動數		
A31130	應收票據	322,718	307,397
A31140	應收票據－關係人	(46,757)	(3,424)
A31150	應收帳款	227,338	95,814
A31160	應收帳款－關係人	(7,976)	4,281
A31190	其他應收款－關係人	4,077	(13,599)
A31200	存 貨	127,397	(121,740)
A31240	其他流動資產	15,620	142,008
A31990	淨確定福利資產	4,312	(7,839)
A32150	應付帳款	19,912	(160,489)
A32160	應付帳款－關係人	208,019	(11,654)
A32180	其他應付款	244,891	(88,188)
A32190	其他應付款－關係人	(27,582)	18,128
A32230	其他流動負債	(8,389)	(42,876)
A33000	營運產生之淨現金流入	2,925,807	2,484,092
A33500	支付之所得稅	(395,336)	(124,263)
AAAA	營業活動之淨現金流入	<u>2,530,471</u>	<u>2,359,829</u>

(換次頁)

(承前頁)

代 碼		105年度	104年度
	投資活動之現金流量		
B01200	取得以成本衡量之金融資產	(\$ 1)	(\$ 1)
B01400	以成本衡量之金融資產減資退回股款	11,584	9,461
B01800	取得採用權益法之投資	(15,000)	-
B02700	購置不動產、廠房及設備	(79,854)	(21,930)
B02800	處分不動產、廠房及設備價款	29,613	1,827
B04500	取得無形資產	(313)	-
B04300	其他應收款－關係人減少(增加)	255,000	(50,000)
B06700	其他非流動資產增加	(25,012)	(17,133)
B07500	收取之利息	8,068	10,499
B07600	收取之股利	<u>4,721,548</u>	<u>4,790,607</u>
BBBB	投資活動之淨現金流入	<u>4,905,633</u>	<u>4,723,330</u>
	籌資活動之現金流量		
C00200	短期借款增加	1,401,977	2,240,277
C00600	應付短期票券增加(減少)	(299,568)	599,426
C01700	償還長期借款	(3,360,000)	-
C04300	其他非流動負債增加(減少)	14,326	(1,733)
C04500	支付股利	(4,910,594)	(9,193,518)
C05600	支付之利息	(<u>237,660</u>)	(<u>238,944</u>)
CCCC	籌資活動之淨現金流出	(<u>7,391,519</u>)	(<u>6,594,492</u>)
EEEE	本年度現金及約當現金增加	44,585	488,667
E00100	年初現金及約當現金餘額	<u>1,234,072</u>	<u>745,405</u>
E00200	年底現金及約當現金餘額	<u>\$ 1,278,657</u>	<u>\$ 1,234,072</u>

後附之附註係本個體財務報告之一部分。

董事長：張安平



經理人：張安平



會計主管：葉國宏



會計師查核報告

台灣水泥股份有限公司 公鑒：

查核意見

台灣水泥股份有限公司及其子公司（台泥集團）民國 105 年及 104 年 12 月 31 日之合併資產負債表，暨民國 105 年及 104 年 1 月 1 日至 12 月 31 日之合併綜合損益表、合併權益變動表、合併現金流量表，以及合併財務報表附註（包括重大會計政策彙總），業經本會計師查核竣事。

依本會計師之意見，上開合併財務報表在所有重大方面係依照證券發行人財務報告編製準則及經金融監督管理委員會認可並發布生效之國際財務報導準則、國際會計準則、解釋及解釋公告編製，足以允當表達台泥集團民國 105 年及 104 年 12 月 31 日之合併財務狀況，暨民國 105 年及 104 年 1 月 1 日至 12 月 31 日之合併財務績效及合併現金流量。

查核意見之基礎

本會計師係依照會計師查核簽證財務報表規則及一般公認審計準則執行查核工作。本會計師於該等準則下之責任將於會計師查核合併財務報表之責任段進一步說明。本會計師所隸屬事務所受獨立性規範之人員已依會計師職業道德規範，與台泥集團保持超然獨立，並履行該規範之其他責任。本會計師相信已取得足夠及適切之查核證據，以作為表示查核意見之基礎。

關鍵查核事項

關鍵查核事項係指依本會計師之專業判斷，對台泥集團民國 105 年度合併財務報表之查核最為重要之事項。該等事項已於查核合併財務報表整體及形成查核意見之過程中予以因應，本會計師並不對該等事項單獨表示意見。

茲對台泥集團民國 105 年度合併財務報表之關鍵查核事項敘明如下：

不動產、廠房及設備暨商譽減損評估

如合併財務報告附註四、五、十五及十七所述，台泥集團之不動產、廠房及設備係以經營水泥產業為主，而有關商譽來源主要係為擴充中國水泥市場之業務於併購相關子公司所產生，因相關資產金額對整體合併財務報表係屬重大，管理階層依照國際會計準則公報第 36 號「資產減損」規定，應定期進行該等資產減損評估。

管理階層於評估該等資產是否減損時，需計算其可回收金額及決定所屬適當折現率，而管理階層於決定可回收金額時，由於相關計算涉及諸多假設及主觀判斷，且可能受未來市場或經濟景氣影響，具有估計之不確定性。因是，將不動產、廠房及設備暨商譽減損評估考量為關鍵查核事項。

本會計師針對管理階層評估該等資產是否減損時，主要查核程序如下：

1. 瞭解管理階層評估該等資產減損之相關流程及控制作業，包含執行評估中所採用之假設依據及資料來源。
2. 評估管理階層所估計之可回收金額，是否考量近期營運結果及所屬產業概況，以衡量其可達成之情形。
3. 評估管理階層使用之折現率是否合理。

其他事項

台灣水泥股份有限公司業已編製民國 105 及 104 年度之個體財務報告，並經本會計師出具無保留意見之查核報告在案，備供參考。

管理階層與治理單位對合併財務報表之責任

管理階層之責任係依照證券發行人財務報告編製準則及經金融監督管理委員會認可並發布生效之國際財務報導準則、國際會計準則、解釋及解釋公告編製允當表達之合併財務報表，且維持與合併財務報表編製有關之必要內部控制，以確保合併財務報表未存有導因於舞弊或錯誤之重大不實表達。

於編製合併財務報表時，管理階層之責任亦包括評估台泥集團繼續經營之能力、相關事項之揭露，以及繼續經營會計基礎之採用，除非管理階層意圖清算台泥集團或停止營業，或除清算或停業外別無實際可行之其他方案。

台泥集團之治理單位（含審計委員會）負有監督財務報導流程之責任。

會計師查核合併財務報表之責任

本會計師查核合併財務報表之目的，係對合併財務報表整體是否存有導因於舞弊或錯誤之重大不實表達取得合理確信，並出具查核報告。合理確信係高度確信，惟依照一般公認審計準則執行之查核工作無法保證必能偵出合併財務報表存有之重大不實表達。不實表達可能導因於舞弊或錯誤。如不實表達之個別金額或彙總數可合理預期將影響合併財務報表使用者所作之經濟決策，則被認為具有重大性。

本會計師依照一般公認審計準則查核時，運用專業判斷並保持專業上之懷疑。本會計師亦執行下列工作：

1. 辨認並評估合併財務報表導因於舞弊或錯誤之重大不實表達風險；對所評估之風險設計及執行適當之因應對策；並取得足夠及適切之查核證據以作為查核意見之基礎。因舞弊可能涉及共謀、偽造、故意遺漏、不實聲明或踰越內部控制，故未偵出導因於舞弊之重大不實表達之風險高於導因於錯誤者。
2. 對與查核攸關之內部控制取得必要之瞭解，以設計當時情況下適當之查核程序，惟其目的非對台泥集團內部控制之有效性表示意見。
3. 評估管理階層所採用會計政策之適當性，及其所作會計估計與相關揭露之合理性。
4. 依據所取得之查核證據，對管理階層採用繼續經營會計基礎之適當性，以及使台泥集團繼續經營之能力可能產生重大疑慮之事件或情況是否存在重大不確定性，作出結論。本會計師若認為該等事件或情況存在重大不確定性，則須於查核報告中提醒合併財務報表使用者注意合併財務報表之相關揭露，或於該等揭露係屬不適當時修正查核意見。本會計師之結論係以截至查核報告日所取得之查核證據為基礎。惟未來事件或情況可能導致台泥集團不再具有繼續經營之能力。
5. 評估合併財務報表（包括相關附註）之整體表達、結構及內容，以及合併財務報表是否允當表達相關交易及事件。
6. 對於集團內組成個體之財務資訊取得足夠及適切之查核證據，以對合併財務報表表示意見。本會計師負責集團查核案件之指導、監督及執行，並負責形成集團查核意見。

本會計師與治理單位溝通之事項，包括所規劃之查核範圍及時間，以及重大查核發現（包括於查核過程中所辨認之內部控制顯著缺失）。

本會計師亦向治理單位提供本會計師所隸屬事務所受獨立性規範之人員已遵循會計師職業道德規範中有關獨立性之聲明，並與治理單位溝通所有可能被認為會影響會計師獨立性之關係及其他事項（包括相關防護措施）。

本會計師從與治理單位溝通之事項中，決定對台泥集團民國 105 年度合併財務報表查核之關鍵查核事項。本會計師於查核報告中敘明該等事項，除非法令不允許公開揭露特定事項，或在極罕見情況下，本會計師決定不於查核報告中溝通特定事項，因可合理預期此溝通所產生之負面影響大於所增進之公眾利益。

勤業眾信聯合會計師事務所

會計師 翁 雅 玲

翁雅玲



會計師 邵 志 明

邵志明



金融監督管理委員會核准文號
金管證審字第 1020025513 號

證券期貨管理委員會核准文號
台財證六字第 0930128050 號

台灣水泥股份有限公司 及子公司

合併資產負債表

民國 105 年及 104 年 12 月 31 日

單位：新台幣千元

代 碼	資 產	105年12月31日		104年12月31日	
		金 額	%	金 額	%
1100	現金及約當現金 (附註四及六)	\$ 28,179,758	11	\$ 38,977,360	13
1110	透過損益按公允價值衡量之金融資產 (附註四及七)	148,488		147,113	
1125	備用出售金融資產 (附註四、八及三一)	15,536,693	6	15,227,906	5
1150	應收票據 (附註四及三)	12,600,411	5	12,377,095	4
1170	應收帳款 (附註四、十、十一及三一)	6,782,292	3	6,850,598	3
1180	應收票據及帳款－關係人 (附註四及三)	546,984		985,259	1
1200	其他應收款 (附註四及二)	770,838		663,601	
1210	其他應收款－關係人 (附註四及三)	181,997		668,242	
130X	存貨 (附註四、十二及三一)	8,893,965	3	8,941,127	3
1410	預付款項 (附註四及三一)	2,955,246	1	3,286,150	1
1476	其他金融資產 (附註四、六及三一)	812,127		2,043,253	1
1479	其他流動資產 (附註四及九)	475,213		425,072	
11XX	流動資產合計	77,884,012	29	90,593,376	31
1523	備用出售金融資產 (附註四、八及三一)	4,190,855	2	3,990,535	1
1543	以成本衡量之金融資產 (附註四)	589,736		822,609	
1550	採用權益法之投資 (附註四及十)	7,444,947	3	8,013,285	3
1600	不動產、廠房及設備 (附註四、十五及三一)	101,799,766	38	113,310,134	39
1760	投資性不動產 (附註四、十六及三一)	6,073,056	2	5,996,536	2
1780	無形資產 (附註四、十七及二六)	21,175,282	8	22,607,552	8
1915	預付帳款	2,740,525	1	1,992,037	1
1930	長期應收帳款 (附註四、十一及三一)	33,666,040	13	34,335,409	12
1975	淨確定福利資產 (附註四及二)	827,402		451,548	
1985	長期預付帳款 (附註四及三一)	6,984,059	3	7,698,950	2
1995	其他非流動資產 (附註四、二四及三一)	3,663,016	1	3,254,404	1
15XX	非流動資產合計	189,104,684	71	202,472,979	69
1XXX	資 產 合 計	\$ 266,988,696	100	\$ 293,066,355	100
2100	短期借款 (附註四及九及三一)	\$ 20,635,324	8	\$ 22,325,389	8
2110	應付短期票款 (附註四及九)	5,921,518	2	6,159,780	2
2170	應付票據及帳款 (附註三)	7,671,640	3	7,081,053	2
2219	其他應付帳款 (附註四及三及三一)	7,960,894	3	8,935,660	3
2230	本期所得稅負債 (附註四及二)	1,324,329	1	1,214,642	
2310	預收款項	3,352,902	1	3,119,316	1
2320	一年內到期之長期負債 (附註四及三一)	8,163,950	3	19,133,616	7
2399	其他流動負債	74,362		114,376	
21XX	流動負債合計	55,104,919	21	68,083,232	23
2540	長期借款 (附註四及九及三一)	53,342,059	20	57,986,194	20
2570	遞延所得稅負債 (附註四及二)	10,213,967	4	10,268,560	4
2640	淨確定福利負債 (附註四及二)	184,115		287,238	
2670	其他非流動負債 (附註四及三一)	746,985		956,279	
25XX	非流動負債合計	64,487,106	24	69,498,271	24
2XXX	負債合計	119,592,025	45	137,581,503	47
3110	股本	36,921,759	14	36,921,759	13
3200	資本公積	13,534,162	5	12,309,615	4
3300	保留盈餘	47,337,524	18	45,573,057	16
3400	其他權益	8,974,606	3	13,228,554	4
31XX	本公司業主權益合計	106,768,051	40	108,042,985	37
36XX	非控制權益 (附註二)	40,628,620	15	47,441,267	16
3XXX	權益合計	147,396,671	55	155,484,252	53
	負債與權益合計	\$ 266,988,696	100	\$ 293,066,355	100

說明：附註及本合併財務報告之一部分。

董事長：張安平



經理人：張安平



會計主管：葉國宏



台灣水泥股份有限公司及子公司

合併綜合損益表

民國 105 年及 104 年 1 月 1 日至 12 月 31 日

單位：除每股盈餘為新台幣元外，餘係仟元

代 碼		105年度		104年度	
		全 額	%	全 額	%
4000	營業收入（附註四、九及三十）	\$ 89,564,306	100	\$ 93,679,076	100
5000	營業成本（附註四、九、十二、二三及三十）	<u>71,583,302</u>	<u>80</u>	<u>79,151,059</u>	<u>85</u>
5900	營業毛利	<u>17,981,004</u>	<u>20</u>	<u>14,528,017</u>	<u>15</u>
	營業費用（附註二三及三十）				
6100	推銷費用	733,021	1	859,723	1
6200	管理費用	4,193,229	4	3,987,700	4
6300	研究發展費用	<u>20,618</u>	<u>-</u>	<u>6,895</u>	<u>-</u>
6000	營業費用合計	<u>4,946,868</u>	<u>5</u>	<u>4,854,318</u>	<u>5</u>
6900	營業淨利	<u>13,034,136</u>	<u>15</u>	<u>9,673,699</u>	<u>10</u>
	營業外收入及支出				
7060	採用權益法認列之關聯企業及合資損益份額（附註四及十四）	979,609	1	737,161	1
7100	利息收入（附註四及三十）	267,182	-	430,757	-
7130	股利收入（附註四）	808,767	1	958,117	1
7190	其他收入（附註十一）	928,426	1	822,162	1
7050	財務成本（附註四及二三）	(1,916,837)	(2)	(1,873,739)	(2)
7590	其他支出（附註二三）	(473,231)	-	(447,715)	-
7630	外幣兌換淨損失	(985,562)	(1)	(1,570,026)	(2)
7671	金融資產減損損失	(619,013)	(1)	(51,296)	-

（接次頁）

(承前頁)

代 碼		105年度		104年度	
		金 額	%	金 額	%
7673	不動產、廠房及設備減損損失(附註十五)	(\$ 508,142)	(1)	(\$ 13,105)	—
7000	營業外收入及支出合計	(1,518,801)	(2)	(1,007,684)	(1)
7900	稅前淨利	11,515,335	13	8,666,015	9
7950	所得稅費用(附註四及二四)	2,673,260	3	1,740,389	2
8200	本年度淨利	8,842,075	10	6,925,626	7
	其他綜合損益(附註四)				
	不重分類至損益之項目				
8311	確定福利計畫之再衡量數(附註二一及二二)	385,369	-	(652,832)	(1)
8320	採用權益法認列之關聯企業及合資之其他綜合損益之份額(附註二二)	(6,193)	-	(1,476)	-
8349	與不重分類之項目相關之所得稅(附註二四)	(65,512)	—	110,938	—
8310		313,664	—	(543,370)	(1)
	後續可能重分類至損益之項目				
8361	國外營運機構財務報表換算之兌換差額(附註二二)	(7,055,040)	(8)	(1,828,277)	(2)
8362	備供出售金融資產未實現利益(損失)(附註二二)	243,381	-	(5,141,341)	(5)
8363	現金流量避險(附註九及二二)	4,022	-	(11,071)	-

(接次頁)

(承前頁)

代 碼		105年度		104年度	
		金 額	%	金 額	%
8370	採用權益法認列關 聯企業及合資之 其他綜合損益之 份額(附註二二)	(\$ 493,741)	-	\$ 6,015	-
8360		(7,301,378)	(8)	(6,974,674)	(7)
8300	本年度其他綜合損 益淨額(稅後淨 額)	(6,987,714)	(8)	(7,518,044)	(8)
8500	本年度綜合損益總額	<u>\$ 1,854,361</u>	<u>2</u>	<u>(\$ 592,418)</u>	<u>(1)</u>
	淨利歸屬於				
8610	本公司業主	\$ 6,358,452	7	\$ 5,775,989	6
8620	非控制權益	<u>2,483,623</u>	<u>3</u>	<u>1,149,637</u>	<u>1</u>
8600		<u>\$ 8,842,075</u>	<u>10</u>	<u>\$ 6,925,626</u>	<u>7</u>
	綜合損益總額歸屬於				
8710	本公司業主	\$ 2,411,113	3	(\$ 806,454)	(1)
8720	非控制權益	(556,752)	(1)	<u>214,036</u>	-
8700		<u>\$ 1,854,361</u>	<u>2</u>	<u>(\$ 592,418)</u>	<u>(1)</u>
	每股盈餘(附註二五)				
9750	基 本	<u>\$ 1.72</u>		<u>\$ 1.56</u>	
9850	稀 釋	<u>\$ 1.72</u>		<u>\$ 1.56</u>	

後附之附註係本合併財務報告之一部分。

董事長：張安平



經理人：張安平



會計主管：葉國宏



合样值误差列表

单位：除净现金流量是剔除利息和
股息之外，按净值元

[illegible]

董事長：吳金平

代理人：吳宗平

4.4 圖 2.10 示一
.. 4.4 圖 2.10 示一
4.4 圖 2.10 示一

台灣水泥股份有限公司及子公司

合併現金流量表

民國 105 年及 104 年 1 月 1 日至 12 月 31 日

單位：新台幣仟元

代 碼		105 年度	104 年度
	營業活動之現金流量		
A10000	本年度稅前淨利	\$ 11,515,335	\$ 8,666,015
	不影響現金流量之收益費損項目		
A20100	折舊費用	6,587,626	7,021,678
A20200	攤銷費用	402,921	397,480
A20400	透過損益按公允價值衡量金融 資產及負債之淨損（益）	(367,641)	1,114
A20900	財務成本	1,916,837	1,873,739
A21200	利息收入	(267,182)	(430,757)
A21300	股利收入	(808,767)	(958,117)
A22300	採用權益法認列之關聯企業及 合資淨益之份額	(979,609)	(737,161)
A22500	處分不動產、廠房及設備淨損 （益）	(3,245)	34,307
A23100	處分投資淨益	(402)	(499)
A23500	金融資產減損損失	619,013	51,296
A23600	金融資產減損迴轉利益	-	(186,035)
A23700	非金融資產減損損失	508,142	13,105
A23800	存貨跌價及呆滯損失（迴轉利 益）	17,956	(87,164)
A24100	未實現外幣兌換淨損	11,880	994,811
A29900	其 他	235,962	240,781
A30000	營業資產及負債之淨變動數		
A31110	持有供交易之金融資產	365,551	30,438
A31130	應收票據	(421,615)	5,888,746
A31150	應收帳款	62,927	1,884,936
A31160	應收票據及帳款 關係人	426,650	(643,176)
A31180	其他應收款	(205,146)	630,897
A31190	其他應收款 關係人	76,503	846,460
A31200	存 貨	(53,965)	2,495,379
A31230	預付款項	269,215	1,028,566
A31240	其他流動資產	(52,334)	122,942
A32150	應付票據及帳款	662,309	(2,701,077)
A32180	其他應付款	557,958	(1,415,824)

（接次頁）

(承前頁)

代 碼		105 年度	104 年度
A32210	預收款項	\$ 257,740	\$ 70,644
A32230	其他流動負債	(40,014)	(105,817)
A32240	淨確定福利負債	(93,608)	(36,776)
A33000	營運產生之淨現金流入	21,200,997	24,990,931
A33500	支付之所得稅	(2,450,842)	(3,227,539)
AAAA	營業活動之淨現金流入	<u>18,750,155</u>	<u>21,763,392</u>
投資活動之現金流量			
B00300	取得備供出售金融資產	(366,113)	(10,087)
B00400	處分備供出售金融資產價款	69,708	14,842
B01200	取得以成本衡量之金融資產	(1)	(1)
B01400	以成本衡量之金融資產減資退回股款	11,584	9,461
B02200	對子公司之收購	-	(6,721,329)
B02700	取得不動產、廠房及設備	(2,995,914)	(2,726,976)
B02800	處分不動產、廠房及設備價款	41,826	98,761
B04500	取得無形資產	(79,398)	(379,647)
B05400	取得投資性不動產	(568)	-
B06000	長期應收租賃款減少	669,369	726,368
B06500	其他金融資產減少(增加)	1,225,039	(691,123)
B06700	其他非流動資產減少(增加)	(593,738)	208,091
B07300	預付租賃款增加	(72,594)	(125,947)
B07500	收取之利息	288,807	406,803
B07600	收取之股利	1,856,760	1,357,381
BBBB	投資活動之淨現金流入(出)	<u>54,767</u>	<u>(7,833,403)</u>
籌資活動之現金流量			
C00200	短期借款減少	(1,480,747)	(3,539,971)
C01600	舉借長期借款	19,433,699	29,252,473
C01700	償還長期借款	(34,738,309)	(22,574,692)
C02100	應付短期票券減少	(238,262)	(210,728)
C04400	其他非流動負債減少	(209,314)	(324,608)
C04500	發放現金股利	(7,209,885)	(11,963,228)
C05400	取得子公司股權	(2,732,057)	-
C05600	支付之利息	(1,721,077)	(1,708,559)
C05800	非控制權益變動	-	6,022,723
CCCC	籌資活動之淨現金流出	<u>(28,895,952)</u>	<u>(5,046,590)</u>

(接次頁)

(承前頁)

代 碼		105 年度	104 年度
DDDD	匯率變動對現金及約當現金之影響	(\$ 706,572)	(\$ 420,081)
EEEE	本年度現金及約當現金增加(減少)數	(10,797,602)	8,463,318
E00100	年初現金及約當現金餘額	<u>38,977,360</u>	<u>30,514,042</u>
E00200	年底現金及約當現金餘額	<u>\$ 28,179,758</u>	<u>\$ 38,977,360</u>

後附之附註係本合併財務報告之一部分。

董事長：張安平



經理人：張安平



會計主管：葉國宏



Annex II To Audit Committee's Review Report

Audit Committee's Audit Report

The board of directors prepared the Corporation's business report, consolidated financial statements (including parent company only financial statements) and proposal of earnings distribution. Of which, the financial statements have been audited by Deloitte through an entrustment, and an audit report has been issued. The aforementioned business report, financial statements and proposal of earnings distribution have been audited by the Audit Committee, which is of the opinion that no inconsistency has been observed. Hence, the Committee hereby makes a report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

Taiwan Cement Corporation
2017 Annual General Shareholders' Meeting

Taiwan Cement Corporation
Audit Committee Convener: Victor Wang

March 27, 2017

Annex III: Comparison of the Corporate Social Responsibility Code of Practice before and after the amendment

Taiwan Cement Corporation
Contrast Table of Amended Articles of the "Corporate Social Responsibility Best Practice Principles"

Articles after amendment	Current articles	Description of amendment
Chapter 2 Exercising Corporate Governance	Chapter 2 Exercising Corporate Governance	
<p>Article 7</p> <p>The directors of the Corporation shall exercise the due care of good administrators to urge the Corporation to perform its corporate social responsibility initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its corporate social responsibility policies.</p> <p>The board of directors of the Corporation is advised <u>to give full consideration to the interested parties</u>, including the following matters, in the Corporation's performance of its corporate social responsibility initiatives:</p> <p>1~3 (Omitted)</p>	<p>Article 7</p> <p>The directors of the Corporation shall exercise the due care of good administrators to urge the Corporation to perform its corporate social responsibility initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its corporate social responsibility policies.</p> <p>The board of directors of the Corporation is advised to include the following matters in the Corporation's performance of its corporate social responsibility initiatives:</p> <p>1~3 (Omitted)</p>	<p>By referring to international cooperative organizations, the board of directors of a company is advised to give full consideration to the interested parties for exercising its corporate social responsibility initiatives, enabling itself to implement the policies, systems or administration guidelines with respect to corporate social responsibility initiatives. Hence, the wordings are amended.</p>
Chapter 4 Preserving Society Public Interests	Chapter 4 Preserving Society Public Interests	
<p><u>Article 22-1</u></p> <p><u>A TWSE/TPEX listed company is, while interacting with customers or consumers, advised to consider its provision of products or services, as well as the characteristics of the business, and choose applicable, fair and reasonable methods to develop the strategies and specific measures for implementation.</u></p> <p><u>The aforementioned fair and</u></p>	<p>This article is newly added.</p>	<p>With reference to the "G20 Finance Ministers and Central Bank Governors Meeting" convened by international cooperative organizations, the wordings are</p>

Articles after amendment	Current articles	Description of amendment
<p><u>reasonable methods are listed as belows:</u></p> <ol style="list-style-type: none"> <u>1. Adhering to reciprocity, fairness and good faith in entering into contracts.</u> <u>2. Fulfilling due care and fiduciary duty while being entrusted by customers.</u> <u>3. Ensuring truthfulness in advertising and soliciting.</u> <u>4. Confirming fitness of products or services that are provided for customers or consumers.</u> <u>5. Giving a thorough explanations of important contents and disclosing risks for products or services that are provided.</u> <u>6. Commensuration between rights and interests of customers or consumers, and achievement of performance for salesperson's compensation system.</u> <u>7. A smooth grievance channel for customers or consumers, ensuring the response by the Corporation realistically.</u> <u>8. The practitioners who engage in the business requiring professionalishm are advised to obtain professional qualifications or licenses.</u> 		<p>newly added referencing the G20 held by OECD</p>

Articles after amendment	Current articles	Description of amendment
<p>Article 27 The Corporation shall evaluate the impact of its business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance.</p> <p>The Corporation is advised to, through <u>equity investment</u>, commercial activities, article endowments, corporate volunteering service or other charitable professional services <u>etc.</u>, <u>dedicate resources to organizations that commercially resolve social or environmental issues, or</u> participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development.</p>	<p>Article 27 The Corporation shall evaluate the impact of its business operations on the community, and adequately employ personnel from the location of the business operations, to enhance community acceptance.</p> <p>The Corporation is advised to, through commercial activities, article endowments, corporate volunteering service or other charitable professional services, participate in events held by citizen organizations, charities and local government agencies relating to community development and community education to promote community development.</p>	<p>For the purpose of enabling the Corporation to further invest resources for exercising corporate social responsibility in events held by citizen organizations, charities and local government agencies, which continue to resolve social and environmental problems, to achieve the objective of sustainable development.</p>

Annex IV: Earnings Distribution Table of the Year 2016

Taiwan Cement Corporation

Earnings Distribution Table

December 31, 2016

Unit: NTD

Unappropriated Retained Earnings of Previous Years	14,222,703,892
Add: Reverse from Special Capital Reserve arising from first adoption of TIFRS	11,174
Add: Remeasurement of Defined Benefit Obligation	0
Adjusted Unappropriated Retained Earnings	316,609,207
Add: Net Profit of 2016	6,358,452,420
Less: 10% Legal Reserve	(635,845,242)
Earnings in 2016 Available for Distribution	20,261,931,451
Distribution Item:	
Cash dividends for common share holders	(5,353,655,010)
Unappropriated Retained Earnings	14,908,276,441

Note: 1. The total cash dividends to be distributed to each shareholder will be rounded down to NT dollar and decimal places will be disregarded.

2. In accordance with the Letter No. 871941343 issued by the Ministry of Finance on April 30, 1998, when a company distributes earnings, it shall adopt the individual identification method; the distribution of earnings in a given year shall give priority to the distribution of earnings of the most recent year.

Chairman: Chang, An-Ping General Manager: Chang, An-Ping Accounting Supervisor: Yeh Kuo Hung

Annex V : Contrast Table of Amended Articles of the "Procedures Governing the Acquisition and Disposal of Assets"

Taiwan Cement Corporation

Contrast Table of Amended Articles of the "Procedures Governing the Acquisition and
Disposal of Assets"

Articles after amendment	Current articles	Description of amendment
<p>Article 4. Assessment and operating procedures for acquiring or disposing of assets</p> <p>1. (Omitted)</p> <p>2. Procedures for acquiring or disposing of real property and equipment</p> <p>(1)(Omitted)</p> <p>(2) In acquiring or disposing of real property or equipment, where the transaction amount reaches 20 percent of the Corporation's paid-in capital or NT\$300 million or more, the Corporation, unless transacting with a government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>1. (Omitted)</p> <p>2. (Omitted)</p> <p>3. (Omitted)</p> <p>4. (Omitted)</p> <p><u>3.</u> Procedures for acquiring or disposing of memberships, intangible assets or other major assets: (Omitted)</p> <p><u>4.</u> The amount of transactions in the preceding 3 paragraphs shall be calculated, (Omitted)</p> <p><u>5.</u> Where the Corporation acquires or disposes of assets through court auction procedures:</p>	<p>Article 4. Assessment and operating procedures for acquiring or disposing of assets</p> <p>1. (Omitted)</p> <p>2. Procedures for acquiring or disposing of real property or equipment</p> <p>(1) (Omitted)</p> <p>(2) In acquiring or disposing of real property or equipment, where the transaction amount reaches 20 percent of the Corporation's paid-in capital or NT\$300 million or more, the Corporation, unless transacting with a government institution, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>1. (Omitted)</p> <p>2. (Omitted)</p> <p>3. (Omitted)</p> <p>4. (Omitted)</p> <p><u>3. (1)</u> Procedures for acquiring or disposing of memberships, intangible assets or other major assets: (Omitted)</p> <p><u>(2)</u> The amount of transactions in the preceding 3 paragraphs shall be calculated, (Omitted)</p> <p><u>4.</u> Where the Corporation acquires or</p>	<p>1. Pursuant to the Letter of Financial-Supervisory-Securities-Corporate No. 10600012965 dated February 9, 2017, to amend wordings and ease the restrictions on organizational restructuring without involving the share exchange ratio, or distribution of cash or other property to shareholders, where the Corporation may be exempted from obtaining the opinion on reasonableness of the share exchange ratio from the expert.</p> <p>2. To adjust numbers of</p>

Articles after amendment	Current articles	Description of amendment
<p>The evidentiary documentation issued by the court may be substituted for the appraisal report or CPA's opinion.</p> <p>6. Transactions with related parties:</p> <p>(1) The Corporation shall conduct the relevant procedures for making decisions and assessments on the reasonableness of trading terms in accordance with the provisions under <u>Paragraphs 1 to 3</u> and this paragraph while acquiring or disposing of assets from or to a related party; provided that, where the transaction amount reaches 10 percent or more of the Corporation's total assets, <u>it shall obtain the appraisal report issued by a professional appraiser or CPA's opinion.</u></p> <ol style="list-style-type: none"> (Omitted) When the Corporation intends to acquire or dispose of real property from or to a related party, or when it intends to acquire or dispose of assets other than real property from or to a related party and the transaction amount reaches 20 percent or more of the Corporation's paid-in capital, 10 percent or more of total assets, or NT\$300 million or more, except in trading of government bonds or bonds under repurchase and reverse repurchase agreements, or subscription or <u>repurchase of domestic money market funds issued by securities investment trust enterprises</u>, the Corporation may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit 	<p>disposes of assets through court auction procedures:</p> <p>The evidentiary documentation issued by the court may be substituted for the appraisal report or CPA's opinion.</p> <p>5. Transactions with related parties:</p> <p>The Corporation shall conduct the relevant procedures for making decisions and assessments on the reasonableness of trading terms in accordance with the provisions under <u>Paragraphs 1 to 3 of Article 4</u> and this paragraph while acquiring or disposing of assets from or to a related party; provided that, where the transaction amount reaches 10 percent or more of the Corporation's total assets, it shall obtain the appraisal report issued by a professional appraiser or CPA's opinion according to Article 4. The calculation of the transaction amounts referred to in the <u>preceding paragraph shall be made in accordance with Subparagraph 2 of Paragraph 3 of Article 4 herein.</u></p> <ol style="list-style-type: none"> (Omitted) When the Corporation intends to acquire or dispose of real property from or to a related party, or when it intends to acquire or dispose of assets other than real property from or to a related party and the transaction amount reaches 20 percent or more of the Corporation's paid-in capital, 10 percent or more of total assets, or NT\$300 million or more, except in trading of government bonds or bonds under repurchase and reverse repurchase agreements, or subscription or redemption of domestic money market funds, the Corporation may not proceed to enter into a transaction contract or make a payment until the following matters have been 	<p>provisions and amend wordings.</p>

Articles after amendment	Current articles	Description of amendment
<p>Committee and resolved by the board of directors:</p> <p>(1)(Omitted)</p> <p>(2)(Omitted)</p> <p>(3)With respect to the acquisition of real property from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with <u>Subparagraph (4), Subparagraph (5) and Subparagraph (6).</u></p> <p>(4)(Omitted)</p> <p>(5)(Omitted)</p> <p>(6)(Omitted)</p> <p>(7)(Omitted)</p> <p><u>(2)</u> The calculation of the transaction amounts referred to in the preceding subparagraph shall be made in accordance with Paragraph 2 of Article 5 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Audit Committee and resolved by the board of directors need not be counted toward the transaction amount. With respect to the acquisition or disposal of business-use equipment between the Corporation and its subsidiaries, the board of directors may authorize the Chairman to ratify the proposal within a certain limit first in accordance with Subparagraph <u>(1)</u> of Paragraph 1 of Article 4, and subsequently a proposal will be submitted to the next board of directors meeting for approval.</p> <p><u>(3)</u> Where the position of independent director has been created in the Corporation, when a matter is</p>	<p>approved by the Audit Committee and resolved by the board of directors:</p> <p>(1) (Omitted)</p> <p>(2) (Omitted)</p> <p>(3) With respect to the acquisition of real property from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Subparagraph 4, Subparagraph 5 and Subparagraph 6.</p> <p>(4) (Omitted)</p> <p>(5) (Omitted)</p> <p>(6) (Omitted)</p> <p>(7) (Omitted)</p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Paragraph 2 of Article 5 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Audit Committee and resolved by the board of directors need not be counted toward the transaction amount. With respect to the acquisition or disposal of business-use equipment between the Corporation and its subsidiaries, the board of directors may authorize the Chairman to ratify the proposal within a certain limit first in accordance with Subparagraph <u>1</u> of Paragraph 1 of Article 4, and subsequently a proposal will be submitted to the next board of directors meeting for approval.</p> <p><u>3.</u> Where the position of independent director has been created in the Corporation, when a matter is</p>	

Articles after amendment	Current articles	Description of amendment
<p>submitted for discussion by the board of directors pursuant to the preceding subparagraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting. Where matters that are subject to approval under the procedures in <u>Subparagraph (1)</u>, they shall be approved by more than half of all Audit Committee members and submitted to the board for a resolution; if approval of more than half of all Audit Committee members is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the board meeting. The terms "all Audit Committee members" and "all directors" as stated herein shall be counted as the actual number of persons currently holding those positions.</p> <p><u>(4) The Corporation that acquires real property from a related party</u> shall evaluate the reasonableness of the transaction costs by the following means and shall also engage a CPA to check the appraisal and render a specific opinion.</p> <ol style="list-style-type: none"> 1. (Omitted) 2. (Omitted) 3. Where land and structures thereupon are combined as a single property purchased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with 	<p>submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting. Where matters that are subject to approval under the procedures in <u>Paragraph 2</u>, they shall be approved by more than half of all Audit Committee members and submitted to the board for a resolution; if approval of more than half of all Audit Committee members is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the board meeting. The terms "all Audit Committee members" and "all directors" as stated herein shall be counted as the actual number of persons currently holding those positions.</p> <p><u>4.</u> It shall evaluate the reasonableness of the transaction costs by the following means and shall also engage a CPA to check the appraisal and render a specific opinion.</p> <p><u>(1)</u> (Omitted)</p> <p><u>(2)</u> (Omitted)</p> <p><u>(3)</u> Where land and structures thereupon are combined as a single property purchased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either <u>(1) or (2)</u> of the means mentioned above.</p>	

Articles after amendment	Current articles	Description of amendment
<p>either <u>1</u> or <u>2</u> of the means mentioned above.</p> <p><u>(5)</u> Where the Corporation acquires real property from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with <u>Subparagraphs (1) to (3) and the preceding subparagraph does not apply:</u> (Omitted)</p> <p><u>(6)</u> When the results of the Corporation's appraisal conducted in accordance with Subparagraph <u>(4)</u> are uniformly lower than the transaction price for acquiring real property from the related party, the matter shall be handled in compliance with Subparagraph <u>(7)</u>. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA, this restriction shall not apply:</p> <p>1. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:</p> <p><u>(1)</u> Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division</p>	<p><u>5.</u> Where the Corporation acquires real property from a related party and one of the following circumstances exists, the acquisition shall be conducted in accordance with <u>Subparagraphs 2 to 3</u> and the preceding subparagraph does not apply: (Omitted)</p> <p><u>6.</u> When the results of the Corporation's appraisal conducted in accordance with Subparagraph <u>4</u> are uniformly lower than the transaction price for acquiring real property from the related party, the matter shall be handled in compliance with Subparagraph <u>7</u>. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA, this restriction shall not apply:</p> <p><u>(1)</u> Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:</p> <p><u>A.</u> Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent three years or the gross profit margin for the construction industry for the most recent period as</p>	

Articles after amendment	Current articles	Description of amendment
<p>over the most recent three years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.</p> <p>(2) Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market practices.</p> <p>(3) Completed leasing transactions by unrelated parties for other floors of the same property from within the preceding year, where the transaction terms are similar after calculation of reasonable price discrepancies among floors in accordance with standard property leasing market practices.</p> <p>2. Where the Corporation acquiring real property from a related party provides evidence that the terms of the transaction are similar to the terms of transactions completed for the acquisition of neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year. Completed transactions for neighboring or closely valued parcels of land <u>as stated herein</u> in principle</p>	<p>announced by the Ministry of Finance, whichever is lower.</p> <p>B. Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market practices.</p> <p>C. Completed leasing transactions by unrelated parties for other floors of the same property from within the preceding year, where the transaction terms are similar after calculation of reasonable price discrepancies among floors in accordance with standard property leasing market practices.</p> <p>(2) Where the Corporation acquiring real property from a related party provides evidence that the terms of the transaction are similar to the terms of transactions completed for the acquisition of neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.</p> <p>Completed transactions for neighboring or closely valued parcels of land <u>as stated herein</u> in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transaction for similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels</p>	

Articles after amendment	Current articles	Description of amendment
<p>refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transaction for similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property.</p> <p><u>(7)</u> Where the Corporation acquires real property from a related party and the results of appraisals conducted in accordance with <u>Subparagraphs (4) to (6)</u> are uniformly lower than the transaction price, the following steps shall be taken:</p> <p>(1)(Omitted)</p> <p>(2)(Omitted)</p> <p>(3)Actions taken pursuant to Item <u>1.</u> and Item <u>2.</u> shall be reported to an Annual General Shareholders' Meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.</p> <p>(4)The Corporation that has set aside a special reserve in accordance with Item <u>1.</u> shall... (Omitted).</p> <p><u>(8)</u> The Corporation shall also comply with Subparagraph <u>(7)</u> if there is other evidence indicating that the acquisition of real property from a related party was not an arms length transaction.</p> <p><u>7.</u>Engaging in derivatives trading</p> <p>(1) The Corporation engaging in derivatives trading shall pay strict attention to control of risk</p>	<p>with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property.</p> <p><u>(7)</u> Where the Corporation acquires real property from a related party and the results of appraisals conducted in accordance with <u>Subparagraphs 4 to 6</u> are uniformly lower than the transaction price, the following steps shall be taken:</p> <p><u>(1)</u> (Omitted)</p> <p><u>(2)</u> (Omitted)</p> <p><u>(3)</u> Actions taken pursuant to Item <u>(1)</u> and Item <u>(2)</u> shall be reported to an Annual General Shareholders' Meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.</p> <p><u>(4)</u> The Corporation that has set aside a special reserve in accordance with Item <u>(1)</u> shall... (Omitted).</p> <p><u>8.</u> The Corporation shall also comply with Subparagraph <u>7</u> if there is other evidence indicating that the acquisition of real property from a related party was not an arm's length transaction.</p> <p><u>6.</u>Engaging in derivatives trading</p> <p>(1) The Corporation engaging in derivatives trading shall pay strict attention to control of risk</p>	

Articles after amendment	Current articles	Description of amendment
<p>management and auditing matters. Here are the handling procedures:</p> <p>1. Trading principles and strategies:</p> <p>(1)(Omitted)</p> <p>(2)(Omitted)</p> <p>(3)(Omitted)</p> <p>(4)(Omitted)</p> <p>(5) The following are the Corporation's segregation of duties for engaging in derivatives trading:</p> <p>A. The board of directors authorizes the President to be fully responsible for approving the execution of transactions, and supervisors of different levels shall make ratification first in accordance with the limits as below:</p> <p><u>a.</u> If the amount of an individual contract is equivalent to NT\$100 million (or in equivalent foreign currency) (included) or lower, the Vice President of the Finance Department shall make ratification first.</p> <p><u>b.</u> If the amount of an individual contract is higher than NT\$100 million (or in equivalent foreign currency), the President shall approve the execution.</p> <p>B. (Omitted)</p> <p>C. (Omitted)</p> <p>(6)(Omitted)</p> <p>(7)(Omitted)</p>	<p>management and auditing matters. Here are the handling procedures:</p> <p>1. Trading principles and strategies:</p> <p>(1) (Omitted)</p> <p>(2) (Omitted)</p> <p>(3) (Omitted)</p> <p>(4) (Omitted)</p> <p>(5) The following are the Corporation's segregation of duties for engaging in derivatives trading:</p> <p>A. The board of directors authorizes the President to be fully responsible for approving the execution of transactions, and supervisors of different levels shall make ratification first in accordance with the limits as below:</p> <p><u>(1)</u> If the amount of an individual contract is equivalent to NT\$100 million (or in equivalent foreign currency) (included) or lower, the Vice President of the Finance Department shall make ratification first.</p> <p><u>(2)</u> If the amount of an individual contract is higher than NT\$100 million (or in equivalent foreign currency), the President shall approve the execution.</p> <p>B. (Omitted)</p> <p>C. (Omitted)</p> <p>(6) (Omitted)</p> <p>(7) (Omitted)</p> <p>2. Risk management measures:</p>	

Articles after amendment	Current articles	Description of amendment
<p>2. Risk management measures: (Omitted)</p> <p>3. Internal audit system: (Omitted)</p> <p>4. Methods of periodical evaluations and dealing with irregular circumstances (Omitted)</p> <p>(2) Where the Corporation engages in derivatives trading, the board of directors shall supervise and manage such trading in accordance with the following principles:</p> <p>1. (Omitted)</p> <p>2. (Omitted)</p> <p>3. (Omitted)</p> <p>4. (Omitted)</p> <p>5. Senior management personnel authorized by the board of directors shall periodically evaluate whether the risk management measures currently employed are appropriate and are faithfully conducted in accordance with these Procedures and the procedures for engaging in derivatives trading formulated by the Corporation.</p> <p>6. (Omitted)</p> <p>(3) The Corporation engaging in derivatives trading:</p> <p>1. shall establish a log book in which details of the types and amounts of derivatives trading engaged in, board of directors approval dates, and the matters required to be carefully evaluated under Item 2-(5) of Subparagraph (1) of Paragraph 7 of Article 4 and Items 2 to 5 of Subparagraph (2) of Paragraph 7 of Article 4 shall be recorded in detail in the log book.</p> <p>2. (Omitted)</p>	<p>(Omitted)</p> <p>3. Internal audit system: (Omitted)</p> <p>4. Methods of periodical evaluations and dealing with irregular circumstances (Omitted)</p> <p>(2) Where the Corporation engages in derivatives trading, the board of directors shall supervise and manage such trading in accordance with the following principles:</p> <p>1. (Omitted)</p> <p>2. (Omitted)</p> <p>3. (Omitted)</p> <p>4. (Omitted)</p> <p>5. Senior management personnel authorized by the board of directors shall periodically evaluate whether the risk management measures currently employed are appropriate and are faithfully conducted in accordance with these Guidelines and the procedures for engaging in derivatives trading formulated by the Corporation.</p> <p>6. (Omitted)</p> <p>(3) The Corporation engaging in derivatives trading:</p> <p>1. shall establish a log book in which details of the types and amounts of derivatives trading engaged in, board of directors approval dates, and the matters required to be carefully evaluated under Item 2-(4) of Subparagraph (1) of Paragraph 6 of Article 4 and Items 4 and 5 of Subparagraph (2) of Paragraph 6 of Article 4 shall be recorded in detail in the</p>	

Articles after amendment	Current articles	Description of amendment
<p>8. Mergers, demergers, acquisitions, and transfers of shares</p> <p>(1) Prior to convening the board of directors meeting to resolve on the matter, the Corporation shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and passage. <u>However, where the Corporation merges the subsidiaries whose issued shares or total capital are wholly owned by itself directly or indirectly, or the subsidiaries whose issued shares or total capital are wholly owned by the Corporation directly or indirectly are merged together, the Corporation may be exempted from obtaining the aforementioned opinion on reasonableness from the expert.</u></p> <p>(2) (Omitted)</p> <p>(3) (Omitted)</p> <p>(4) (Omitted)</p> <p>(5) (Omitted)</p> <p>(6) (Omitted)</p> <p>(7) (Omitted)</p> <p>(8) (Omitted)</p> <p>(9) <u>The Corporation shall prepare a full written record of the following information with respect to mergers, demergers, acquisitions, or transfers of shares and retain it for 5 years for reference: (Omitted)</u></p> <p>(10) <u>When participating in a merger, demerger, acquisition, or transfer of another company's shares,</u> the Corporation shall, within 2 days counting inclusively from the date of</p>	<p>log book.</p> <p>2. (Omitted)</p> <p>7. Mergers, demergers, acquisitions, and transfers of shares</p> <p>(1) Prior to convening the board of directors meeting to resolve on the matter, the Corporation shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the board of directors for deliberation and passage.</p> <p>(2) (Omitted)</p> <p>(3) (Omitted)</p> <p>(4) (Omitted)</p> <p>(5) (Omitted)</p> <p>(6) (Omitted)</p> <p>(7) (Omitted)</p> <p>(8) (Omitted)</p> <p>(9) <u>When participating in a merger, demerger, acquisition, or transfer of another company's shares,</u> a company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for 5 years for reference: (Omitted)</p> <p>(10) <u>When participating in a merger, demerger, acquisition, or transfer of another company's shares,</u> a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days counting inclusively from the date of passage of a resolution by the board of directors, report in the prescribed format and via the Internet-based information system the information set out in subparagraphs 1 and 2 of the preceding paragraph to the FSC</p>	

Articles after amendment	Current articles	Description of amendment
<p>passage of a resolution by the board of directors, report in the prescribed format and via the Internet-based information system the information set out in <u>Items 1. and 2. of the preceding subparagraph</u> to the FSC for recordation.</p> <p>(11) Where any of the companies participating in a merger, demerger, acquisition, or transfer of another company's shares is not a public company, the Corporation shall sign an agreement with the non-public company whereby the latter is required to abide by the provisions of Subparagraph (3), Subparagraph (4), Subparagraph (5), Subparagraph (8), Subparagraph (9), and Subparagraph (10).</p> <p><u>9.</u> Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Corporation with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall not be a related party of any party to the transaction.</p> <p><u>10.</u> With respect to an acquisition or disposal of assets that is subject to the approval of the board of directors under the Procedures or required by other laws, if a director expresses dissent and it is contained in the minutes or a written statement, the Corporation shall submit the director's dissenting opinion to the Audit Committee. When an acquisition or disposal of assets is submitted to the board of directors for discussion, the board shall take into full consideration each independent director's opinions; if an independent director objects to or</p>	<p>for recordation.</p> <p>(11) Where any of the companies participating in a merger, demerger, acquisition, or transfer of another company's shares is not a public company, <u>the public company</u> shall sign an agreement with the non-public company whereby the latter is required to abide by the provisions of Subparagraph (3), Subparagraph (4), Subparagraph (5), Subparagraph (8), Subparagraph (9), and Subparagraph (10).</p> <p><u>8.</u> Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Corporation with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall not be a related party of any party to the transaction.</p> <p><u>9.</u> With respect to an acquisition or disposal of assets that is subject to the approval of the board of directors under the Procedures or required by other laws, if a director expresses dissent and it is contained in the minutes or a written statement, the Corporation shall submit the director's dissenting opinion to the Audit Committee. When an acquisition or disposal of assets is submitted to the board of directors for discussion, the board shall take into full consideration each independent director's opinions; if an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting. Transactions of major assets or financial derivatives shall be approved by more than half of all Audit Committee members and</p>	

Articles after amendment	Current articles	Description of amendment
<p>expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting. Transactions of major assets or financial derivatives shall be approved by more than half of all Audit Committee members and submitted to the board of directors for a resolution. If approval of more than half of all Audit Committee members is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the board of directors meeting. The terms "all Audit Committee members" and "all directors" as stated herein shall be counted as the actual number of persons currently holding those positions.</p>	<p>submitted to the board of directors for a resolution. If approval of more than half of all Audit Committee members is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the board of directors meeting. The terms "all Audit Committee members" and "all directors" as stated herein shall be counted as the actual number of persons currently holding those positions.</p>	
<p>Article 5 Procedure for public announcement and declaration:</p> <p>1. Under any of the following circumstances, the Corporation acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the prescribed format based on the nature within 2 days counting inclusively from the date of occurrence of the event:</p> <p>(1) Acquisition or disposal of real estate from or to a related party, or acquisition or disposal of assets other than real estate from or to a related party where the transaction amount reaches 20 percent or more of the Corporation's paid-in capital, 10 percent or more of total assets, or NT\$300 million or more. Provided, this shall not apply to trading of government bonds or bonds under repurchase and reverse</p>	<p>Article 5 Procedure for public announcement and declaration:</p> <p>1. Under any of the following circumstances, the Corporation acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the prescribed format based on the nature within 2 days counting inclusively from the date of occurrence of the event:</p> <p>(1) Acquisition or disposal of real estate from or to a related party, or acquisition or disposal of assets other than real estate from or to a related party where the transaction amount reaches 20 percent or more of the Corporation's paid-in capital, 10 percent or more of total assets, or NT\$300 million or more. Provided, this shall not apply to trading of government bonds or bonds</p>	<p>1. Pursuant to the Letter No. 10600012965 issued by FSC dated February 9, 2017:</p> <p>(1) To amend wordings;</p> <p>(2) In respect of the public company whose paid-in capital is NT\$10 billion or more, if the equipment is acquired or disposed of for business use, and the trading counterparty is not a related party, the requirement for making</p>

Articles after amendment	Current articles	Description of amendment
<p>repurchase agreements, or subscription or <u>repurchase of domestic money market funds issued by securities investment trust enterprises.</u></p> <p>(2) Merger, demerger, acquisition, or transfer of shares.</p> <p>(3) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Corporation.</p> <p><u>(4)</u> Where the type of asset acquired or disposed is equipment for business use, the trading counterparty is not a related party, and the transaction amount is <u>NT\$1 billion</u> or more.</p> <p><u>(5)</u> Where land is acquired under an arrangement on engaging others to build on the Corporation's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the amount the Corporation expects to invest in the transaction is NT\$500 million or more.</p> <p><u>(6)</u> Where an asset transaction other than any of those referred to in the preceding <u>five</u> subparagraphs, or an investment in the mainland China area reaches 20 percent or more of the Corporation's paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <ol style="list-style-type: none"> 1.(Omitted) 2.(Omitted) 	<p>under repurchase and reverse repurchase agreements, or subscription or redemption of domestic money market funds.</p> <p>(2) Merger, demerger, acquisition, or transfer of shares.</p> <p>(3) Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Corporation.</p> <p><u>(4)</u> Where an asset transaction other than any of those referred to in the preceding three subparagraphs, or an investment in the mainland China area reaches 20 percent or more of the Corporation's paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <ol style="list-style-type: none"> 1. (Omitted) 2. (Omitted) 3. Trading of bonds under repurchase and reverse repurchase agreements, or subscription or <u>redemption of domestic money market funds.</u> <u>4.</u> Where the type of asset acquired or disposed is equipment for business use, the trading counterparty is not a related party, and the transaction amount is <u>less than NT\$500 million.</u> <u>5.</u> Where land is acquired under an arrangement on engaging others to build on the Corporation's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation 	<p>public announcements is eased to a transaction amount reaching no less than NT\$1 billion;</p> <p>(3) to adjust numbers of provisions;</p> <p>(4) To explicitly state that when the Corporation at the time of public announcement makes an error or omission in an item of regulatory announcements and so is required to correct it, all the items shall be again publicly announced and declared in their entirety within two days from the day of becoming aware of the event.</p> <p>2. To adjust numbers of provisions and amend wordings.</p>

Articles after amendment	Current articles	Description of amendment
<p>3. Trading of bonds under repurchase and reverse repurchase agreements, or subscription or repurchase of domestic money market funds <u>issued by securities investment trust enterprises.</u></p> <p><u>2.</u> The amount of transactions described in the preceding paragraph shall be calculated as follows: (Omitted)</p> <p><u>3. The Corporation</u> shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by itself and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p><u>4.</u> When the Corporation at the time of public announcement makes an error or omission in an item of regulatory announcement and so is required to correct it, all the items shall be again publicly announced and declared in their entirety <u>within two days from the day of becoming aware of the event.</u></p> <p><u>5.</u> When acquiring or disposing of assets, the Corporation shall keep all relevant contracts, meeting minutes, log books, appraisal reports and certified public accountant, attorney, and securities underwriter opinions at the Corporation, where they shall be retained for 5 years except where another act provides otherwise.</p> <p><u>6.</u> When any of the following circumstances occurs with respect to a transaction that the Corporation has already publicly announced in accordance with the regulations set out in Paragraphs 1 and 2, a public report of relevant information shall be made on the website designated</p>	<p>of ownership percentages, or joint construction and separate sale, and the amount the Corporation expects to invest in the transaction is <u>no more than</u> NT\$500 million.</p> <p>The amount of transactions described in the preceding paragraph shall be calculated as follows: (Omitted)</p> <p><u>2.</u> It shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by itself and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p><u>3.</u> When the Corporation at the time of public announcement makes an error or omission in an item of regulatory announcement and so is required to correct it, all the items shall be again publicly announced and declared in their entirety.</p> <p><u>4.</u> When acquiring or disposing of assets, the Corporation shall keep all relevant contracts, meeting minutes, log books, appraisal reports and certified public accountant, attorney, and securities underwriter opinions at the Corporation, where they shall be retained for 5 years except where another act provides otherwise.</p> <p><u>5.</u> When any of the following circumstances occurs with respect to a transaction that the Corporation has already publicly announced in accordance with the regulations set out in Paragraphs 1 and 2, a public report of relevant information shall be made on the website designated by the FSC</p>	

Articles after amendment	Current articles	Description of amendment
<p>by the FSC within 2 days commencing immediately from the date of occurrence of the event:</p> <p>(1) Change, termination, or rescission of a contract signed in regards to the original transaction.</p> <p>(2) The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.</p> <p>(3) Change to the originally publicly announced and reported information.</p> <p><u>7.</u> When the Corporation and its subsidiaries acquire or dispose of assets, they shall publicly announce or declare the relevant information according to Taiwan Stock Exchange Corporation Rules Governing Information Reporting by Companies with TWSE Listed Securities, Procedures for Verification and Disclosure of Material Information of Companies with TWSE Listed Securities, and Procedures for Press Conferences Concerning Material Information of Listed Companies.</p> <p><u>8.</u> The Corporation shall conduct regulatory announcements in the format and items according to the announcements on the FSC' s designated website.</p>	<p>within 2 days commencing immediately from the date of occurrence of the event:</p> <p>(1) Change, termination, or rescission of a contract signed in regards to the original transaction.</p> <p>(2) The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.</p> <p>(3) Change to the originally publicly announced and reported information.</p> <p><u>6.</u> When the Corporation and its subsidiaries acquire or dispose of assets, they shall publicly announce or declare the relevant information according to Taiwan Stock Exchange Corporation Rules Governing Information Reporting by Companies with TWSE Listed Securities, Procedures for Verification and Disclosure of Material Information of Companies with TWSE Listed Securities, and Procedures for Press Conferences Concerning Material Information of Listed Companies.</p> <p><u>7.</u> The Corporation shall conduct regulatory announcements in the format and items according to the announcements on the FSC' s designated website.</p>	

Annex VI : List of Candidates for the By-election of Independent Director

Title	Name	Educational Background	Major Past Positions & Current Positions	Shareholdings (shares)
Independent Director	Sheng Chin Jen	Ph.D. in Political Science from US Northwestern University	<p>Major Past Positions :</p> <p>Chairperson of Council for Cultural Affairs, Executive Yuan</p> <p>CEO of the Republic of China Centennial Foundation</p> <p>Chairperson of the Research, Development and Evaluation Commission (RDEC) of Taipei City Government</p> <p>CEO of the 2009 Summer Deaflympics</p> <p>Professor at the Department of Political Science at Soochow University</p> <p>Current Positions:</p> <p>Taiwan Prosperity Chemical Corp.: Independent Director</p> <p>L'Hotel de Chine Group: President</p> <p>FDC International Hotels Corporation: Chairman</p>	0

Annex VII : List of Directors to be Released from Non-competition Restriction

Name of Director	List of companies that the director may serve as within the scope of the company's business
Heng Qiang Investment Co., Ltd. Representative: Koo Kung Yi	Taiwan Cement Corporation legal entity representative director Taiwan Prosperity Chemical Corporation legal entity representative director TCC International Holdings Limited legal entity representative Director and General Manager
Independent Director Sheng Chin Jen	Taiwan Prosperity Chemical Corp.: Independent Director. L'Hotel de Chine Group: General Manager FDC International Hotels Corporation: Chairman