

Axiomtek Co., Ltd.
Parent Company Only Balance Sheets

Expressed in Thousands of TWD

	2015/12/31		2014/12/31	
	Amount	%	Amount	%
Assets				
Current assets				
Total cash and cash equivalents	\$ 319,811	13	\$ 155,916	8
Total current financial assets at fair value through profit or loss	98,013	4	173,100	8
Notes receivable, net	5,998	-	3,171	-
Accounts receivable, net	182,567	7	126,961	6
Accounts receivable due from related parties, net	333,188	14	220,535	11
Other receivables, net	10,264	1	8,763	-
Other receivables due from related parties, net	22,059	1	19,662	1
Total inventories	373,065	15	301,967	15
Total prepayments	6,931	-	9,289	-
Total other current assets	1,266	-	1,255	-
Total current assets	1,353,162	55	1,020,619	49
Non-current assets				
Non-current financial assets at cost, net	923	-	923	-
Investments accounted for using equity method, net	849,139	34	792,853	38
Total property, plant and equipment	228,527	9	209,744	10
Total intangible assets	18,337	1	12,176	1
Deferred tax assets	25,602	1	18,643	1
Prepayments for business facilities	-	-	24,455	1
Guarantee deposits paid	5,358	-	4,541	-
Total non-current assets	1,127,886	45	1,063,335	51
Total assets	\$ 2,481,048	100	\$ 2,083,954	100
Liabilities and equity				
Liabilities				
Current liabilities				
Total notes payable	\$ 720	-	\$ 92	-
Total accounts payable	400,197	16	191,291	9
Total accounts payable to related parties	33,154	1	14,344	1
Total other payables	184,373	8	185,747	9
Current tax liabilities	51,887	2	45,310	2
Total advance receipts	24,240	1	9,156	-
Other current liabilities, others	1,288	-	1,226	-
Total current liabilities	695,859	28	447,166	21
Non-current liabilities				
Total deferred tax liabilities	51,482	2	43,635	2
Accrued pension liabilities	40,640	2	31,626	2
Total non-current liabilities	92,122	4	75,261	4
Total liabilities	787,981	32	522,427	25
Equity				
Share capital				
Ordinary share	790,310	32	783,450	38
Advance receipts for share capital	-	-	153	-
Capital surplus				
Total capital surplus	143,033	6	128,062	6
Retained earnings				
Legal reserve	288,752	11	257,801	12
Special reserve	-	-	-	-
Total unappropriated retained earnings (accumulated deficit)	441,283	18	371,791	18
Other equity interest				
Total other equity interest	29,689	1	20,270	1
Treasury shares				
Total equity	1,693,067	68	1,561,527	75
Major commitment & contingent item				
Total liabilities and equity	\$ 2,481,048	100	\$ 2,083,954	100

Axiomtek Co., Ltd.
Parent Company Only Statements of Comprehensive Income

Expressed in Thousands of TWD (except for EPS)

	2015		2014	
	Amount	%	Amount	%
Operating revenue				
Total operating revenue	\$ 2,625,080	100	\$ 2,436,694	100
Operating costs				
Total operating costs	(1,812,848)	(69)	(1,727,437)	(71)
Gross profit (loss) from operations	812,232	31	709,257	29
Unrealized profit (loss) from sales	(65,967)	(2)	(38,975)	(2)
Realized profit (loss) on from sales	38,975	1	22,812	1
Gross profit (loss) from operations	785,240	30	693,094	28
Operating expenses				
Total selling expenses	(75,964)	(3)	(65,124)	(4)
Total administrative expenses	(89,435)	(3)	(77,753)	(3)
Total research and development expenses	(299,848)	(12)	(274,661)	(11)
Total operating expenses	(465,247)	(18)	(417,538)	(18)
Net operating income (loss)	319,993	12	275,556	11
Non-operating income and expenses				
Total other income	18,042	1	12,223	1
Other gains and losses, net	10,408	-	16,058	1
Finance costs, net	(192)	-	(33)	-
Share of profit (loss) of associates and joint ventures accounted for using equity method, net	144,378	6	128,606	5
Total non-operating income and expenses	172,636	7	156,854	7
Profit (loss) before tax	492,629	19	432,410	18
Total tax expense (income)	(68,530)	(3)	(61,847)	(3)
Profit (loss)	\$ 424,099	16	\$ 370,563	15
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss : profit or loss:				
Remeasurement of defined benefit obligation	(9,822)	-	1,689	-
Share of other comprehensive income (loss) of subsidiaries and associates	(1,416)	-	(773)	-
Income tax benefit (expense) related to items that will not be reclassified subsequently	1,910	-	(155)	-
Items that may be reclassified subsequently to profit or loss : profit or loss:				
Exchange differences arising on translation of foreign operations	6,587	-	13,981	-
Share of other comprehensive income (loss) of subsidiaries and associates	4,761	-	6,764	-
Income tax benefit (expense) related to items that may be reclassified subsequently	(1,929)	-	(3,527)	-
Other comprehensive income, net of tax	\$ 91	-	\$ 17,978	1
Comprehensive income	\$ 424,190	16	\$ 388,541	16
Basic earnings per share				
Total basic earnings per share	\$	5.38	\$	4.75
Diluted earnings per share				
Total diluted earnings per share	\$	5.25	\$	4.62

Axiomtek Co., Ltd.
Parent Company Only Statements of Change in Equity
For the Years Ended December 31, 2015 and 2014

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 2015											
Beginning balance, January 1, 2015	\$ 783,450	\$ 153	\$ 110,793	\$ 1,026	\$ 2	\$ 16,241	\$ 257,801	\$ -	\$ 371,791	\$ 20,270	\$ 1,561,527
Appropriation and distribution of retained earnings:											
Legal reserve appropriated							37,056		(37,056)		-
Reversal of Legal reserve							(6,105)		6,105		-
Cash dividends of ordinary share									(314,328)		(314,328)
Net income for 2015									424,099		424,099
Other comprehensive income(loss)									(9,328)	9,419	91
Stock option exercised by employees	6,860	(153)	7,826								14,533
Compensation cost of employee stock options						7,145					7,145
Ending balance, December 31, 2015	\$ 783,450	\$ -	\$ 118,619	\$ 1,026	\$ 2	\$ 23,386	\$ 288,752	\$ -	\$ 441,283	\$ 29,689	\$ 1,693,067
Year 2014											
Beginning balance, January 1, 2014	\$ 776,540	\$ -	\$ 102,288	\$ 1,026	\$ 2	\$ 15,609	\$ 230,919	\$ 27,848	\$ 207,772	\$ 3,052	\$ 1,365,056
Appropriation and distribution of retained earnings:											
Legal reserve appropriated							26,882		(26,882)		-
Reversal of special reserve								(27,848)	27,848		-
Cash dividends of ordinary share									(208,271)		(208,271)
Net income for 2014									370,563		370,563
Other comprehensive income(loss)									761	17,218	17,979
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

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

Expressed in Thousands of TWD

	2015	2014
Cash flows from (used in) operating activities, indirect method		
Profit (loss) before tax	\$ 492,629	\$ 432,410
Adjustments		
Adjustments to reconcile profit (loss)		
Reversal of provision for bad debt expense	-	(1,377)
Provision for bad debt expense	466	-
Depreciation expense	30,964	24,014
Amortization expense	4,383	3,009
Interest income	(1,739)	(513)
Allowance for inventory valuation loss	15,265	16,400
Loss (gain) on disposal of investments	(662)	(592)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	88	(69)
Share of loss (profit) of associates and joint ventures accounted for using equity method	(144,378)	(128,606)
Dividend income	66,595	91,053
Loss (gain) on disposal of property, plan and equipment	249	(108)
Interest expense	192	33
Impairment loss on intangible assets	3,868	-
Share-based payments	7,145	632
Unrealized profit (loss) from sales	26,992	16,163
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	75,661	(45,408)
Decrease (increase) in notes receivable	(2,827)	6,548
Decrease (increase) in accounts receivable	(168,725)	(80,009)
Decrease (increase) in other receivable	(3,897)	476
Decrease (increase) in inventories	(86,363)	(15,393)
Decrease (increase) in prepayments	2,358	(5,871)
Decrease (increase) in other current assets	(11)	(743)
Changes in operating liabilities		
Increase (decrease) in notes payable	628	(90)
Increase (decrease) in accounts payable	227,717	(18,228)
Increase (decrease) in other payable	(2,246)	36,848
Increase (decrease) in other current liabilities	15,145	2,984
Increase (decrease) in accrued pension liabilities	(808)	(827)
Cash inflow (outflow) generated from operations	558,689	332,736
Interest received	1,739	513
Interest paid	(192)	(33)
Income taxes refund (paid)	(60,516)	(44,264)
Net cash flows from (used in) operating activities	499,720	288,952
Cash flows from (used in) investing activities		
Acquisition of property, plant and equipment	(20,030)	(21,120)
Proceeds from disposal of property, plant and equipment	654	135
Acquisition of intangible assets	(10,544)	(1,730)
Increase in prepayments for business facilities	(5,293)	(24,455)
Increase in refundable deposits	(817)	1,682
Net cash flows from (used in) investing activities	(36,030)	(45,488)
Cash flows from (used in) financing activities		
Cash dividends paid	(314,328)	(208,271)
Exercise of employee share options	14,533	15,568
Net cash flows from (used in) financing activities	(299,795)	(192,703)
Net increase (decrease) in cash and cash equivalents	163,895	50,761
Cash and cash equivalents at beginning of period	155,916	105,155
Cash and cash equivalents at end of period	\$ 319,811	\$ 155,916