

FORMOSA
LIBERTY CORPORATION

Financial Statements
As of and for the Year Ended
December 31, 2014

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Accountant's Compilation Report

Board of Directors
Formosa Liberty Corporation

I have compiled the accompanying balance sheet of Formosa Liberty Corporation as of December 31, 2014, and the related statements of operations, changes in shareholders' equity and cash flows for the year then ended. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with GAAP. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the organization's assets, liabilities, net assets, revenue, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.



Chicago, Illinois USA
January 11, 2015

Assets	
Current assets	
Cash	5,000
Total current assets	**$ 5,000**
Noncurrent assets	
Bond assignment contracts	129,903
Total noncurrent assets	**$ 129,903**
Total assets	**$ 134,903**
Liabilities & Shareholders' Equity	
Current liabilities	
Accounts payable	1,960
Total current liabilities	**$ 1,960**
Total liabilities	**$ 1,960**
Shareholders' equity	
Common stock	$ 2,222
Additional paid-in capital	867,757
Accumulated other comprehensive income	20,206
Accumulated deficit	(757,242)
Total shareholders' equity	**$ 132,943**
Total liabilities and shareholders' equity	**$ 134,903**

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

Revenue	$	-
Operating Expenses	**$**	**(1,960)**
Net Loss	**$**	**(1,960)**

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

	Common Stock	Additional Paid in Capital	Currency Translation Gain	Accumulated Deficit	Total
Balance at December 31, 2013	**$ 2,154**	**$ 185,990**	**$ -**	**$ (755,282)**	**$(567,138)**
Common stock issued in exchange for:					
Assumption of debt by shareholder	57	572,081	-	-	572,138
Bond assignment contracts	11	109,686	-	-	109,697
Currency translation gain	-	-	20,206	-	20,206
Net loss	-	-	-	(1,960)	(1,960)
Balance at December 31, 2014	**$ 2,222**	**$ 867,757**	**$ 20,206**	**$ (757,242)**	**$ 132,943**

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

Net loss	$	(1,960)
Increase in accounts payable		1,960
Cash flow from operating activities:	**$**	-
Cash flow from investing activities:	**$**	-
Cash flow from financing activities:	**$**	-
Net change in cash and cash equivalents	$	-
Cash and cash equivalents at beginning of the period		5,000
Cash and cash equivalents at end of the period	**$**	**5,000**
Interest paid	$	-
Taxes paid	$	-
Non cash investing and financing activities - debit (credit)		
Acquisition of bond assignment contracts for common stock		
Bond assignment contracts	$	109,697
Common stock	$	(11)
Additional paid-in capital	$	(109,686)
Common stock issued for assumption of debt by shareholder		
Debt	$	572,138
Common stock	$	(57)
Additional paid-in capital	$	(572,081)

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

1. Summary of Operations

Formosa Liberty has obtained assignment of over 10,000 defaulted bonds from Asia and Latin America for collection and restructuring. In the event of settlement or refinancing, Formosa Liberty will equally divide the net proceeds of the bonds with the assignors.

2. Basis of Accounting

The accompanying financial statements are prepared using accounting principles generally accepted in the United States of America and are expressed in United States dollars.

3. Bonds Subject to Assignment Contracts

Approximately half of the bonds are traded privately at prices between $10 to $7,500 each as "historic bonds." While Formosa Liberty hopes to settle these bonds at a premium over retail value, because these bonds are considered historic and are not currently traded on any exchange, Formosa Liberty makes no representations as to their values or settlement value. About half of the assigned bonds are currently listed and traded on the NYSE Euronext Paris Exchange; Formosa Liberty therefore has released the current exchange traded value of these bonds only. Formosa Liberty plans to settle these bonds at a substantial premium over the current discounted quote.

Description of Assigned Bonds	ISIN	Exchange	Market	Type	Market Quote	No. Assigned	Total
CHINE 5% 1913 REOG	XC0004573405	Euronext	Paris XPAR	Bond	€ 69.68	82	€ 5,714
CHINE 5% 1903	CN0001265163	Euronext	Paris XPAR	Bond	€ 0.95	68	€ 65
CHINE 4,50% 1908	CN0001265205	Euronext	Paris XPAR	Bond	€ 6.61	10	€ 66
CHINE 5 1911 100L	CN0001265320	Euronext	Paris XPAR	Bond	€ 11.91	18	€ 214
CHINE5%13 LUNG HAI	CN0001265361	Euronext	Paris XPAR	Bond	€ 6.21	974	€ 6,049
CHINE 5%1925	CN0001265502	Euronext	Paris XPAR	Bond	€ 43.26	1405	€ 60,780
CHINE 5% 1911 100	QS0018235794	Euronext	Paris XPAR	Bond	€ 11.91	18	€ 214
CHINE 5% 1911 20	QS0018235802	Euronext	Paris XPAR	Bond	€ 2.92	225	€ 657
CHINE LUNG HAI EST	QS0018235844	Euronext	Paris XPAR	Bond	€ 137.85	2	€ 276
CHINE 5% 1913 REOG	QS0018236107	Euronext	Paris XPAR	Bond	€ 10.37	3439	€ 35,662
							€ 109,697