

Axiomtek Co., Ltd.
Parent Company Only Balance Sheets

Expressed in Thousands of TWD

	2014/12/31		2013/12/31	
	Amount	%	Amount	%
Assets				
Current assets				
Total cash and cash equivalents	\$ 155,916	8	\$ 105,155	6
Total current financial assets at fair value through profit or loss	173,100	8	127,031	7
Notes receivable, net	3,171	-	9,719	-
Accounts receivable, net	126,961	6	106,547	6
Accounts receivable due from related parties, net	220,535	11	159,563	9
Other receivables, net	8,763	-	12,879	1
Other receivables due from related parties, net	19,662	1	16,022	1
Total inventories	301,967	15	302,974	16
Total prepayments	9,289	-	3,418	-
Total other current assets	1,255	-	512	-
Total current assets	1,020,619	49	843,820	46
Non-current assets				
Non-current financial assets at cost, net	923	-	923	-
Investments accounted for using equity method, net	792,853	38	752,466	41
Total property, plant and equipment	209,744	10	210,557	11
Total intangible assets	12,176	1	13,455	1
Deferred tax assets	18,643	1	16,195	1
Prepayments for business facilities	24,455	1	-	-
Guarantee deposits paid	4,541	-	6,223	-
Total non-current assets	1,063,335	51	999,819	54
Total assets	\$ 2,083,954	100	\$ 1,843,639	100
Liabilities and equity				
Liabilities				
Current liabilities				
Total notes payable	\$ 92	-	\$ 182	-
Total accounts payable	193,728	9	209,598	11
Total accounts payable to related parties	11,907	1	14,265	1
Total other payables	185,747	9	146,791	8
Current tax liabilities	45,310	2	31,100	2
Total advance receipts	9,156	-	6,174	-
Other current liabilities, others	1,226	-	1,224	-
Total current liabilities	447,166	21	409,334	22
Non-current liabilities				
Total deferred tax liabilities	43,635	2	35,106	2
Accrued pension liabilities	31,626	2	34,142	2
Total non-current liabilities	75,261	4	69,248	4
Total liabilities	522,427	25	478,582	26
Equity				
Share capital				
Ordinary share	783,450	38	776,540	42
Advance receipts for share capital	153	-	-	-
Capital surplus				
Total capital surplus	128,062	6	118,925	7
Retained earnings				
Legal reserve	257,801	12	230,919	13
Special reserve	-	-	27,849	1
Total unappropriated retained earnings (accumulated deficit)	371,791	18	207,772	11
Other equity interest				
Total other equity interest	20,270	1	3,052	-
Treasury shares				
Total equity	1,561,527	75	1,365,057	74
Major commitment & contingent item				
Total liabilities and equity	\$ 2,083,954	100	\$ 1,843,639	100

Axiomtek Co., Ltd.

Parent Company Only Statements of Comprehensive Income

Expressed in Thousands of TWD (except for EPS)

	2014		2013	
	Amount	%	Amount	%
Operating revenue				
Total operating revenue	\$ 2,436,694	100	\$ 2,003,259	100
Operating costs				
Total operating costs	(1,727,437)	(71)	(1,474,896)	(74)
Gross profit (loss) from operations	709,257	29	528,363	26
Unrealized profit (loss) from sales	(38,975)	(2)	(22,812)	(1)
Realized profit (loss) on from sales	22,812	1	18,242	1
Gross profit (loss) from operations	693,094	28	523,793	26
Operating expenses				
Total selling expenses	(65,124)	(4)	(63,272)	(4)
Total administrative expenses	(77,753)	(3)	(68,895)	(3)
Total research and development expenses	(274,661)	(11)	(224,088)	(11)
Total operating expenses	(417,538)	(18)	(356,255)	(18)
Net operating income (loss)	275,556	11	167,538	8
Non-operating income and expenses				
Total other income	12,223	1	13,167	1
Other gains and losses, net	16,058	1	3,461	-
Finance costs, net	(33)	-	(191)	-
Share of profit (loss) of associates and joint ventures accounted for using equity method, net	128,606	5	118,399	6
Total non-operating income and expenses	156,854	7	134,836	7
Profit (loss) before tax	432,410	18	302,374	15
Total tax expense (income)	(61,847)	(3)	(33,557)	(2)
Profit (loss)	\$ 370,563	15	\$ 268,817	13
Other comprehensive income				
Other comprehensive income, before tax, exchange differences on translation	\$ 19,638	1	\$ 16,949	1
Other comprehensive income, before tax, actuarial gains (losses) on defined benefit plans	1,689	-	(2,555)	-
Total share of other comprehensive income of associates and joint ventures accounted for using equity method	(773)	-	498	-
Income tax relating to components of other comprehensive income	(2,576)	-	(2,562)	-
Other comprehensive income, net	\$ 17,978	1	\$ 12,330	1
Comprehensive income	\$ 388,541	16	\$ 281,147	14
Basic earnings per share				
Total basic earnings per share	\$	4.75	\$	3.47
Diluted earnings per share				
Total diluted earnings per share	\$	4.62	\$	3.39

Axiomtek Co., Ltd.
Parent Company Only Statements of Change in Equity
For the Years Ended December 31, 2014 and 2013

Expressed in Thousands of TWD

	Share capital		Capital surplus				Retained Earnings			Exchange differences on translation of foreign financial statements	Total
	Ordinary share	Advance receipts for share capital	Capital surplus In Excess of par value-Common Stock	Capital surplus In Excess of par value-Treasury Stock	Capital surplus from Gain on Disposal of Property	Capital surplus from stock option exercised by employees	Legal Reserve	Special Reserve	Unappropriated retained earnings		
Year 2014											
Beginning balance, January 1, 2014	\$ 776,540	\$ -	\$ 102,288	\$ 1,026	\$ 2	\$ 15,609	\$ 230,919	\$ 27,849	\$ 207,772	\$ 3,052	\$ 1,365,057
Legal reserve appropriated							26,882		(26,882)	-	-
Appropriation and distribution of retained earnings:											
Reversal of special reserve								(27,849)	27,849	-	-
Cash dividends of ordinary share									(208,271)	-	(208,271)
Net income for 2014									370,563	-	370,563
Other comprehensive income(loss)	-		-	-	-	-			760	17,218	17,978
Stock option exercised by employees	6,910	153	8,505						-	-	15,568
Compensation cost of employee stock options			-			632	-		-	-	632
Ending balance, December 31, 2014	\$ 783,450	\$ 153	\$ 110,793	\$ 1,026	\$ 2	\$ 16,241	\$ 257,801	\$ -	\$ 371,791	\$ 20,270	\$ 1,561,527
Year 2013											
Beginning balance, January 1, 2013	\$ 773,430	\$ -	\$ 98,369	\$ 1,026	\$ 2	\$ 14,300	\$ 213,131	\$ 20,418	\$ 119,667	(\$ 10,901)	\$ 1,229,442
Appropriation and distribution of retained earnings:											
Legal reserve appropriated							17,788		(17,788)	-	-
Special reserve appropriated								7,431	(7,431)	-	-
Cash dividends of ordinary share									(151,592)	-	(151,592)
Net income for 2013									268,817	-	268,817
Other comprehensive income(loss)	-		-	-	-	-			(1,623)	13,953	12,330
Recognized arising from changes in percentage of ownership in subsidiaries									(2,278)	-	(2,278)
Stock option exercised by employees	3,110		3,919						-	-	7,029
Compensation cost of employee stock options			-			1,309	-		-	-	1,309
Ending balance, December 31, 2013	\$ 776,540	\$ -	\$ 102,288	\$ 1,026	\$ 2	\$ 15,609	\$ 230,919	\$ 27,849	\$ 207,772	\$ 3,052	\$ 1,365,057

Axiomtek Co., Ltd.
Parent Company Only Statements of Cash Flows

Expressed in Thousands of TWD

	2014	2013
Cash flows from (used in) operating activities, indirect method		
Profit (loss) before tax	\$ 432,410	\$ 302,374
Adjustments		
Adjustments to reconcile profit (loss)		
Provision (reversal of provision) for bad debt expense	(1,377)	-
Provision (reversal of provision) for bad debt expense	-	288
Depreciation expense	24,014	23,111
Amortization expense	3,009	2,537
Interest income	(513)	(151)
Allowance for inventory valuation loss	16,400	12,400
Loss (gain) on disposal of investments	(592)	(157)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(69)	(29)
Share of loss (profit) of associates and joint ventures accounted for using equity method	(128,606)	(118,399)
Dividend income	91,053	55,296
Loss (gain) on disposal of property, plan and equipment	(108)	-
Interest expense	33	191
Share-based payments	632	1,309
Unrealized profit (loss) from sales	16,163	4,570
Changes in operating assets and liabilities		
Changes in operating assets		
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(45,408)	(123,843)
Decrease (increase) in notes receivable	6,548	6,135
Decrease (increase) in accounts receivable	(80,009)	(52,448)
Decrease (increase) in other receivable	476	(26,214)
Decrease (increase) in inventories	(15,393)	(53,404)
Decrease (increase) in prepayments	(5,871)	24,545
Decrease (increase) in other current assets	(743)	(40)
Changes in operating liabilities		
Increase (decrease) in notes payable	(90)	180
Increase (decrease) in accounts payable	(18,228)	61,612
Increase (decrease) in other payable	36,848	14,738
Increase (decrease) in receipts in advance	-	(3,274)
Increase (decrease) in other current liabilities	2,984	375
Increase (decrease) in accrued pension liabilities	(827)	(1,028)
Cash inflow (outflow) generated from operations	332,736	130,674
Interest received	513	131
Interest paid	(33)	(191)
Income taxes refund (paid)	(44,264)	(21,077)
Net cash flows from (used in) operating activities	288,952	109,537
Cash flows from (used in) investing activities		
Acquisition of investments accounted for using equity method	-	-
Acquisition of property, plant and equipment	(21,120)	(15,564)
Proceeds from disposal of property, plant and equipment	135	17
Acquisition of intangible assets	(1,730)	(4,903)
Increase in prepayments for business facilities	(24,455)	-
Increase in refundable deposits	1,682	(409)
Net cash flows from (used in) investing activities	(45,488)	(20,859)
Cash flows from (used in) financing activities		
Cash dividends paid	(208,271)	(151,592)
Additional paid-in capital allocated to shareholders	-	-
Proceeds from sale of treasury shares	-	-
Exercise of employee share options	15,568	7,029
Net cash flows from (used in) financing activities	(192,703)	(144,563)
Net increase (decrease) in cash and cash equivalents	50,761	(55,885)
Cash and cash equivalents at beginning of period	105,155	161,040
Cash and cash equivalents at end of period	\$ 155,916	\$ 105,155