

**Financial Statement – Balance Sheet**

Provided by: FSP Technology Inc.

Financial year: Yearly

Unit: NT\$ thousand

| Accounting Title  | 2013/12/31 | 2012/12/31 | 2012/01/01 |
|---|------------|------------|------------|
| <b>Balance Sheet</b>  |            |            |            |
| <b>Assets</b>   |            |            |            |
| Current assets  |            |            |            |
| Cash and cash equivalents   |            |            |            |
| Total cash and cash equivalents   | 4,114,055  | 3,939,026  | 3,348,567  |
| Current financial assets at fair value through profit or loss   |            |            |            |
| Current financial assets at fair value through profit or loss, designated as upon initial recognition | 271,564    | 218,712    | 311,780    |
| Total current financial assets at fair value through profit or loss                                   | 271,564    | 218,712    | 311,780    |
| Notes receivable, net   |            |            |            |
| Notes receivable, net   | 60,070     | 29,896     | 45,648     |
| Accounts receivable, net  |            |            |            |
| Accounts receivable, net  | 3,219,075  | 3,415,205  | 4,048,501  |
| Accounts receivable due from related parties, net   |            |            |            |
| Accounts receivable due from related parties  | 642,607    | 555,330    | 582,721    |
| Accounts receivable due from related parties, net   | 642,607    | 555,330    | 582,721    |
| Other receivables   |            |            |            |
| Other receivables, net  | 36,356     | 38,288     | 36,330     |
| Current tax assets  |            |            |            |
| Total current tax assets  | 322        | 323        | 13         |
| Inventories   |            |            |            |
| Inventories, manufacturing business   |            |            |            |
| Inventories, manufacturing business, net  | 1,830,021  | 1,475,628  | 2,208,604  |
| Total inventories   | 1,830,021  | 1,475,628  | 2,208,604  |
| Prepayments   |            |            |            |
| Total prepayments   | 91,537     | 90,481     | 116,292    |
| Other current assets  |            |            |            |
| Total other current assets  | 74,475     | 61,563     | 10,626     |
| Total current assets  | 10,340,082 | 9,824,452  | 10,709,082 |

|  |            |            |            |
|--|------------|------------|------------|
| Non-current assets                                   |            |            |            |
| Non-current available-for-sale financial assets      |            |            |            |
| Non-current available-for-sale financial assets, net | 731,866    | 406,312    | 243,535    |
| Investments accounted for using equity method        |            |            |            |
| Investments accounted for using equity method, net   | 24,674     | 23,943     | 24,211     |
| Property, plant and equipment                        |            |            |            |
| Total property, plant and equipment                  | 1,287,410  | 1,247,410  | 1,371,345  |
| Intangible assets                                    |            |            |            |
| Total intangible assets                              | 219,074    | 234,285    | 236,857    |
| Deferred tax assets                                  | 37,568     | 40,307     | 49,509     |
| Other non-current assets                             |            |            |            |
| Total other non-current assets                       | 73,600     | 108,671    | 136,409    |
| Total non-current assets                             | 2,374,192  | 2,060,928  | 2,061,866  |
| Total assets   | 12,714,274 | 11,885,380 | 12,770,948 |
| Liabilities  |            |            |            |
| Current liabilities                                  |            |            |            |
| Short-term borrowings                                |            |            |            |
| Total short-term borrowings                          | 135,154    | 146,525    | 121,617    |
| Notes payable  |            |            |            |
| Total notes payable                                  | 13,844     | 14,850     | 11,653     |
| Accounts payable                                     |            |            |            |
| Total accounts payable                               | 4,597,343  | 4,434,547  | 5,484,821  |
| Accounts payable to related parties                  |            |            |            |
| Total accounts payable to related parties            | 47,854     | 60,030     | 34,196     |
| Other payables                                       |            |            |            |
| Total other payables                                 | 802,136    | 683,329    | 756,407    |
| Current tax liabilities                              | 106,991    | 107,393    | 143,644    |
| Other current liabilities                            |            |            |            |
| Total other current liabilities                      | 108,197    | 102,682    | 70,692     |
| Total current liabilities                            | 5,811,519  | 5,549,356  | 6,623,030  |
| Non-current liabilities                              |            |            |            |
| Deferred tax liabilities                             |            |            |            |
| Total deferred tax liabilities                       | 834        | 1,493      | 2,921      |
| Other non-current liabilities                        |            |            |            |
| Accrued pension liabilities                          | 61,211     | 78,406     | 82,385     |
| Guarantee deposits received                          | 246        | 243        | 247        |
| Total other non-current liabilities                  | 61,457     | 78,649     | 82,632     |
| Total non-current liabilities                        | 62,291     | 80,142     | 85,553     |
| Total liabilities                                    | 5,873,810  | 5,629,498  | 6,708,583  |

| Equity  |           |           |           |
|---|-----------|-----------|-----------|
| Equity attributable to owners of parent                                   |           |           |           |
| Share capital   |           |           |           |
| Ordinary share  | 2,344,658 | 2,298,768 | 2,287,618 |
| Total capital stock   | 2,344,658 | 2,298,768 | 2,287,618 |
| Capital surplus   |           |           |           |
| Total capital surplus   | 1,333,069 | 1,280,250 | 1,264,913 |
| Retained earnings   |           |           |           |
| Legal reserve   | 704,414   | 646,470   | 586,702   |
| Unappropriated retained earnings (accumulated deficit)                    |           |           |           |
| Total unappropriated retained earnings (accumulated deficit)              | 1,292,953 | 1,306,788 | 1,263,567 |
| Total retained earnings   | 1,997,367 | 1,953,258 | 1,850,269 |
| Other equity interest   |           |           |           |
| Exchange differences on translation of foreign financial statements       |           |           |           |
| Total exchange differences on translation of foreign financial statements | 125,785   | 18,244    | 86,099    |
| Unrealized gains (losses) on available-for-sale financial assets          |           |           |           |
| Total unrealized gains (losses) on available-for-sale financial assets    | 693,866   | 368,312   | 205,535   |
| Total other equity interest   | 819,651   | 386,556   | 291,634   |
| Treasury shares   | 0         | 0         | 0         |
| Total equity attributable to owners of parent                             | 6,494,745 | 5,918,832 | 5,694,434 |
| Non-controlling interests   | 345,719   | 337,050   | 367,931   |
| Total equity  | 6,840,464 | 6,255,882 | 6,062,365 |
| Equivalent issue shares of advance receipts for ordinary share            | 0         | 0         | 0         |
| Number of shares in entity held by entity and by its subsidiaries         | 0         | 0         | 0         |

**Financial Statement – Income Statement**

Provided by: FSP Technology Inc.

Financial year: Yearly

Unit: NT\$ thousand

| Accounting Title                         | 2013/4th   | 2012/4th   |
|--|------------|------------|
| <b>Statement of comprehensive income</b> |            |            |
| Operating revenue                        |            |            |
| Net sales revenue                        |            |            |
| Sales revenue                            |            |            |
| Sales revenue                            | 15,460,374 | 16,632,200 |
| Total sales revenue                      | 15,460,374 | 16,632,200 |
| Sales returns                            | 41,719     | 59,579     |
| Sales discounts and allowances           | 47,034     | 60,697     |
| Net sales revenue                        | 15,371,621 | 16,511,924 |
| Total operating revenue                  | 15,371,621 | 16,511,924 |
| Operating costs                          |            |            |
| Total operating costs                    | 13,138,848 | 14,042,624 |
| Gross profit (loss) from operations      | 2,232,773  | 2,469,300  |
| Unrealized profit (loss) from sales      | -772       | -542       |
| Gross profit (loss) from operations      | 2,233,545  | 2,469,842  |
| Operating expenses                       |            |            |
| Selling expenses                         |            |            |
| Total selling expenses                   | 831,974    | 821,939    |
| Administrative expenses                  |            |            |
| Total administrative expenses            | 579,281    | 562,208    |
| Research and development expenses        |            |            |
| Total research and development expenses  | 422,338    | 428,851    |
| Total operating expenses                 | 1,833,593  | 1,812,998  |

|  |         |         |
|--|---------|---------|
| Net operating income (loss)  | 399,952 | 656,844 |
| Non-operating income and expenses  |         |         |
| Other income   |         |         |
| Total other income   | 242,858 | 206,670 |
| Other gains and losses   |         |         |
| Other gains and losses, net  | 13,778  | -34,175 |
| Finance costs  |         |         |
| Finance costs, net   | 4,240   | 3,274   |
| Share of profit (loss) of associates and joint ventures accounted for using equity method      |         |         |
| Share of profit (loss) of associates and joint ventures accounted for using equity method, net | 369     | 296     |
| Total non-operating income and expenses  | 252,765 | 169,517 |
| Profit (loss) from continuing operations before tax  | 652,717 | 826,361 |
| Tax expense (income)   |         |         |
| Total tax expense (income)   | 155,305 | 236,863 |
| Profit (loss) from continuing operations   | 497,412 | 589,498 |
| Profit (loss) from discontinued operations   |         |         |
| Total profit (loss) from discontinued operations   | 0       | 0       |
| Profit (loss)  | 497,412 | 589,498 |
| Other comprehensive income   |         |         |
| Exchange differences on translation  | 118,392 | -69,899 |
| Unrealised gains (losses) on valuation of available-for-sale financial assets                  | 325,554 | 162,777 |
| Actuarial gains (losses) on defined benefit plans  | 9,477   | -3,067  |
| Income tax related to components of other comprehensive income                                 | 0       | -521    |
| Other comprehensive income, net  | 453,423 | 90,332  |
| Total comprehensive income   | 950,835 | 679,830 |
| Profit (loss), attributable to:  |         |         |
| Profit (loss), attributable to owners of parent  | 494,549 | 563,977 |
| Profit (loss), attributable to non-controlling interests                                       | 2,863   | 25,521  |
| Comprehensive income attributable to:  |         |         |
| Comprehensive income, attributable to owners of parent   | 936,958 | 656,460 |
| Comprehensive income, attributable to non-controlling interests                                | 13,877  | 23,370  |
| Basic earnings per share   |         |         |
| Total basic earnings per share   | 2.14    | 2.46    |
| Diluted earnings per share   |         |         |
| Total diluted earnings per share   | 2.11    | 2.42    |

**Financial Statement – Statements of Cash Flows**

Provided by: FSP Technology Inc.

Financial year: Yearly

Unit: NT\$ thousand

| Accounting Title  | 2013/4th | 2012/4th |
|---|----------|----------|
| <b>Statement of cash flows</b>  |          |          |
| Cash flows from (used in) operating activities, indirect method                           |          |          |
| Profit (loss) from continuing operations before tax                                       | 652,717  | 826,361  |
| Profit (loss) before tax  | 652,717  | 826,361  |
| Adjustments   |          |          |
| Adjustments to reconcile profit (loss)  |          |          |
| Depreciation expense  | 203,706  | 189,441  |
| Amortization expense  | 2,409    | 9,068    |
| Provision (reversal of provision) for bad debt expense                                    | 1,564    | -3,577   |
| Interest expense  | 4,240    | 3,274    |
| Interest income   | -34,366  | -24,745  |
| Dividend income   | -42,061  | -18,288  |
| Share-based payments  | 0        | 2,461    |
| Share of loss (profit) of associates and joint ventures accounted for using equity method | -369     | -296     |
| Loss (gain) on disposal of property, plan and equipment                                   | 1,221    | 3,383    |
| Unrealized profit (loss) from sales   | -772     | -542     |
| Total adjustments to reconcile profit (loss)  | 135,572  | 160,179  |
| Changes in operating assets and liabilities   |          |          |
| Changes in operating assets   |          |          |
| Decrease (increase) in financial assets held for trading                                  | -52,852  | 93,068   |
| Decrease (increase) in notes receivable   | -29,514  | 15,752   |
| Decrease (increase) in accounts receivable  | 193,906  | 636,873  |
| Decrease (increase) in accounts receivable due from related parties                       | -87,277  | 27,391   |

|  |          |            |
|--|----------|------------|
| Decrease (increase) in other receivable                    | 4,579    | 953        |
| Decrease (increase) in inventories                         | -354,393 | 732,976    |
| Decrease (increase) in prepayments                         | -1,056   | 25,811     |
| Decrease (increase) in other current assets                | -12,912  | -50,937    |
| Decrease (increase) in other operating assets              | 22,638   | 26,948     |
| Total changes in operating assets                          | -316,881 | 1,508,835  |
| Changes in operating liabilities                           |          |            |
| Increase (decrease) in notes payable                       | -1,006   | 3,197      |
| Increase (decrease) in accounts payable                    | 162,796  | -1,050,274 |
| Increase (decrease) in accounts payable to related parties | -12,176  | 25,834     |
| Increase (decrease) in other payable                       | 118,644  | -72,962    |
| Increase (decrease) in other current liabilities           | 5,515    | 31,990     |
| Increase (decrease) in accrued pension liabilities         | -7,718   | -7,046     |
| Total changes in operating liabilities                     | 266,055  | -1,069,261 |
| Total changes in operating assets and liabilities          | -50,826  | 439,574    |
| Total adjustments  | 84,746   | 599,753    |
| Cash inflow (outflow) generated from operations            | 737,463  | 1,426,114  |
| Interest received  | 31,719   | 21,834     |
| Interest paid  | -4,077   | -3,390     |
| Income taxes refund (paid)                                 | -153,627 | -264,819   |
| Net cash flows from (used in) operating activities         | 611,478  | 1,179,739  |
| Cash flows from (used in) investing activities             |          |            |
| Acquisition of property, plant and equipment               | -173,852 | -95,178    |
| Proceeds from disposal of property, plant and equipment    | 2        | 845        |
| Acquisition of intangible assets                           | -2,895   | -6,329     |
| Decrease in prepayments for business facilities            | -2,654   | -3,012     |
| Dividends received   | 42,061   | 18,288     |
| Net cash flows from (used in) investing activities         | -137,338 | -85,386    |
| Cash flows from (used in) financing activities             |          |            |
| Increase in short-term loans                               | -11,371  | 24,908     |
| Decrease in guarantee deposits received                    | 3        | -4         |
| Cash dividends paid  | -459,754 | -458,549   |
| Exercise of employee share options                         | 89,703   | 24,026     |
| Change in non-controlling interests                        | 17,169   | -34,658    |
| Other financing activities                                 | -13,371  | -19,593    |

|   |           |           |
|---|-----------|-----------|
| Net cash flows from (used in) financing activities                        | -377,621  | -463,870  |
| Effect of exchange rate changes on cash and cash equivalents              | 78,510    | -40,024   |
| Net increase (decrease) in cash and cash equivalents                      | 175,029   | 590,459   |
| Cash and cash equivalents at beginning of period                          | 3,939,026 | 3,348,567 |
| Cash and cash equivalents at end of period                                | 4,114,055 | 3,939,026 |
| Cash and cash equivalents reported in the statement of financial position | 4,114,055 | 3,939,026 |



Provided by: FSP Technology Inc.

Financial year: Yearly

Unit: NT\$ thousand

## 2013/ 12/ 31 Statement of Stockholders' Equity

Unit: NT\$ thousand

|                                      | Ordinary share | Total share capital | Capital surplus | Legal reserve | Unappropriated retained earnings (accumulated deficit) | Total retained earnings | Exchange differences on translation of foreign financial statements | Unrealized gains (losses) on available-for-sale financial assets | Total other equity interest | Treasury shares | Total equity attributable to owners of parent | Non-controlling interests | Total equity |
|--------------------------------------|----------------|---------------------|-----------------|---------------|--|-------------------------|---|--|-----------------------------|-----------------|---|---------------------------|--------------|
| Equity                               | 2,298,768      | 2,298,768           | 1,280,250       | 646,470       | 1,306,788  | 1,953,258               | 18,244  | 368,312  | 386,556                     | 0               | 5,918,832                                     | 337,050                   | 6,255,882    |
| Legal reserve appropriated           |                |                     |                 | 57,944        | -57,944  | 0                       |   |  |                             |                 | 0   |                           | 0            |
| Cash dividends of ordinary share     |                |                     |                 | 0             | -459,754   | -459,754                |   |  |                             |                 | -459,754                                      |                           | -459,754     |
| Other changes in capital surplus     | 45,890         | 45,890              | 52,819          |               |  |                         |   |  |                             |                 | 98,709  | -9,006                    | 89,703       |
| Profit (loss)                        |                |                     |                 |               | 494,549  | 494,549                 |   |  |                             |                 | 494,549                                       | 2,863                     | 497,412      |
| Other comprehensive income           |                |                     |                 |               | 9,314  | 9,314                   | 107,541   | 325,554  | 433,095                     |                 | 442,409                                       | 11,014                    | 453,423      |
| Total comprehensive income           |                |                     |                 |               | 503,863  | 503,863                 | 107,541   | 325,554  | 433,095                     |                 | 936,958                                       | 13,877                    | 950,835      |
| Changes in non-controlling interests |                |                     | 0               |               | 0  | 0                       |   |  |                             |                 | 0   | 3,798                     | 3,798        |
| Total increase (decrease) in equity  | 45,890         | 45,890              | 52,819          | 57,944        | -13,835  | 44,109                  | 107,541   | 325,554  | 433,095                     | 0               | 575,913                                       | 8,669                     | 584,582      |
| Equity                               | 2,344,658      | 2,344,658           | 1,333,069       | 704,414       | 1,292,953  | 1,997,367               | 125,785   | 693,866  | 819,651                     | 0               | 6,494,745                                     | 345,719                   | 6,840,464    |

## 2012/ 12/ 31 Statement of Stockholders' Equity

Unit: NT\$ thousand

|                                      | Ordinary share | Total share capital | Capital surplus | Legal reserve | Unappropriated retained earnings (accumulated deficit) | Total retained earnings | Exchange differences on translation of foreign financial statements | Unrealized gains (losses) on available-for-sale financial assets | Total other equity interest | Treasury shares | Total equity attributable to owners of parent | Non-controlling interests | Total equity |
|--------------------------------------|----------------|---------------------|-----------------|---------------|--|-------------------------|---|--|-----------------------------|-----------------|---|---------------------------|--------------|
| Equity                               | 2,287,618      | 2,287,618           | 1,264,913       | 586,702       | 1,263,567  | 1,850,269               | 86,099  | 205,535  | 291,634                     | 0               | 5,694,434                                     | 367,931                   | 6,062,365    |
| Legal reserve appropriated           |                |                     |                 | 59,768        | -59,768  | 0                       |   |  |                             |                 | 0   |                           | 0            |
| Cash dividends of ordinary share     |                |                     |                 | 0             | -458,549   | -458,549                |   |  |                             |                 | -458,549                                      |                           | -458,549     |
| Other changes in capital surplus     | 11,150         | 11,150              | 12,876          |               |  |                         |   |  |                             |                 | 24,026  |                           | 24,026       |
| Profit (loss)                        |                |                     |                 |               | 563,977  | 563,977                 |   |  |                             |                 | 563,977                                       | 25,521                    | 589,498      |
| Other comprehensive income           |                |                     |                 |               | -2,439   | -2,439                  | -67,855   | 162,777  | 94,922                      |                 | 92,483  | -2,151                    | 90,332       |
| Total comprehensive income           |                |                     |                 |               | 561,538  | 561,538                 | -67,855   | 162,777  | 94,922                      |                 | 656,460                                       | 23,370                    | 679,830      |
| Share-based payments                 | 0              | 0                   | 2,461           | 0             | 0  | 0                       | 0   | 0  | 0                           | 0               | 2,461   | 0                         | 2,461        |
| Changes in non-controlling interests |                |                     | 0               |               | 0  | 0                       |   |  |                             |                 | 0   | -54,251                   | -54,251      |
| Total increase (decrease) in equity  | 11,150         | 11,150              | 15,337          | 59,768        | 43,221   | 102,989                 | -67,855   | 162,777  | 94,922                      | 0               | 224,398                                       | -30,881                   | 193,517      |
| Equity                               | 2,298,768      | 2,298,768           | 1,280,250       | 646,470       | 1,306,788  | 1,953,258               | 18,244  | 368,312  | 386,556                     | 0               | 5,918,832                                     | 337,050                   | 6,255,882    |