

Axiomtek Co., Ltd. And Subsidiaries
Consolidated Balance Sheets

(In Thousands of New Taiwan Dollars)

Item	2015/3/31	2014/12/31	2014/3/31
Assets			
Current assets			
Cash and cash equivalents			
Total cash and cash equivalents	524,808	377,502	502,823
Current financial assets at fair value through profit or loss			
Total current financial assets at fair value through profit or loss	42,010	173,100	18,012
Notes receivable, net			
Notes receivable, net	21,269	6,339	2,705
Accounts receivable, net			
Accounts receivable, net	566,056	557,204	526,610
Other receivables			
Other receivables, net	21,191	13,509	33,242
Inventories			
Total inventories	813,018	780,656	835,416
Prepayments			
Total prepayments	17,379	16,836	18,630
Other current assets			
Total other current assets	7,023	5,399	9,131
Total current assets	2,012,754	1,930,545	1,946,569
Non-current assets			
Non-current financial assets at cost			
Non-current financial assets at cost, net	923	923	923
Property, plant and equipment			
Total property, plant and equipment	371,076	346,937	347,072
Intangible assets			
Total intangible assets	140,581	143,060	132,831
Deferred tax assets			
	35,550	35,662	32,615
Other non-current assets			
Prepayments for business facilities	121,501	128,960	165
Other non-current assets, others	9,280	9,163	12,368
Total other non-current assets, others	130,781	138,123	12,533
Total non-current assets	678,911	664,705	525,974
Total assets	2,691,665	2,595,250	2,472,543
Liabilities and equity			
Liabilities			
Current liabilities			
Short-term borrowings			
Total short-term borrowings	10,000	15,200	0
Notes payable			
Total notes payable	154	192	286
Accounts payable			
Total accounts payable	376,303	333,386	409,490
Accounts payable to related parties			
Total accounts payable to related parties	2,323	5,144	21,464
Other payables			
Total other payables	260,230	321,057	234,289
Current tax liabilities			
	87,911	69,130	82,682
Other current liabilities			
Total other current liabilities	46,201	23,745	45,561
Total current liabilities	783,122	767,854	793,772
Non-current liabilities			
Long-term borrowings			
Total long-term borrowings	122,568	123,939	55,117
Deferred tax liabilities			
Total deferred tax liabilities	59,085	62,350	52,504
Other non-current liabilities			
Total other non-current liabilities	40,798	41,065	42,581
Total non-current liabilities	222,451	227,354	150,202
Total liabilities	1,005,573	995,208	943,974

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Item	<u>2015/3/31</u>	<u>2014/12/31</u>	<u>2014/3/31</u>
Equity			
Equity attributable to shareholders of the parent			
Share capital			
Ordinary share	783,450	783,450	780,740
Advance receipts for ordinary share	9,679	153	429
Total capital stock	793,129	783,603	781,169
Capital surplus			
Total capital surplus	128,062	128,062	124,150
Retained earnings			
Legal reserve	257,801	257,801	230,919
Special reserve	0	0	27,849
Unappropriated retained earnings (accumulated deficit)			
Total unappropriated retained earnings (accumulated deficit)	460,769	371,791	312,689
Total retained earnings	718,570	629,592	571,457
Other equity interest			
Total other equity interest	4,502	20,270	12,116
Treasury shares	0	0	0
Equity attributable to shareholders of the parent	1,644,263	1,561,527	1,488,892
Noncontrolling interests	41,829	38,515	39,677
Total equity	1,686,092	1,600,042	1,528,569
Total liabilities and equity	2,691,665	2,595,250	2,472,543
Number of shares to be write-off	0	0	0
Equivalent issue shares of advance receipts for ordinary share	444,000	7,000	19,000
Number of shares in entity held by entity and by its subsidiaries	0	0	0

Axiomtek Co., Ltd. And Subsidiaries
Consolidated Statements of Comprehensive Income

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Item	<u>2015/1/1-3/31</u>	<u>2014/1/1-3/31</u>
Operating revenue		
Total operating revenue	1,144,162	1,094,581
Operating costs		
Total operating costs	744,561	707,304
Gross profit (loss) from operations	399,601	387,277
Gross profit (loss) from operations	399,601	387,277
Operating expenses		
Selling expenses		
Total selling expenses	149,123	134,348
Administrative expenses		
Total administrative expenses	26,685	28,100
Research and development expenses		
Total research and development expenses	93,865	87,799
Total operating expenses	269,673	250,247
Net operating income (loss)	129,928	137,030
Non-operating income and expenses		
Other income		
Total other income	754	783
Other gains and losses		
Other gains and losses, net	-10,309	9,745
Finance costs		
Finance costs, net	836	454
Total non-operating income and expenses	-10,391	10,074
Profit (loss) from continuing operations before tax	119,537	147,104
Tax expense (income)		
Total tax expense (income)	27,075	38,249
Profit (loss) from continuing operations	92,462	108,855
Profit (loss)	92,462	108,855
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign financial statements	-18,778	10,554
Income tax benefit (expense) related to components of other comprehensive income that may be reclassified subsequently	-3,010	1,490
Other comprehensive income (loss) for the period, net of income tax	-15,768	9,064
Other comprehensive income, net	-15,768	9,064
Comprehensive income	76,694	117,919
NET INCOME (LOSS) ATTRIBUTABLE TO:		
Shareholders of the parent	88,978	104,917
Noncontrolling interests	3,484	3,938
TOTAL COMPREHENSIVE INCOME (LOSS)		
ATTRIBUTABLE TO:		
Shareholders of the parent	73,210	113,981
Noncontrolling interests	3,484	3,938
Basic earnings per share		
Total basic earnings per share	1.13	1.35
Diluted earnings per share		
Total diluted earnings per share	1.11	1.32

Axiomtek Co., Ltd. And Subsidiaries
 Consolidated Statements of Changes in Equity

(In Thousands of New Taiwan Dollars)

Item	Ordinary share	Advance receipts for ordinary share	Total capital stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial	Total other equity interest	Equity Attributable to Shareholders of the Parent	Noncontrolling interests	Total equity
Balance, January 1, 2015	783,450	153	783,603	128,062	257,801	-	371,791	629,592	20,270	20,270	1,561,527	38,515	1,600,042
Profit (loss)							88,978	88,978			88,978	3,484	92,462
OTHER COMPREHENSIVE INCOME (LOSS)									15,768	15,768	15,768	-	15,768
Comprehensive Income							88,978	88,978	15,768	15,768	73,210	3,484	76,694
Increase (decrease) in noncontrolling interests												170	170
Other		9,526	9,526								9,526		9,526
Total increase (decrease) in equity		9,526	9,526				88,978	88,978	15,768	15,768	82,736	3,314	86,050
Balance, March 31, 2015	783,450	9,679	793,129	128,062	257,801	-	460,769	718,570	4,502	4,502	1,644,263	41,829	1,686,092

(In Thousands of New Taiwan Dollars)

Item	Ordinary share	Advance receipts for ordinary share	Total capital stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial	Total other equity interest	Equity Attributable to Shareholders of the Parent	Noncontrolling interests	Total equity
Balance, January 1, 2014	776,540	0	776,540	118,925	230,919	27,849	207,772	466,540	3,052	3,052	1,365,057	35,454	1,400,511
Profit (loss)							104,917	104,917			104,917	3,938	108,855
OTHER COMPREHENSIVE INCOME (LOSS)									9,064	9,064	9,064		9,064
Comprehensive Income							104,917	104,917	9,064	9,064	113,981	3,938	117,919
Increase (decrease) in noncontrolling interests												285	285
Share-based payments													
Other	4,200	429	4,629	5,292							9,921		9,921
Total increase (decrease) in equity	4,200	429	4,629	5,225	0	0	104,917	104,917	9,064	9,064	123,835	4,223	128,058
Balance, March 31, 2014	780,740	429	781,169	124,150	230,919	27,849	312,689	571,457	12,116	12,116	1,488,892	39,677	1,528,569

Axiomtek Co., Ltd. And Subsidiaries
Consolidated Statements of Cash Flows

	(In Thousands of New Taiwan Dollars)	
Item	2015/1/1-3/31	2014/1/1-3/31
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	119,537	147,104
Profit (loss) before tax	119,537	147,104
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	9,885	8,666
Amortization expense	2,999	1,957
Provision (reversal of provision) for bad debt expense	188	178
Net loss (gain) on financial assets or liabilities at fair value through profit or	90	19
Interest expense	836	454
Interest revenue	-270	-156
Share-based payments	0	-67
Loss (gain) on disposal of property, plan and equipment	0	6
Loss (gain) on disposal of investments	-232	-164
Total adjustments to reconcile profit (loss)	13,496	10,893
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in financial assets held for trading	131,232	109,164
Decrease (increase) in notes receivable	-14,930	7,731
Decrease (increase) in accounts receivable	-8,952	-68,568
Decrease (increase) in other receivable	-7,682	-12,103
Decrease (increase) in inventories	-32,246	-183,438
Decrease (increase) in prepayments	-543	-6,023
Decrease (increase) in other current assets	-1,624	-4,295
Total changes in operating assets	65,255	-157,532
Changes in operating liabilities		
Increase (decrease) in notes payable	-38	104
Increase (decrease) in accounts payable	40,096	116,077
Increase (decrease) in other payable	-60,827	-25,671
Increase (decrease) in other current liabilities	23,876	30,829
Total changes in operating liabilities	3,107	121,339
Total changes in operating assets and liabilities	68,362	-36,193
Total adjustments	81,858	-25,300
Cash inflow (outflow) generated from operations	201,395	121,804
Interest received	270	156
Interest paid	-836	-454
Income taxes refund (paid)	-8,342	-2,206
Net cash flows from (used in) operating activities	192,487	119,300
Cash flows from (used in) investing activities		
Acquisition of property, plant and equipment	-11,375	-10,081
Proceeds from disposal of property, plant and equipment	0	2
Acquisition of intangible assets	-1,010	0
Increase in other non-current assets	-122	-40
Increase in prepayments for business facilities	-16,628	0
Net cash flows from (used in) investing activities	-29,135	-10,119
Cash flows from (used in) financing activities		
Decrease in short-term loans	-5,200	-2,000
Repayments of long-term debt	-1,364	-409

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 Consolidated Statements of Cash Flows

	(In Thousands of New Taiwan Dollars)	
Item	<u>2015/1/1-3/31</u>	<u>2014/1/1-3/31</u>
Decrease in other non-current liabilities	-267	-292
Exercise of employee share options	9,526	9,921
Change in noncontrolling interests	-170	285
Net cash flows from (used in) financing activities	2,525	7,505
Effect of exchange rate changes on cash and cash equivalents	-18,571	9,020
Net increase (decrease) in cash and cash equivalents	147,306	125,706
Cash and cash equivalents at beginning of period	377,502	377,117
Cash and cash equivalents at end of period	524,808	502,823
Cash and cash equivalents reported in the statement of financial position	524,808	502,823