

Financial Statement – Balance Sheet

Provided by: FSP Technology Inc.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2017/06/30	2016/12/31	2016/06/30
Balance Sheet			
Assets			
Current assets			
Cash and cash equivalents			
Total cash and cash equivalents	2,911,148	3,388,147	3,395,743
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	0	30,045	31,345
Total current financial assets at fair value through profit or loss	0	30,045	31,345
Notes receivable, net			
Notes receivable, net	66,503	122,892	48,930
Accounts receivable, net			
Accounts receivable, net	3,384,299	3,390,922	3,415,624
Accounts receivable due from related parties, net			
Accounts receivable due from related parties, net	806,472	731,230	935,728
Other receivables			
Other receivables, net	37,341	36,129	40,806
Current tax assets			
Total current tax assets	6,238	6,272	6,781
Inventories			
Inventories, manufacturing business			
Inventories, manufacturing business, net	1,973,308	2,295,393	1,926,500
Total inventories	1,973,308	2,295,393	1,926,500
Prepayments			
Total prepayments	85,963	111,359	114,289
Other current assets			
Total other current assets	26,056	18,215	26,046
Total current assets	9,297,328	10,130,604	9,941,792
Non-current assets			
Non-current available-for-sale financial assets			

Non-current available-for-sale financial assets, net	2,898,054	2,623,076	2,524,598
Non-current financial assets at cost			
Non-current financial assets at cost, net	28,037	28,856	30,281
Investments accounted for using equity method			
Investments accounted for using equity method, net	71,781	72,990	71,732
Property, plant and equipment			
Total property, plant and equipment	1,339,351	1,351,010	1,273,229
Intangible assets			
Total intangible assets	223,938	220,745	222,390
Deferred tax assets	49,194	49,819	40,043
Other non-current assets			
Total other non-current assets	76,357	74,402	96,254
Total non-current assets	4,686,712	4,420,898	4,258,527
Total assets	13,984,040	14,551,502	14,200,319
Liabilities and equity			
Liabilities			
Current liabilities			
Short-term borrowings			
Total short-term borrowings	107,709	112,249	128,931
Notes payable			
Total notes payable	14,308	15,551	13,564
Accounts payable			
Total accounts payable	4,008,932	4,728,245	4,345,594
Accounts payable to related parties			
Total accounts payable to related parties	63,549	46,261	29,986
Other payables			
Total other payables	1,026,749	812,050	1,201,877
Current tax liabilities	80,089	121,728	101,324
Current provisions			
Total current provisions	252,210	209,057	0
Other current liabilities			
Total other current liabilities	67,454	60,686	66,687
Total current liabilities	5,621,000	6,105,827	5,887,963
Non-current liabilities			
Deferred tax liabilities			

Total deferred tax liabilities	2,726	2,890	6,662
Other non-current liabilities			
Net defined benefit liability, non-current	46,525	51,142	53,378
Guarantee deposits received	964	837	1,024
Total other non-current liabilities	47,489	51,979	54,402
Total non-current liabilities	50,215	54,869	61,064
Total liabilities	5,671,215	6,160,696	5,949,027
Equity			
Equity attributable to owners of parent			
Share capital			
Ordinary share	1,922,620	1,922,620	1,922,620
Total capital stock	1,922,620	1,922,620	1,922,620
Capital surplus			
Total capital surplus	1,151,707	1,247,838	1,239,868
Retained earnings			
Legal reserve	862,814	831,805	831,805
Unappropriated retained earnings (accumulated deficit)			
Total unappropriated retained earnings (accumulated deficit)	1,394,566	1,605,136	1,401,783
Total retained earnings	2,257,380	2,436,941	2,233,588
Other equity interest			
Exchange differences on translation of foreign financial statements			
Total exchange differences on translation of foreign financial statements	-53,262	9,950	104,887
Unrealized gains (losses) on available-for-sale financial assets			
Total unrealized gains (losses) on available-for-sale financial assets	2,778,940	2,503,493	2,493,881
Total other equity interest	2,725,678	2,513,443	2,598,768
Total equity attributable to owners of parent	8,057,385	8,120,842	7,994,844
Non-controlling interests	255,440	269,964	256,448
Total equity	8,312,825	8,390,806	8,251,292
Total liabilities and equity	13,984,040	14,551,502	14,200,319
Number of share capital awaiting retirement	0	0	0
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	2017/2nd	2016/2nd	2017/01/01To2017/ 06/30	2016/01/01To2016/ 06/30
Statement of comprehensive income				
Operating revenue				
Net sales revenue				
Sales revenue				
Sales revenue	3,591,586	4,030,331	7,323,356	7,754,013
Total sales revenue	3,591,586	4,030,331	7,323,356	7,754,013
Sales returns	5,307	13,249	14,302	21,782
Sales discounts and allowances	17,935	24,475	38,657	42,772
Net sales revenue	3,568,344	3,992,607	7,270,397	7,689,459
Total operating revenue	3,568,344	3,992,607	7,270,397	7,689,459
Operating costs				
Total operating costs	3,208,464	3,496,436	6,493,991	6,761,232
Gross profit (loss) from operations	359,880	496,171	776,406	928,227
Unrealized profit (loss) from sales	294	-36	-82	26
Gross profit (loss) from operations	359,586	496,207	776,488	928,201
Operating expenses				
Selling expenses				
Total selling expenses	169,444	164,868	321,598	332,027
Administrative expenses				
Total administrative expenses	128,064	145,267	249,995	282,931
Research and development expenses				
Total research and development expenses	123,398	111,164	237,848	224,988
Total operating expenses	420,906	421,299	809,441	839,946
Net operating income (loss)	-61,320	74,908	-32,953	88,255
Non-operating income and expenses				
Other income				
Total other income	29,222	32,100	59,641	94,487
Other gains and losses				
Other gains and losses, net	29,126	-29,655	5,722	-24,038
Finance costs				
Finance costs, net	931	895	1,793	1,761
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	-647	1,725	204	-2,797
Total non-operating income and expenses	56,770	3,275	63,774	65,891

Profit (loss) from continuing operations before tax	-4,550	78,183	30,821	154,146
Tax expense (income)				
Total tax expense (income)	4,291	21,766	16,911	45,521
Profit (loss) from continuing operations	-8,841	56,417	13,910	108,625
Profit (loss)	-8,841	56,417	13,910	108,625
Other comprehensive income				
Components of other comprehensive income that will be reclassified to profit or loss				
Exchange differences on translation	32,903	-51,837	-64,026	-63,128
Unrealised gains (losses) on valuation of available-for-sale financial assets	502,876	-326,117	275,447	-227,720
Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss				
Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	155	60	-1,495	-445
Components of other comprehensive income that will be reclassified to profit or loss				
Other comprehensive income, net	535,934	-377,894	209,926	-291,293
Total comprehensive income	527,093	-321,477	223,836	-182,668
Profit (loss), attributable to:				
Profit (loss), attributable to owners of parent	-8,137	57,822	12,701	104,968
Profit (loss), attributable to non-controlling interests	-704	-1,405	1,209	3,657
Comprehensive income attributable to:				
Comprehensive income, attributable to owners of parent	527,651	-320,167	224,936	-185,671
Comprehensive income, attributable to non-controlling interests	-558	-1,310	-1,100	3,003
Basic earnings per share				
Total basic earnings per share	-0.04	0.3	0.07	0.55
Diluted earnings per share				
Total diluted earnings per share	-0.04	0.3	0.07	0.54

Financial Statement – Statements of Cash Flows

Provided by: FSP Technology Inc.

Financial year: Yearly

Unit: NT\$ thousand

Accounting Title	2017/01/01To2017/06/30	2016/01/01To2016/06/30
Statement of cash flows		
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	30,821	154,146
Profit (loss) before tax	30,821	154,146
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	69,275	82,165
Amortization expense	1,001	1,173
Provision (reversal of provision) for bad debt expense	4,498	3,253
Interest expense	1,793	1,761
Interest income	-15,022	-18,020
Share of loss (profit) of associates and joint ventures accounted for using equity method	-204	2,797
Loss (gain) on disposal of property, plan and equipment	1,756	-10,843
Loss (gain) on disposal of investments	-45,857	0
Unrealized profit (loss) from sales	-82	26
Total adjustments to reconcile profit (loss)	17,158	62,312
Changes in operating assets and liabilities		
Changes in operating assets		
Decrease (increase) in financial assets held for trading	30,045	80,109
Decrease (increase) in notes receivable	56,389	48,435

Decrease (increase) in accounts receivable	2,114	-181,126
Decrease (increase) in accounts receivable due from related parties	-75,242	-278,523
Decrease (increase) in other receivable	-1,542	-2,819
Decrease (increase) in inventories	322,085	113,162
Decrease (increase) in prepayments	25,396	4,198
Decrease (increase) in other current assets	-7,841	1,581
Decrease (increase) in other operating assets	-1,916	1,517
Total changes in operating assets	349,488	-213,466
Changes in operating liabilities		
Increase (decrease) in notes payable	-1,243	323
Increase (decrease) in accounts payable	-719,313	-191,696
Increase (decrease) in accounts payable to related parties	17,288	-17,245
Increase (decrease) in other payable	-87,055	14,738
Increase (decrease) in provisions	43,153	0
Increase (decrease) in other current liabilities	6,768	-17,250
Increase (decrease) in net defined benefit liability	-4,617	-4,330
Total changes in operating liabilities	-745,019	-215,460
Total changes in operating assets and liabilities	-395,531	-428,926
Total adjustments	-378,373	-366,614
Cash inflow (outflow) generated from operations	-347,552	-212,468
Interest received	15,352	18,810
Interest paid	-1,856	-1,909
Income taxes refund (paid)	-58,516	-30,694
Net cash flows from (used in) operating activities	-392,572	-226,261
Cash flows from (used in) investing activities		
Proceeds from disposal of available-for-sale financial assets	46,326	0

Acquisition of property, plant and equipment	-70,755	-134,055
Proceeds from disposal of property, plant and equipment	45	0
Increase in refundable deposits	795	-3,463
Acquisition of intangible assets	-4,196	-3,980
Increase in prepayments for business facilities	-4,793	-23,662
Net cash flows from (used in) investing activities	-32,578	-165,160
Cash flows from (used in) financing activities		
Increase in short-term loans	0	15,647
Decrease in short-term loans	0	-32,132
Increase in guarantee deposits received	127	168
Net cash flows from (used in) financing activities	127	-16,317
Effect of exchange rate changes on cash and cash equivalents	-51,976	-45,871
Net increase (decrease) in cash and cash equivalents	-476,999	-453,609
Cash and cash equivalents at beginning of period	3,388,147	3,849,352
Cash and cash equivalents at end of period	2,911,148	3,395,743
Cash and cash equivalents reported in the statement of financial position	2,911,148	3,395,743

Financial Statement — Statements of Changes in Stockholders' Equity

Provided by: FSP Technology Inc.

Financial year: Yearly

Unit: NT\$ thousand

2017/06/30 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	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Equity at beginning of period	1,922,620	1,922,620	1,247,838	831,805	1,605,136	2,436,941	9,950	2,503,493	2,513,443	8,120,842	269,964	8,390,806
Legal reserve appropriated				31,009	-31,009	0				0		0
Cash dividends of ordinary share					-192,262	-192,262				-192,262	-13,424	-205,686
Cash dividends from capital surplus			-96,131							-96,131	0	-96,131
Profit (loss)					12,701	12,701				12,701	1,209	13,910
Other comprehensive income					0	0	-63,212	275,447	212,235	212,235	-2,309	209,926
Total comprehensive income					12,701	12,701	-63,212	275,447	212,235	224,936	-1,100	223,836
Total increase (decrease) in equity	0	0	-96,131	31,009	-210,570	-179,561	-63,212	275,447	212,235	-63,457	-14,524	-77,981
Equity at end of period	1,922,620	1,922,620	1,151,707	862,814	1,394,566	2,257,380	-53,262	2,778,940	2,725,678	8,057,385	255,440	8,312,825

2016/06/30 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	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Equity at beginning of period	1,922,620	1,922,620	1,333,069	793,995	1,526,887	2,320,882	167,806	2,721,601	2,889,407	8,465,978	263,964	8,729,942
Legal reserve appropriated				37,810	-37,810	0				0		0
Cash dividends of ordinary share					-192,262	-192,262				-192,262	-7,308	-199,570
Changes in equity of associates and joint ventures accounted for using equity method			2,930							2,930	443	3,373
Cash dividends from capital surplus			-96,131							-96,131	-3,654	-99,785
Profit (loss)					104,968	104,968				104,968	3,657	108,625
Other comprehensive income					0	0	-62,919	-227,720	-290,639	-290,639	-654	-291,293
Total comprehensive income					104,968	104,968	-62,919	-227,720	-290,639	-185,671	3,003	-182,668
Total increase (decrease) in equity	0	0	-93,201	37,810	-125,104	-87,294	-62,919	-227,720	-290,639	-471,134	-7,516	-478,650
Equity at end of period	1,922,620	1,922,620	1,239,868	831,805	1,401,783	2,233,588	104,887	2,493,881	2,598,768	7,994,844	256,448	8,251,292