

**Lite-On Technology Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Six Months Ended June 30, 2015 and 2014 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Lite-On Technology Corporation

We have reviewed the accompanying consolidated balance sheets of Lite-On Technology Corporation ("Parent Company") and its subsidiaries (collectively referred to as the "Group") as of June 30, 2015, December 31, 2014, June 30, 2014 and January 1, 2014 and the related consolidated statements of comprehensive income for the three months and six months ended June 30, 2015 and 2014 and changes in equity and cash flows for the six months ended June 30, 2015 and 2014. These consolidated financial statements are the responsibility of the Parent Company's management. Our responsibility is to issue a report on these consolidated financial statements based on our reviews.

Except as stated in the following paragraph, we conducted our reviews in accordance with Statement of Auditing Standards No. 36 "Review of Financial Statements" issued by the Auditing Standards Committee of the Accounting Research and Development Foundation of the Republic of China. A review consists principally of applying analytical procedures to financial data and of making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of China, the objective of which is the expression of an opinion regarding the consolidated financial statements taken as a whole. Accordingly, we do not express such an opinion.

As disclosed in Note 14 to the consolidated financial statements, we did not review the financial statements as of and for the six months ended June 30, 2015 and 2014 of some consolidated subsidiaries. The assets of these subsidiaries were 29.74% (NT\$58,738,381 thousand) and 23.71% (NT\$48,522,902 thousand) of the consolidated total assets as of June 30, 2015 and 2014, respectively. The liabilities of these subsidiaries were 21.86% (NT\$26,686,236 thousand) and 16.89% (NT\$22,022,252 thousand) of the consolidated total liabilities as of June 30, 2015 and 2014, respectively. The comprehensive incomes of these subsidiaries were 62.32% (NT\$320,018 thousand) and 37.66% (NT\$366,820 thousand), 49.00% (NT\$540,584 thousand) and 23.90% (NT\$633,097 thousand) of the total comprehensive income in the three months ended June 30, 2015 and 2014 and the six months ended June 30, 2015 and 2014, respectively. Also, as disclosed in Note 15 to the financial statements, the Group had other investments accounted for by the equity method. The carrying values of these investments of NT\$1,995,356 thousand and NT\$1,896,883 thousand as of June 30, 2015 and 2014, respectively, and share of the profit (loss) of associates and joint ventures of NT\$40,162 thousand, NT\$40,395 thousand, NT\$43,678 thousand and NT\$(20,102) thousand in the three months ended June 30, 2015 and 2014 and in the six months ended June 30, 2015 and 2014, respectively, and related investment amounts as well as additional disclosures in Note 38 were based on these investees' financial statements for the same reporting periods as those of the Group, many of which had been unreviewed.

Based on our reviews, except for the adjustments that might have been determined to be necessary had the subsidiaries' and other equity-method investees' financial statements mentioned in the preceding paragraph and the information disclosed in Note 38 been reviewed, we are not aware of any material modifications that should be made to the consolidated financial statements of Lite-On Technology Corporation and its subsidiaries referred to above for them to be in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 "Interim Financial Reporting" endorsed by the Financial Supervisory Commission of the Republic of China.

As disclosed in Note 3 to the consolidated financial statements, Lite-On Technology Corporation and its subsidiaries has applied the 2013 version of IFRS, IAS, IFRIC and SIC (collectively, the "IFRSs") endorsed by the FSC and the related amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers since January 1, 2015 and has disclosed the effects of the retrospective application of the IFRSs and the financial statement restatement resulting from the retrospective IFRS application.

August 11, 2015

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail.

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	June 30, 2015 (Reviewed)		December 31, 2014 (Audited after Restated)		June 30, 2014 (Reviewed after Restated)		January 1, 2014 (Audited after Restated)	
	Amount	%	Amount	%	Amount	%	Amount	%
CURRENT ASSETS								
Cash and cash equivalents (Note 6)	\$ 56,732,819	29	\$ 66,483,356	31	\$ 55,535,670	27	\$ 66,056,220	31
Financial assets at fair value through profit or loss (Note 7)	15,701	-	13,111	-	53,825	-	14,867	-
Available-for-sale financial assets - current (Note 8)	-	-	-	-	15	-	13	-
Debt investments with no active market - current (Notes 10 and 35)	245,670	-	78,170	-	91,449	-	22,390	-
Notes receivable	278,756	-	311,666	-	365,515	-	175,756	-
Trade receivables, net (Note 11)	45,237,740	23	51,134,012	23	49,392,745	24	49,500,169	23
Trade receivables from related parties (Note 34)	66,112	-	73,069	-	103,543	-	81,554	-
Other receivables	1,030,335	1	1,420,019	1	825,351	1	2,319,810	1
Other receivables from related parties (Note 34)	78,515	-	3,053	-	39,029	-	18,951	-
Inventories, net (Note 12)	27,934,025	14	29,513,791	14	30,588,499	15	27,203,533	13
Non-current assets classified as held for sale (Note 13)	-	-	129,505	-	-	-	-	-
Other current assets (Note 19)	4,834,472	2	4,561,144	2	5,575,268	3	5,037,428	3
Total current assets	136,454,145	69	153,720,896	71	142,570,909	70	150,430,691	71
NON-CURRENT ASSETS								
Available-for-sale financial assets - non-current (Note 8)	1,066,364	1	1,326,255	1	2,230,619	1	2,143,990	1
Debt investments with no active market - non-current (Notes 10 and 35)	-	-	518	-	1,112	-	14,100	-
Investments accounted for using the equity method (Note 15)	4,032,248	2	4,055,902	2	4,173,429	2	3,531,425	2
Property, plant and equipment, net (Note 16)	34,642,844	18	36,107,216	17	35,326,273	17	37,001,382	17
Investment properties, net (Note 17)	511,156	-	537,030	-	-	-	-	-
Intangible assets, net (Note 18)	16,029,620	8	16,298,963	8	16,441,071	8	15,716,262	7
Deferred tax assets	3,361,115	2	3,105,466	1	2,615,813	1	2,204,470	1
Refundable deposits	501,888	-	492,255	-	416,812	-	390,443	-
Other non-current assets (Note 19)	923,073	-	889,328	-	882,796	1	925,989	1
Total non-current assets	61,068,308	31	62,812,933	29	62,087,925	30	61,928,061	29
TOTAL	\$ 197,522,453	100	\$ 216,533,829	100	\$ 204,658,834	100	\$ 212,358,752	100
LIABILITIES AND EQUITY								
CURRENT LIABILITIES								
Short-term borrowings (Note 20)	\$ 16,285,429	8	\$ 22,911,114	11	\$ 17,988,845	9	\$ 15,576,780	7
Financial liabilities at fair value through profit or loss (Note 7)	8,847	-	38,408	-	21,409	-	27,836	-
Derivative financial instruments for hedging - current (Note 9)	3,074	-	11,989	-	-	-	-	-
Notes payable	252,317	-	122,947	-	257,019	-	191,488	-
Trade payables	50,022,869	25	61,920,859	29	54,564,811	27	60,307,826	29
Trade payables to related parties (Note 34)	937,817	1	953,666	-	480,333	-	568,624	-
Other payables	24,492,721	12	19,693,248	9	26,279,923	13	21,352,914	10
Other payables to related parties (Note 34)	9,191	-	6,741	-	8,091	-	11,699	-
Current tax liabilities	1,996,417	1	2,272,036	1	2,017,031	1	2,102,971	1
Provisions - current (Note 22)	1,109,904	1	1,080,628	-	939,495	1	874,502	1
Advance receipts	2,673,542	1	2,832,769	1	1,931,419	1	1,401,939	1
Current portion of long-term borrowings (Note 20)	5,428,930	3	8,358,989	4	9,018,661	4	8,867,669	4
Finance lease payables - current (Note 21)	87,831	-	85,232	-	76,417	-	72,735	-
Total current liabilities	103,308,889	52	120,288,626	55	113,583,454	56	111,356,983	53
NON-CURRENT LIABILITIES								
Derivative financial instruments for hedging - non-current (Note 9)	-	-	-	-	26,558	-	46,969	-
Long-term borrowings (Note 20)	15,575,179	8	13,564,160	6	13,566,760	7	18,508,496	9
Deferred tax liabilities	2,986,111	2	3,229,792	2	2,755,917	1	2,721,656	1
Finance lease payables, net of current portion - non-current (Note 21)	53,394	-	101,721	-	136,921	-	172,948	-
Net defined benefit liabilities - non-current	82,204	-	96,021	-	226,909	-	219,709	-
Guarantee deposits	80,528	-	80,871	-	74,196	-	81,608	-
Credit balance of investments accounted for using the equity method (Note 15)	-	-	-	-	19,139	-	-	-
Total non-current liabilities	18,777,416	10	17,072,565	8	16,806,400	8	21,751,386	10
Total liabilities	122,086,305	62	137,361,191	63	130,389,854	64	133,108,369	63
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY								
Share capital								
Ordinary shares	23,416,737	12	23,416,737	11	23,259,507	11	23,246,552	11
Advance receipts for common stock	-	-	-	-	-	-	29,705	-
Reserve for paid-in capital	160,416	-	-	-	157,230	-	-	-
Total share capital	23,577,153	12	23,416,737	11	23,416,737	11	23,276,257	11
Capital surplus								
Additional paid-in capital from share issuance in excess of par value	9,341,891	5	9,238,931	4	9,238,932	5	9,096,489	4
Bond conversion	7,534,962	4	7,534,962	4	7,534,962	4	7,540,388	4
Treasury stock transactions	493,473	-	445,694	-	445,664	-	430,851	-
Difference between consideration and carrying amounts adjusted arising from changes in percentage of ownership of subsidiaries	34,008	-	30,960	-	20,628	-	-	-
Arising from share of changes in capital surplus of associates	246,002	-	231,446	-	194,560	-	15,487	-
Merger	10,112,934	5	10,112,934	5	10,112,934	5	10,120,217	5
Employee stock options	-	-	-	-	-	-	8,587	-
Total capital surplus	27,763,270	14	27,594,927	13	27,547,680	14	27,212,019	13
Retain earnings								
Legal reserve	10,123,042	5	9,476,876	5	9,476,876	5	8,601,391	4
Special reserve	232,213	-	49,669	-	49,669	-	689,913	-
Unappropriated earnings	8,949,921	5	11,432,541	5	8,432,296	4	12,176,414	6
Total retained earnings	19,305,176	10	20,959,086	10	17,958,841	9	21,467,718	10
Other equity								
Exchange differences on translating foreign operations	2,330,558	1	4,125,097	2	1,489,022	1	2,383,040	1
Unrealized gain (loss) on available-for-sale financial assets	(14,670)	-	139,072	-	367,066	-	83,231	-
Unrealized loss on cash flow hedging	(3,074)	-	(11,989)	-	(26,559)	-	(46,969)	-
Total other equity	2,312,814	1	4,252,180	2	1,829,529	1	2,419,302	1
Treasury shares	(1,248,722)	(1)	(1,248,722)	(1)	(1,248,722)	(1)	(1,334,660)	(1)
Total equity attributable to owners of the Company	71,709,691	36	74,974,208	35	69,504,065	34	73,040,636	34
NON-CONTROLLING INTERESTS	3,726,457	2	4,198,430	2	4,764,915	2	6,209,747	3
Total equity	75,436,148	38	79,172,638	37	74,268,980	36	79,250,383	37
TOTAL	\$ 197,522,453	100	\$ 216,533,829	100	\$ 204,658,834	100	\$ 212,358,752	100

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche review report dated August 11, 2015)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2015		2014		2015		2014	
	(Reviewed)	(Reviewed after Restated)	(Reviewed)	(Reviewed after Restated)	(Reviewed)	(Reviewed after Restated)	(Reviewed after Restated)	(Reviewed after Restated)
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE								
(Notes 25 and 34)								
Sales	\$ 53,341,329	103	\$ 59,469,143	102	\$ 106,141,721	103	\$ 112,356,010	102
Less: Sales allowance	1,068,502	2	771,040	1	2,103,500	2	1,484,692	1
Sales returns	718,769	1	550,928	1	999,251	1	1,043,671	1
Other operating revenue	92,431	-	87,192	-	147,921	-	148,634	-
Total operating revenue	51,646,489	100	58,234,367	100	103,186,891	100	109,976,281	100
OPERATING COSTS								
Cost of goods sold	45,144,500	88	50,333,956	87	90,196,932	88	95,627,979	87
(Notes 12, 28 and 34)								
Other operating cost	38,984	-	32,622	-	65,307	-	59,119	-
Total operating costs	45,183,484	88	50,366,578	87	90,262,239	88	95,687,098	87
GROSS PROFIT	6,463,005	12	7,867,789	13	12,924,652	12	14,289,183	13
OPERATING EXPENSES								
(Notes 28 and 34)								
Selling and marketing expenses	2,011,052	4	2,271,257	4	3,815,850	3	4,278,175	4
General and administrative expenses	1,413,438	2	1,593,611	2	2,826,898	3	3,059,353	3
Research and development expenses	1,443,104	3	1,637,357	3	2,977,267	3	3,187,274	3
Total operating expenses	4,867,594	9	5,502,225	9	9,620,015	9	10,524,802	10
OPERATING INCOME	1,595,411	3	2,365,564	4	3,304,637	3	3,764,381	3
NONOPERATING INCOME AND EXPENSES								
Share of profit (loss) of associates and joint ventures	104,852	-	32,822	-	120,609	-	(13,727)	-
Interest income	278,110	-	336,447	1	593,683	-	708,792	1
Dividend income	13,248	-	21,906	-	13,248	-	22,170	-
Other income (Notes 30 and 34)	302,226	1	304,005	1	597,810	1	669,156	-
Gain on disposal of investments	392	-	42,494	-	23,243	-	42,554	-
Net gain (loss) on foreign currency exchange	34,854	-	(36,743)	-	(16,949)	-	1,273	-
Valuation gain on financial instruments (Note 7)	9,384	-	52,285	-	187,521	-	51,715	-
Finance costs	(141,744)	-	(169,141)	-	(288,940)	-	(330,593)	-
Other expenses	(127,621)	-	(296,873)	(1)	(313,734)	-	(418,898)	-
Net gain (loss) on disposal of property, plant and equipment	(41,640)	-	1,543	-	(58,897)	-	(22,871)	-
Impairment loss (Notes 8 and 16)	(121,953)	-	(75,755)	-	(149,404)	-	(75,546)	-
Total nonoperating income and expenses	310,108	1	212,990	1	708,190	1	634,025	1

(Continued)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended June 30				For the Six Months Ended June 30			
	2015		2014		2015		2014	
	(Reviewed)	%	(Reviewed after Restated)	%	(Reviewed)	%	(Reviewed after Restated)	%
	Amount		Amount		Amount		Amount	
PROFIT BEFORE INCOME TAX	\$ 1,905,519	4	\$ 2,578,554	5	\$ 4,012,827	4	\$ 4,398,406	4
INCOME TAX EXPENSE (Note 26)	417,200	1	560,508	1	831,726	1	952,081	1
NET PROFIT FOR THE PERIOD	1,488,319	3	2,018,046	4	3,181,101	3	3,446,325	3
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 24 and 26)								
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	(988,356)	(2)	(1,309,122)	(2)	(2,138,922)	(2)	(1,280,320)	(1)
Unrealized gain (loss) on available-for-sale financial assets	(81,270)	-	95,745	-	(155,700)	-	268,299	-
Cash flow hedges	3,054	-	8,375	-	8,915	-	20,410	-
Share of other comprehensive loss of associates and joint ventures	(39,784)	-	(41,280)	-	(75,686)	-	(2,713)	-
Income tax relating to items that may be reclassified subsequently to profit or loss	131,537	-	202,217	-	283,530	-	197,321	-
Other comprehensive loss for the period, net of income tax	(974,819)	(2)	(1,044,065)	(2)	(2,077,863)	(2)	(797,003)	(1)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	\$ 513,500	1	\$ 973,981	2	\$ 1,103,238	1	\$ 2,649,322	2
NET PROFIT ATTRIBUTABLE TO:								
Owners of the Company	\$ 1,430,523	3	\$ 2,031,173	3	\$ 3,076,271	3	\$ 3,458,852	3
Non-controlling interests	57,796	-	(13,127)	-	104,830	-	(12,527)	-
	\$ 1,488,319	3	\$ 2,018,046	3	\$ 3,181,101	3	\$ 3,446,325	3
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of the Company	\$ 485,570	1	\$ 1,204,283	2	\$ 1,136,905	1	\$ 2,883,868	2
Non-controlling interests	27,930	-	(230,302)	-	(33,667)	-	(234,546)	-
	\$ 513,500	1	\$ 973,981	2	\$ 1,103,238	1	\$ 2,649,322	2
EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Note 27)								
Basic	\$0.62		\$0.87		\$1.33		\$1.49	
Diluted	\$0.62		\$0.87		\$1.32		\$1.48	

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche review report dated August 11, 2015)

(Concluded)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company																								
	Issue of Share Capital (Note 24)										Capital Surplus (Note 24)														
	Shares (In Thousands)	Amount	Advance Receipts for Common Stock	Reserve for Paid-in Capital	Total	Additional Paid-in Capital from Share Issuance in Excess of Par Value	Bond Conversion	Treasury Stock Transactions	Difference Between Consideration and Carry Amounts Adjusted	Arising from Changes in Ownership in Subsidiaries	Arising from Share of Changes in Capital Surplus of Associates	Merger	Employee Stock Options	Total	Retained Earnings (Notes 24 and 31)		Other Equity (Notes 24 and 30)						Treasury Shares (Note 24)	Non-controlling Interests (Notes 24, 29, 30 and 31)	Total Equity
															Legal Reserve	Special Reserve	Exchange Differences on Translating Foreign Operations	Unappropriated Earnings	Total	Unrealized Gain (Loss) on Available-for- sale Financial Assets	Cash Flow Hedges	Total			
BALANCE AT JANUARY 1, 2014	2,324,655	\$23,246,552	\$ 29,705	\$ -	\$23,276,257	\$ 9,096,489	\$ 7,540,388	\$ 430,851	\$ -	\$ 15,487	\$10,120,217	\$ 8,587	\$27,212,019	\$ 8,601,391	\$ 689,913	\$12,172,082	\$21,463,386	\$ 2,383,040	\$ 83,231	\$ (46,969)	\$ 2,419,302	\$ (1,334,660)	\$ 6,200,851	\$79,237,155	
Effect of retrospective application of IFRSs and restatement of financial statements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,332	4,332	-	-	-	-	-	8,896	13,228	
BALANCE AT JANUARY 1, 2014 AS RESTATED	2,324,655	23,246,552	29,705	-	23,276,257	9,096,489	7,540,388	430,851	-	15,487	10,120,217	8,587	27,212,019	8,601,391	689,913	12,176,414	21,467,718	2,383,040	83,231	(46,969)	2,419,302	(1,334,660)	6,209,747	79,250,383	
Appropriation of the 2013 earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	875,485	-	(875,485)	-	-	-	-	-	-	-	-	
Legal reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Special reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	(640,244)	-	640,244	-	-	-	-	-	-	-	-	
Cash dividends - 27.1%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(6,307,866)	-	-	-	-	-	-	-	(6,307,866)	
Stock dividends - 0.5%	-	-	-	116,381	116,381	-	-	-	-	-	-	-	-	-	-	(116,381)	-	-	-	-	-	-	-	-	
Other changes in capital surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Additional acquisition of partially owned subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(543,482)	(543,482)	-	-	-	-	-	(469,686)	(1,013,168)	
Arising from changes in percentage of ownership interest in subsidiaries	-	-	-	-	-	-	(206)	20,628	-	-	(694)	19,728	-	-	-	-	-	-	-	-	-	-	-	19,728	
Change in capital surplus from investments in associates and joint ventures accounted for by the equity method	-	-	-	-	-	-	(556)	-	179,073	-	(7,893)	170,624	-	-	-	-	-	-	-	-	-	-	-	170,624	
Stock dividends of employee transferred to capital	-	-	-	40,849	40,849	149,097	-	-	-	-	-	-	149,097	-	-	-	-	-	-	-	-	-	-	-	189,946
Issue of common shares under employee share options	2,971	29,705	(29,705)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Change in capital from cash dividends of the Parent Company paid to subsidiaries	-	-	-	-	-	-	65,400	-	-	-	-	-	65,400	-	-	-	-	-	-	-	-	-	-	65,400	
Disposal of investments accounted for using equity method	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,240)	-	(1,240)	-	-	(1,240)	
Effect of acquisition and deconsolidation of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(13,549)	-	-	(13,549)	-	(740,600)	(754,149)	
Net profit for the six months ended June 30, 2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,458,852	3,458,852	-	-	-	-	-	(12,527)	3,446,325	
Other comprehensive loss for the six months ended June 30, 2014, net of income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the six months ended June 30, 2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,458,852	3,458,852	(879,272)	283,835	20,410	(574,084)	-	(722,019)	(797,003)	
Cancellation of treasury shares	(1,675)	(16,750)	-	-	(16,750)	(6,654)	(5,426)	(49,825)	-	-	(7,283)	(69,188)	-	-	-	-	-	-	-	-	-	-	85,938	-	
BALANCE AT JUNE 30, 2014	2,325,951	\$23,259,907	\$ -	\$ 157,230	\$23,416,737	\$ 9,238,932	\$ 7,534,962	\$ 445,664	\$ 20,628	\$ 194,560	\$10,112,934	\$ -	\$27,547,680	\$ 9,476,876	\$ 49,669	\$ 8,432,296	\$17,958,841	\$ 1,489,022	\$ 367,066	\$ (26,559)	\$ 1,829,529	\$ (1,248,722)	\$ 4,764,915	\$74,268,980	
BALANCE AT JANUARY 1, 2015	2,341,674	\$23,416,737	\$ -	\$ -	\$23,416,737	\$ 9,238,931	\$ 7,534,962	\$ 445,694	\$ 30,960	\$ 231,446	\$10,112,934	\$ -	\$27,594,927	\$ 9,476,876	\$ 49,669	\$11,429,060	\$20,955,605	\$ 4,125,097	\$ 139,072	\$ (11,989)	\$ 4,252,180	\$ (1,248,722)	\$ 4,191,264	\$79,161,991	
Effect of retrospective application of IFRSs and restatement of financial statements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,481	3,481	-	-	-	-	-	7,166	10,647	
BALANCE AT JANUARY 1, 2015 AS RESTATED	2,341,674	23,416,737	-	-	23,416,737	9,238,931	7,534,962	445,694	30,960	231,446	10,112,934	-	27,594,927	9,476,876	49,669	11,432,541	20,959,086	4,125,097	139,072	(11,989)	4,252,180	(1,248,722)	4,198,430	79,172,638	
Appropriation of the 2014 earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	646,166	-	(646,166)	-	-	-	-	-	-	-	-	
Legal reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Special reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	182,544	-	(182,544)	-	-	-	-	-	-	-	-	
Cash dividends - 19.7%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,613,097)	(4,613,097)	-	-	-	-	-	-	(4,613,097)	
Stock dividends - 0.5%	-	-	-	117,084	117,084	-	-	-	-	-	-	-	-	-	-	(117,084)	(117,084)	-	-	-	-	-	-	-	
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(438,306)	(438,306)	
Other changes in capital surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Arising from changes in percentage of ownership interest in subsidiaries	-	-	-	-	-	-	-	3,048	-	-	-	3,048	-	-	-	-	-	-	-	-	-	-	-	3,048	
Change in capital surplus from investments in associates and joint ventures accounted for by the equity method	-	-	-	-	-	-	-	-	-	14,556	-	14,556	-	-	-	-	-	-	-	-	-	-	-	14,556	
Stock dividends of employee transferred to capital	-	-	-	43,332	43,332	102,960	-	-	-	-	-	-	102,960	-	-	-	-	-	-	-	-	-	-	146,292	
Change in capital from cash dividends of the Parent Company paid to subsidiaries	-	-	-	-	-	-	-	47,779	-	-	-	-	47,779	-	-	-	-	-	-	-	-	-	-	47,779	
Net profit for the six months ended June 30, 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,076,271	3,076,271	-	-	-	-	-	104,830	3,181,101	
Other comprehensive loss for the six months ended June 30, 2015, net of income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,794,539)	(153,742)	8,915	(1,939,366)	-	(138,497)	(2,077,863)	
Total comprehensive income for the six months ended June 30, 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,076,271	3,076,271	(1,794,539)	(153,742)	8,915	(1,939,366)	-	(33,667)	1,103,238	
BALANCE AT JUNE 30, 2015	2,341,674	\$23,416,737	\$ -	\$ 160,416	\$23,577,153	\$ 9,341,891	\$ 7,534,962	\$ 493,473	\$ 34,008	\$ 246,002	\$10,112,934	\$ -	\$27,763,270	\$10,123,042	\$ 232,213	\$ 8,949,921	\$19,305,176	\$ 2,330,558	\$ (14,670)	\$ (3,074)	\$ 2,312,814	\$ (1,248,722)	\$ 3,726,457	\$75,436,148	

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche review report dated August 11, 2015)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2015 (Reviewed)	2014 (Reviewed after Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 4,012,827	\$ 4,398,406
Adjustments for:		
Depreciation expenses	3,283,014	3,430,595
Amortization expenses	280,693	278,671
Impairment loss (reversal of impairment loss) recognized on trade receivables	(32,100)	6,004
Net gain on fair value change of financial assets held for trading	(187,521)	(51,715)
Finance costs	288,940	330,593
Interest income	(593,683)	(708,792)
Dividend income	(13,248)	(22,170)
Share of loss (gain) of associates accounted for using equity method	(120,609)	13,727
Loss on disposal of property, plant and equipment	58,897	22,871
Loss on disposal of intangible assets	26	-
Gain on deconsolidation of subsidiaries (Note 30)	-	(8,348)
Net gain on disposal of available-for-sale financial assets	(15,542)	(42,554)
Gain on disposal of associates	(7,701)	-
Impairment loss recognized on financial assets	45,071	31,561
Impairment loss recognized on non-financial assets	104,333	348,467
Reversal of impairment loss on non-financial assets	(349,156)	-
Unrealized net loss (gain) on foreign currency exchange	258,532	(215,233)
Recognition of provisions	179,582	75,062
Changes in operating assets and liabilities		
Financial assets held for trading	155,370	6,330
Notes receivable	32,910	(189,759)
Trade receivables	5,533,882	134,602
Trade receivables from related parties	6,957	(21,989)
Other receivables	381,776	1,089,541
Other receivables from related parties	1,592	(20,078)
Inventories	1,708,395	(3,549,587)
Other current assets	(313,424)	(592,911)
Notes payable	129,370	65,531
Trade payables	(11,867,889)	(5,614,782)
Trade payables from related parties	(15,849)	(88,291)
Other payable	404,761	(844,307)
Other payable from related parties	2,450	(3,608)
Provisions	(143,487)	(9,432)
Advance receipts	(145,862)	504,973
Net defined benefit liabilities	(13,817)	7,200
Cash generated from (used in) operations	3,049,490	(1,239,422)
Interest received	594,908	700,439

(Continued)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2015 (Reviewed)	2014 (Reviewed after Restated)
Dividend received	\$ 13,248	\$ 22,170
Interest paid	(281,540)	(327,972)
Income tax paid	<u>(1,322,567)</u>	<u>(983,996)</u>
Net cash generated from (used in) operating activities	<u>2,053,539</u>	<u>(1,828,781)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of available-for-sale financial assets	(2,140)	-
Proceeds on sales of available-for-sale financial assets	109,321	133,229
Acquisition of debt investments with no active market	(166,982)	(56,071)
Net cash inflow on disposal of associates	15,432	-
Net cash outflow on acquisition of subsidiaries (Note 29)	-	(788,588)
Net cash outflow on deconsolidation of a subsidiary (Note 30)	-	(902,385)
Proceeds from disposal of non-current assets held for sale	129,505	-
Payments for property, plant and equipment	(3,594,803)	(3,585,144)
Proceeds of the disposal of property, plant and equipment	304,892	390,759
Increase in refundable deposits	(9,633)	(24,349)
Payments for intangible assets	(148,345)	(287,603)
Proceeds of the disposal of intangible assets	14,056	6,469
Increase in other non-current assets	(40,428)	-
Decrease in other non-current assets	<u>-</u>	<u>44,670</u>
Net cash used in investing activities	<u>(3,389,125)</u>	<u>(5,069,013)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of short-term borrowings	(6,532,128)	-
Proceeds from short-term borrowings	-	2,401,519
Repayment of long-term borrowings	(798,753)	(4,830,475)
Refund of guarantee deposits received	(343)	(7,412)
Decrease in finance lease payables	(45,728)	(32,487)
Partial acquisition of interests in subsidiaries (Note 31)	-	(1,013,168)
Change in non-controlling interests	<u>(148,487)</u>	<u>-</u>
Net cash used in financing activities	<u>(7,525,439)</u>	<u>(3,482,023)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>(889,512)</u>	<u>(140,733)</u>

(Continued)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Six Months Ended June 30	
	2015 (Reviewed)	2014 (Reviewed after Restated)
NET DECREASE IN CASH AND CASH EQUIVALENTS	\$ (9,750,537)	\$ (10,520,550)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>66,483,356</u>	<u>66,056,220</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 56,732,819</u>	<u>\$ 55,535,670</u>

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche review report dated August 11, 2015)

(Concluded)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2015 AND 2014 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise) (Reviewed, Not Audited)

1. GENERAL INFORMATION

Lite-On Technology Corporation (the “Parent Company”) was established in March 1989. The Parent Company’s shares have been listed on the Taiwan Stock Exchange. The Parent Company manufactures and markets (1) computer software, hardware, peripherals and components, (2) monitors, multifunction and all-in-one printers, cameras and Internet systems and image-processing equipment; (3) information storage and process equipment, electronic components and office equipment; (4) electronic coils, transformers, power suppliers and electronic hardware parts; (5) light-emitting diode (LED) products; (6) electronic car products; and (7) optical lens modules and optoelectronic components.

The Parent Company merged with Lite-On Electronics, Inc., Silitek Corp. and GVC Corp., with the Parent Company as the survivor entity. The merger took effect on November 4, 2002, and the Parent Company thus assumed all rights and obligations of the three merged companies on that date. The Parent Company merged with its subsidiary, Lite-On Enclosure Inc., with the Parent Company as the survivor entity. The merger took effect on April 1, 2004, and the Parent Company thus assumed all rights and obligations of its former subsidiary on that date.

The Parent Company separately merged with Li Shin International Enterprise Corp., Lite-On Clean Energy Technology Corp., Lite-On Automotive Corp., Leotek Electronics Corp., Lite-On IT Corporation and LarView Technologies Corp., with the Parent Company as the survivor entity. The merger separately took effect on March 22, 2014, April 15, 2014, June 1, 2014, June 29, 2014, June 30, 2014 and September 1, 2014, and the Parent Company thus assumed all rights and obligations of the six merged companies on those date.

The consolidated financial statements are presented in the Parent Company’s functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors on August 11, 2015.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the 2013 version of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) endorsed by the FSC.

Rule No. 1030029342 and Rule No. 1030010325 issued by the FSC, stipulated that the Company and entities controlled by the Company (collectively, the “Group”) should apply the 2013 version of IFRS, IAS, IFRIC and SIC (collectively, the “IFRSs”) endorsed by the FSC and the related amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers starting January 1, 2015.

Except for the following, whenever applied, the initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the 2013 IFRSs version would not have any material impact on the Group's accounting policies:

1) IFRS 10 "Consolidated Financial Statements"

IFRS 10 replaces IAS 27 "Consolidated and Separate Financial Statements" and SIC 12 "Consolidation - Special Purpose Entities". The Group considers whether it has control over other entities for consolidation. The Group has control over an investee if and only if it has i) power over the investee; ii) exposure, or rights, to variable returns from its involvement with the investee and iii) the ability to use its power over the investee to affect the amount of its returns. Additional guidance has been included in IFRS 10 to explain when an investor has control over an investee.

2) IFRS 12 "Disclosure of Interests in Other Entities"

IFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. In general, the disclosure requirements in IFRS 12 are more extensive than in the current standards.

3) IFRS 13 "Fair Value Measurement"

IFRS 13 establishes a single source of guidance for fair value measurements. It defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The disclosure requirements in IFRS 13 are more extensive than those required in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only will be extended by IFRS 13 to cover all assets and liabilities within its scope.

The fair value measurements under IFRS 13 will be applied prospectively from January 1, 2015.

Refer to Note 33 for related disclosures.

4) Amendment to IAS 1 "Presentation of Items of Other Comprehensive Income"

The amendment to IAS 1 requires items of other comprehensive income to be grouped into those items that (1) will not be reclassified subsequently to profit or loss; and (2) may be reclassified subsequently to profit or loss. Income taxes on related items of other comprehensive income are grouped on the same basis. Under current IAS 1, there were no such requirements.

The Group will retrospectively apply the above amendments starting from 2015. Items not expected to be reclassified to profit or loss are remeasurements of the defined benefit plans. Items expected to be reclassified to profit or loss are the exchange differences on translating foreign operations, unrealized gains (loss) on available-for-sale financial assets, cash flow hedges, and share of the other comprehensive income (except the share of the remeasurements of the defined benefit plans) of subsidiaries and associates accounted for using the equity method. However, the application of the above amendments will not result in any impact on the net profit for the period, other comprehensive income for the period (net of income tax), and total comprehensive income for the period.

5) Revision to IAS 19 "Employee Benefits"

Revised IAS 19 requires the recognition of changes in defined benefit obligations and in the fair value of plan assets when they occur, and hence eliminates the "corridor approach" permitted under current IAS 19 and accelerate the recognition of past service costs. The revision requires all remeasurements of the defined benefit plans to be recognized immediately through other comprehensive income in order for the net pension asset or liability to reflect the full value of the

plan deficit or surplus. Remeasurement of the defined benefit plans is presented separately as other equity.

Furthermore, the interest cost and expected return on plan assets used in current IAS 19 are replaced with a “net interest” amount, which is calculated by applying the discount rate to the net defined benefit liability or asset. In addition, the revised IAS 19 introduces certain changes in the presentation of the defined benefit cost, and also includes more extensive disclosures.

On initial application of the revised IAS 19 in 2015, the changes in cumulative employee benefit costs as of December 31, 2013 resulting from the retrospective application are adjusted to net defined benefit liabilities, deferred tax assets, other equity and retained earnings; the carrying amounts of inventories are not adjusted. In addition, in preparing the consolidated financial statements for the year ended December 31, 2015, the Group would elect not to present 2014 comparative information about the sensitivity of the defined benefit obligation.

The impact on the current period is set out below:

Impact on Assets, Liabilities and Equity	June 30, 2015
Decrease in deferred tax assets	<u>\$ (2,072)</u>
Decrease in net defined benefit liabilities	<u>\$ (12,050)</u>
Increase in retained earnings	\$ 3,372
Increase in non-controlling interests	<u>6,606</u>
Total effect on equity	<u>\$ 9,978</u>

Impact on Total Comprehensive Income	For the Three Months Ended June 30, 2015	For the Six Months Ended June 30, 2015
Increase in operating cost	\$ (98)	\$ (194)
Increase in operating expense	(297)	(607)
Decrease in income tax expense	<u>65</u>	<u>132</u>
Decrease in net profit for the period	<u>\$ (330)</u>	<u>\$ (669)</u>
Decrease in total comprehensive income for the period	<u>\$ (330)</u>	<u>\$ (669)</u>
Decrease in net profit attributable to:		
Owners of the Company	\$ (112)	\$ (109)
Non-controlling interests	<u>(218)</u>	<u>(560)</u>
	<u>\$ (330)</u>	<u>\$ (669)</u>
Decrease in total comprehensive income attributable to:		
Owners of the Company	\$ (112)	\$ (109)
Non-controlling interests	<u>(218)</u>	<u>(560)</u>
	<u>\$ (330)</u>	<u>\$ (669)</u>

The impact on the prior reporting period is set out below:

Impact on Assets, Liabilities and Equity	As Originally Stated	Adjustments Arising from Initial Application	Restated
<u>December 31, 2014</u>			
Deferred tax assets	\$ 3,107,672	\$ (2,206)	\$ 3,105,466
Accrued pension liabilities	\$ 108,874	\$ (108,874)	\$ -
Net defined benefit liabilities	\$ -	\$ 96,021	\$ 96,021
Retained earnings	\$ 20,955,605	\$ 3,481	\$ 20,959,086
Non-controlling interests	\$ 4,191,264	\$ 7,166	\$ 4,198,430
<u>June 30, 2014</u>			
Deferred tax assets	\$ 2,618,416	\$ (2,603)	\$ 2,615,813
Accrued pension liabilities	\$ 242,107	\$ (242,107)	\$ -
Net defined benefit liabilities	\$ -	\$ 226,909	\$ 226,909
Retained earnings	\$ 17,954,716	\$ 4,125	\$ 17,958,841
Non-controlling interests	\$ 4,756,445	\$ 8,740	\$ 4,764,915
<u>January 1, 2014</u>			
Deferred tax assets	\$ 2,207,204	\$ (2,734)	\$ 2,204,470
Accrued pension liabilities	\$ 235,671	\$ (235,671)	\$ -
Net defined benefit liabilities	\$ -	\$ 219,709	\$ 219,709
Retained earnings	\$ 21,463,386	\$ 4,332	\$ 21,467,718
Non-controlling interests	\$ 6,200,851	\$ 8,896	\$ 6,209,747
Impact on Total Comprehensive Income	As Originally Stated	Adjustments Arising from Initial Application	Restated
<u>For the three months ended June 30, 2014</u>			
Operating cost	\$ 50,366,468	\$ 110	\$ 50,366,578
Operating expense	\$ 5,501,948	\$ 277	\$ 5,502,225
Income tax expense	\$ 560,575	\$ (67)	\$ 560,508
Total effect on net profit for the period	\$ 2,018,366	\$ (320)	\$ 2,018,046
Total effect on total comprehensive income for the period	\$ 974,301	\$ (320)	\$ 973,981
Impact on net profit attributable to:			
Owners of the Company	\$ 2,031,278	\$ (105)	\$ 2,031,173
Non-controlling interests	(12,912)	(215)	(13,127)
	\$ 2,018,366	\$ (320)	\$ 2,018,046

(Continued)

Impact on Total Comprehensive Income	As Originally Stated	Adjustments Arising from Initial Application	Restated
Impact on total comprehensive income attributable to:			
Owners of the Company	\$ 1,204,388	\$ (105)	\$ 1,204,283
Non-controlling interests	<u>(230,087)</u>	<u>(215)</u>	<u>(230,302)</u>
	<u>\$ 974,301</u>	<u>\$ (320)</u>	<u>\$ 973,981</u>

Impact on earnings per share:

For the three months ended June 30, 2014

Basic	<u>\$ 0.87</u>	<u>\$ -</u>	<u>\$ 0.87</u>
Diluted	<u>\$ 0.87</u>	<u>\$ -</u>	<u>\$ 0.87</u>

(Concluded)

Impact on Total Comprehensive Income	As Originally Stated	Adjustments Arising from Initial Application	Restated
<u>For the six months ended June 30, 2014</u>			
Operating cost	<u>\$ 95,686,891</u>	<u>\$ 207</u>	<u>\$ 95,687,098</u>
Operating expense	<u>\$ 10,524,245</u>	<u>\$ 557</u>	<u>\$ 10,524,802</u>
Income tax expense	<u>\$ 952,212</u>	<u>\$ (131)</u>	<u>\$ 952,081</u>
Total effect on net profit for the period	<u>\$ 3,446,958</u>	<u>\$ (633)</u>	<u>\$ 3,446,325</u>
Total effect on total comprehensive income for the period	<u>\$ 2,649,955</u>	<u>\$ (633)</u>	<u>\$ 2,649,322</u>

Impact on net profit attributable to:

Owners of the Company	\$ 3,459,059	\$ (207)	\$ 3,458,852
Non-controlling interests	<u>(12,101)</u>	<u>(426)</u>	<u>(12,527)</u>
	<u>\$ 3,446,958</u>	<u>\$ (633)</u>	<u>\$ 3,446,325</u>

Impact on total comprehensive income attributable to:

Owners of the Company	\$ 2,884,075	\$ (207)	\$ 2,883,868
Non-controlling interests	<u>(234,120)</u>	<u>(426)</u>	<u>(234,546)</u>
	<u>\$ 2,649,955</u>	<u>\$ (633)</u>	<u>\$ 2,649,322</u>

Impact on earnings per share:

For the six months ended June 30, 2014

Basic	<u>\$ 1.49</u>	<u>\$ -</u>	<u>\$ 1.49</u>
Diluted	<u>\$ 1.48</u>	<u>\$ -</u>	<u>\$ 1.48</u>

b. New IFRSs in issue but not yet endorsed by FSC

The Group has not applied the following New IFRSs issued by the IASB but not yet endorsed by the FSC. As of the date the consolidated financial statements were authorized for issue, the FSC has not announced their effective dates.

New IFRSs	Effective Date Announced by IASB (Note 1)
Annual Improvements to IFRSs 2010-2012 Cycle	July 1, 2014 (Note 2)
Annual Improvements to IFRSs 2011-2013 Cycle	July 1, 2014
Annual Improvements to IFRSs 2012-2014 Cycle	January 1, 2016 (Note 4)
IFRS 9 “Financial Instruments”	January 1, 2018
Amendments to IFRS 9 and IFRS 7 “Mandatory Effective Date of IFRS 9 and Transition Disclosures”	January 1, 2018
Amendments to IFRS 10 and IAS 28 “Sales or Contribution of Assets between an Investor and its Associate or Joint Venture”	January 1, 2016 (Note 3)
Amendments to IFRS 10, IFRS 12 and IAS 28 “Investment Entities: Applying the Consolidation Exception”	January 1, 2016
Amendment to IFRS 11 “Accounting for Acquisitions of Interests in Joint Operations”	January 1, 2016
IFRS 14 “Regulatory Deferral Accounts”	January 1, 2016
IFRS 15 “Revenue from Contracts with Customers”	January 1, 2017
Amendment to IAS 1 “Disclosure Initiative”	January 1, 2016
Amendments to IAS 16 and IAS 38 “Clarification of Acceptable Methods of Depreciation and Amortization”	January 1, 2016
Amendments to IAS 16 and IAS 41 “Agriculture: Bearer Plants”	January 1, 2016
Amendment to IAS 19 “Defined Benefit Plans: Employee Contributions”	July 1, 2014
Amendment to IAS 36 “Impairment of Assets: Recoverable Amount Disclosures for Non-financial Assets”	January 1, 2014
Amendment to IAS 39 “Novation of Derivatives and Continuation of Hedge Accounting”	January 1, 2014
IFRIC 21 “Levies”	January 1, 2014

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual periods beginning on or after their respective effective dates.

Note 2: The amendment to IFRS 2 applies to share-based payment transactions with grant date on or after July 1, 2014; the amendment to IFRS 3 applies to business combinations with acquisition date on or after July 1, 2014; the amendment to IFRS 13 is effective immediately; the remaining amendments are effective for annual periods beginning on or after July 1, 2014.

Note 3: Prospectively applicable to transactions occurring in annual periods beginning on or after January 1, 2016.

Note 4: The amendment to IFRS 5 is applied prospectively to changes in a method of disposal that occur in annual periods beginning on or after January 1, 2016; the remaining amendments are effective for annual periods beginning on or after January 1, 2016.

The initial application of the above New IFRSs, whenever applied, would not have any material impact on the Group's accounting policies, except for the following:

1) IFRS 9 "Financial Instruments"

Recognition and measurement of financial assets

With regards to financial assets, all recognized financial assets that are within the scope of IAS 39 "Financial Instruments: Recognition and Measurement" are subsequently measured at amortized cost or fair value. Under IFRS 9, the requirement for the classification of financial assets is stated below.

For the Group's debt instruments that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, their classification and measurement are as follows:

- a) For debt instruments, if they are held within a business model whose objective is to collect the contractual cash flows, the financial assets are measured at amortized cost and are assessed for impairment continuously with impairment loss recognized in profit or loss, if any. Interest revenue is recognized in profit or loss by using the effective interest method.
- b) For debt instruments, if they are held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of financial assets, the financial assets are measured at fair value through other comprehensive income (FVTOCI) and are assessed for impairment. Interest revenue is recognized in profit or loss by using the effective interest method, and other gain or loss shall be recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses. When the debt instruments are derecognized or reclassified, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

Except for above, all other financial assets are measured at fair value through profit or loss. However, the Group may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognized in profit or loss. No subsequent impairment assessment is required, and the cumulative gain or loss previously recognized in other comprehensive income cannot be reclassified from equity to profit or loss.

The impairment of financial assets

IFRS 9 requires that impairment loss on financial assets is recognized by using the "Expected Credit Losses Model". The credit loss allowance is required for financial assets measured at amortized cost, financial assets mandatorily measured at FVTOCI, lease receivables, contract assets arising from IFRS 15 "Revenue from Contracts with Customers", certain written loan commitments and financial guarantee contracts. A loss allowance for the 12-month expected credit losses is required for a financial asset if its credit risk has not increased significantly since initial recognition. A loss allowance for full lifetime expected credit losses is required for a financial asset if its credit risk has increased significantly since initial recognition and is not low. However, a loss allowance for full lifetime expected credit losses is required for trade receivables that do not constitute a financing transaction.

For purchased or originated credit-impaired financial assets, the Group takes into account the expected credit losses on initial recognition in calculating the credit-adjusted effective interest rate. Subsequently, any changes in expected losses are recognized as a loss allowance with a corresponding gain or loss recognized in profit or loss.

Hedge accounting

The main changes in hedge accounting amended the application requirements for hedge accounting to better reflect the entity's risk management activities. Compared with IAS 39, the main changes include: (1) enhancing types of transactions eligible for hedge accounting, specifically broadening the risk eligible for hedge accounting of non-financial items; (2) changing the way hedging derivative instruments are accounted for to reduce profit or loss volatility; and (3) replacing retrospective effectiveness assessment with the principle of economic relationship between the hedging instrument and the hedged item.

2) Amendment to IAS 36 “Recoverable Amount Disclosures for Non-financial Assets”

In issuing IFRS 13 “Fair Value Measurement”, the IASB made consequential amendment to the disclosure requirements in IAS 36 “Impairment of Assets”, introducing a requirement to disclose in every reporting period the recoverable amount of an asset or each cash-generating unit. The amendment clarifies that such disclosure of recoverable amounts is required only when an impairment loss has been recognized or reversed during the period. Furthermore, the Group is required to disclose the discount rate used in measurements of the recoverable amount based on fair value less costs of disposal measured using a present value technique.

3) Annual Improvements to IFRSs: 2010-2012 Cycle

Several standards including IFRS 2 “Share-based Payment”, IFRS 3 “Business Combinations” and IFRS 8 “Operating Segments” were amended in this annual improvement.

IFRS 3 was amended to clarify that contingent consideration should be measured at fair value, irrespective of whether the contingent consideration is a financial instrument within the scope of IFRS 9 or IAS 39. Changes in fair value should be recognized in profit or loss.

The amended IFRS 8 requires an entity to disclose the judgments made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have “similar economic characteristics”. The amendment also clarifies that a reconciliation of the total of the reportable segments' assets to the entity's assets should only be provided if the segments' assets are regularly provided to the chief operating decision-maker.

IFRS 13 was amended to clarify that the issuance of IFRS 13 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting, if the effect of not discounting is immaterial.

IAS 24 was amended to clarify that a management entity providing key management personnel services to the Group is a related party of the Group. Consequently, the Group is required to disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services. However, disclosure of the components of such compensation is not required.

4) Annual Improvements to IFRSs: 2011-2013 Cycle

Several standards including IFRS 3 “Business Combinations” and IFRS 13 “Fair Value Measurement” were amended in this annual improvement.

IFRS 3 was amended to clarify that IFRS 3 does not apply to the accounting for the formation of all types of joint arrangements in the financial statements of the joint arrangement itself.

The scope in IFRS 13 of the portfolio exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis was amended to clarify that it includes all contracts that are within the scope of, and accounted for in accordance with, IAS 39 or IFRS 9, even if those contracts do not meet the definitions of financial assets or financial liabilities within IAS 32.

5) IFRS 15 “Revenue from Contracts with Customers”

IFRS 15 establishes principles for recognizing revenue that apply to all contracts with customers, and will supersede IAS 18 “Revenue”, IAS 11 “Construction Contracts” and a number of revenue-related interpretations.

When applying IFRS 15, an entity shall recognize revenue by applying the following steps:

- Identify the contract with the customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contracts; and
- Recognize revenue when the entity satisfies a performance obligation.

When IFRS 15 is effective, an entity may elect to apply this Standard either retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initially applying this Standard recognized at the date of initial application.

6) Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”

The amendments stipulate that, when an entity sells or contributes to an associate assets that constitute a business as defined in IFRS 3 “Business Combination”, or when an entity loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

Also, when an entity loses control of a subsidiary that does not contain a business as defined in IFRS 3 but retains significant influence or joint control in an associate or a joint venture, the gain or loss resulting from the asset sale or contribution is recognized only to the extent of the unrelated investors’ interest in the associate or joint venture, and the entity’s share of the gain or loss is eliminated.

7) Annual Improvements to IFRSs: 2012-2014 Cycle

Several standards including IFRS 5 “Non-current assets held for sale and discontinued operations”, IFRS 7 and IAS 34 were amended in this annual improvement.

IFRS 5 was amended to clarify that reclassification between non-current assets (or disposal group) “held for sale” and non-current assets “held for distribution to owners” does not constitute a change to a plan of sale or distribution. Therefore, previous accounting treatment is not reversed. The amendment also explains that assets that no longer meet the criteria for “held for distribution to owners” and do not meet the criteria for “held for sale” should be treated in the same way as assets that cease to be classified as held for sale.

The amendments to IFRS 7 provide additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset. In addition, the amendments clarify that the offsetting disclosures are not explicitly required for all interim periods; however, the disclosures may need to be included in condensed interim financial statements to comply with IAS 34 under specific conditions.

IAS 34 was amended to clarify that other disclosure information required by IAS 34 should be included in interim financial statements. If the Group includes the information in other statements (such as management commentary or risk report) issued at the same time, it is not required to repeat the disclosure in the interim financial statements. However, it is required to include a cross-reference from the interim financial statements to that issued statements that is available to users on the same terms and at the same time as the interim financial statements.

8) Amendment to IAS 1 “Disclosure Initiative”

The amendment clarifies that the consolidated financial statements should be prepared for the purpose of disclosing material information. To improve the understandability of its consolidated financial statements, the Group should disaggregate the disclosure of material items into their different natures or functions, and disaggregate material information from immaterial information.

The amendment further clarifies that the Group should consider the understandability and comparability of its consolidated financial statements to determine a systematic order in presenting its footnotes.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group’s financial position and financial performance, and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed by the FSC. Disclosure information included in the consolidated financial statements is less than those required in a complete set of annual financial statements.

b. Basis of consolidation

For the information on subsidiaries, showing the name, principal business activities and ownership percentage, please refer to Note 14.

c. Other significant accounting policies

The same accounting policies of these consolidated financial statements have been followed as were applied in the preparation of the Group’s consolidated financial statements for the year ended December 31, 2014, except for those described below.

1) Retirement benefit costs

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-time events.

2) Income taxes

Income tax expense is the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The same critical accounting judgments and key sources of estimation uncertainty of consolidated financial statements have been followed in these consolidated financial statements as were applied in the preparation of the consolidated financial statements for the year ended December 31, 2014.

6. CASH AND CASH EQUIVALENTS

	June 30, 2015	December 31, 2014	June 30, 2014
Cash on hand	\$ 107,977	\$ 124,912	\$ 79,169
Checking accounts	883,804	1,923,505	1,295,118
Demand deposits	30,982,374	35,292,046	31,805,751
Time deposits	<u>24,758,664</u>	<u>29,142,893</u>	<u>22,355,632</u>
	<u>\$ 56,732,819</u>	<u>\$ 66,483,356</u>	<u>\$ 55,535,670</u>

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	June 30, 2015	December 31, 2014	June 30, 2014
<u>Financial assets held for trading</u>			
Derivative financial assets (not under hedge accounting)			
Foreign exchange forward contracts	\$ 15,701	\$ 12,222	\$ 22,088
Currency swap contracts	<u>-</u>	<u>889</u>	<u>31,737</u>
	<u>\$ 15,701</u>	<u>\$ 13,111</u>	<u>\$ 53,825</u>
Current	\$ 15,701	\$ 13,111	\$ 53,825
Non-current	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 15,701</u>	<u>\$ 13,111</u>	<u>\$ 53,825</u>
<u>Financial liabilities held for trading</u>			
Derivative financial liabilities (not under hedge accounting)			
Foreign exchange forward contracts	\$ 8,847	\$ 38,206	\$ 21,409
Currency swap contracts	<u>-</u>	<u>202</u>	<u>-</u>
	<u>\$ 8,847</u>	<u>\$ 38,408</u>	<u>\$ 21,409</u>
Current	\$ 8,847	\$ 38,408	\$ 21,409
Non-current	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 8,847</u>	<u>\$ 38,408</u>	<u>\$ 21,409</u>

- a. At the end of the reporting period, outstanding forward exchange contracts and cross-currency swap contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
<u>June 30, 2015</u>			
Lite-On Singapore Pte. Ltd.			
Forward exchange contracts	USD/TWD	2015.07.23	USD30,000/TWD992,890
Forward exchange contracts	USD/EUR	2015.07.30	USD33,600/EUR30,000
Lite-On Electronics (Thailand) Co., Ltd.			
Forward exchange contracts	THB/USD	2015.10.05	THB67,686/USD2,000
Lite-On Mobile Pte. Ltd.			
Forward exchange contracts	CNY/USD	2015.07.20	CNY273,887/USD44,000
Forward exchange contracts	EUR/USD	2015.07.15	EUR3,500/USD3,952
Forward exchange contracts	USD/BRL	2015.07.20	USD2,000/BRL6,287
Silitech Technology Corp.			
Forward exchange contracts	USD/MYR	2015.07.20- 2015.08.19	USD750/MYR2,772
Forward exchange contracts	EUR/MYR	2015.07.28- 2015.08.27	EUR100/MYR403
<u>December 31, 2014</u>			
Lite-On Overseas Trading Co., Ltd.			
Forward exchange contracts	CNY/USD	2015.01.12	CNY277,020/USD45,000
Currency swap contracts	CNY/USD	2015.01.22	CNY93,435/USD15,000
Lite-On Singapore Pte. Ltd.			
Forward exchange contracts	CNY/USD	2015.01.12	CNY402,870/USD65,000
Forward exchange contracts	USD/EUR	2015.01.30	USD8,047/EUR6,600
Lite-On Electronics (Thailand) Co., Ltd.			
Forward exchange contracts	THB/USD	2015.04.07	THB66,086/USD2,000
DongGuan G-Pro Computer Co., Ltd.			
Currency swap contracts	CNY/USD	2015.01.05	CNY38,058/USD6,104
LET (HK) Ltd.			
Forward exchange contracts	USD/EUR	2015.01.29	USD10,972/EUR9,000
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.			
Forward exchange contracts	CNY/USD	2015.01.05	CNY43,173/USD7,000
Forward exchange contracts	CNY/EUR	2015.01.05	CNY2,307/EUR300
Zhuhai Lite-On Mobile Telecommunication Co., Ltd.			
Forward exchange contracts	CNY/USD	2015.01.05	CNY18,503/USD3,000
Lite-On Mobile Pte. Ltd.			
Forward exchange contracts	CNY/USD	2015.01.12	CNY204,072/USD33,000
Forward exchange contracts	USD/EUR	2015.01.12	USD1,230/EUR1,000
Forward exchange contracts	JPY/USD	2015.01.26	JPY144,114/USD1,200
Forward exchange contracts	USD/BRL	2015.01.15	USD2,500/BRL6,626
Forward exchange contracts	INR/USD	2015.01.15	INR93,759/USD1,500
Silitech Technology Corp.			
Forward exchange contracts	USD/MYR	2015.01.06- 2015.03.06	USD1,670/MYR5,737

(Continued)

	Currency	Maturity Date	Notional Amount (In Thousands)
<u>June 30, 2014</u>			
Lite-On Overseas Trading Co., Ltd.			
Forward exchange contracts	CNY/USD	2014.07.31	CNY187,365/USD30,000
Lite-On Singapore Pte. Ltd.			
Forward exchange contracts	USD/TWD	2014.08.18	USD20,000/TWD599,240
Forward exchange contracts	TWD/USD	2014.08.18	TWD599,240/USD19,975
Forward exchange contracts	USD/EUR	2014.07.30	USD3,266/EUR2,400
Forward exchange contracts	CNY/USD	2014.08.04	CNY124,450/USD20,000
Lite-On Electronics (Thailand) Co., Ltd.			
Forward exchange contracts	THB/USD	2014.10.03	THB65,085/USD2,000
Lite-On IT Singapore Pte. Ltd.			
Currency swap contracts	CNY/USD	2014.07.21	CNY120,000/USD19,225
Forward exchange contracts	USD/EUR	2014.07.24	USD5,446/EUR4,000
Lite-On Mobile Oyj (formerly Perlos Oyj)			
Currency swap contracts	USD/EUR	2014.09.08	USD12,000/EUR8,791
Forward exchange contracts	EUR/USD	2014.09.08	EUR8,843/USD12,000
Lite-On Mobile Pte. Ltd.			
Currency swap contracts	CNY/USD	2014.07.14	CNY74,810/USD12,000
Currency swap contracts	USD/EUR	2014.09.08	USD9,744/EUR7,000
Currency swap contracts	JPY/USD	2014.07.28	JPY660,433/USD6,495
Forward exchange contracts	EUR/USD	2014.09.08	EUR7,000/USD9,520
Forward exchange contracts	USD/EUR	2014.07.21	USD29,000/EUR21,380
Silitech Technology Corp.			
Currency swap contracts	USD/CNY	2014.07.11	USD1,500/CNY9,362
Forward exchange contracts	USD/MYR	2014.07.08- 2014.09.05	USD500/MYR1,622

(Concluded)

The subsidiaries entered into derivative contracts during the six months ended June 30, 2015 and 2014 to manage exposures due to fluctuations of foreign exchange rates. The derivative contracts entered into by the subsidiaries did not meet the criteria for hedge accounting. Thus, the derivative contracts classified as financial assets or financial liabilities at fair value through profit or loss. The financial risk management objectives of the subsidiaries were to minimize risks due to changes in fair value or cash flows.

On financial instruments with fair value through profit or loss (FVTPL), the Group had (a) net gains of \$9,384 thousand and \$52,285 thousand for the three months ended June 30, 2015 and 2014, respectively, and (b) net gains of \$187,521 thousand and \$51,715 thousand for the six months ended June 30, 2015 and 2014, respectively.

8. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	June 30, 2015	December 31, 2014	June 30, 2014
<u>Domestic investments</u>			
Quoted shares	\$ 452,624	\$ 626,191	\$ 1,378,291
Emerging market shares	178,716	178,716	178,716
Unquoted shares	144,617	144,617	189,160
<u>Foreign investments</u>			
Unquoted shares	205,758	221,811	342,733
Mutual funds	73,146	143,434	133,388
Quoted shares	<u>11,503</u>	<u>11,486</u>	<u>8,346</u>
	<u>\$ 1,066,364</u>	<u>\$ 1,326,255</u>	<u>\$ 2,230,634</u>
Current	\$ -	\$ -	\$ 15
Non-current	<u>1,066,364</u>	<u>1,326,255</u>	<u>2,230,619</u>
	<u>\$ 1,066,364</u>	<u>\$ 1,326,255</u>	<u>\$ 2,230,634</u>

Refer to Note 33 for information relating to the fair values of on available-for-sale financial assets determined.

There was objective evidence that the fair values of some financial assets were below their carrying costs and will permanently decline. As a result, the Group recognized impairment losses of \$45,071 thousand and \$31,561 thousand for the three months ended June 30, 2015 and 2014, respectively, and \$45,071 thousand and \$31,561 thousand for the six months ended June 30, 2015 and 2014, respectively, in the consolidated statements of comprehensive income for the six months ended June 30, 2015 and 2014.

9. DERIVATIVE FINANCIAL INSTRUMENTS FOR HEDGING

	June 30, 2015	December 31, 2014	June 30, 2014
<u>Derivative financial liabilities under hedge accounting</u>			
Cash flow hedges - interest rate swaps	<u>\$ 3,074</u>	<u>\$ 11,989</u>	<u>\$ 26,558</u>
Current	\$ 3,074	\$ 11,989	\$ -
Non-current	<u>-</u>	<u>-</u>	<u>26,558</u>
	<u>\$ 3,074</u>	<u>\$ 11,989</u>	<u>\$ 26,558</u>

The Parent Company's liabilities with floating interest rate might be affected by changes in the market rate. Thus, future cash flows on those liabilities might fluctuate, exposing the Parent Company to cash flow risk. To hedge against this risk, the Parent Company entered into an interest rate swap contract with a bank to change the floating rate of its liabilities to fixed rate. The cash flow hedge transactions are deemed sufficient.

The outstanding interest rate swap contracts of the Parent Company at the end of the reporting period were as follows:

Notional Amount (In Thousands)	Maturity Date	Range of Interest Rates Paid	Range of Interest Rates Received
<u>June 30, 2015</u>			
NT\$ 1,200,000	2015.09.23	1.895%	0.875%
<u>December 31, 2014</u>			
NT\$ 2,400,000	2015.09.23	1.895%	0.888%
<u>June 30, 2014</u>			
NT\$ 3,600,000	2015.09.23	1.895%	0.875%

10. DEBT INVESTMENTS WITH NO ACTIVE MARKET

	June 30, 2015	December 31, 2014	June 30, 2014
Pledged deposits	<u>\$ 245,670</u>	<u>\$ 78,688</u>	<u>\$ 92,561</u>
Current	\$ 245,670	\$ 78,170	\$ 91,449
Non-current	<u>-</u>	<u>518</u>	<u>1,112</u>
	<u>\$ 245,670</u>	<u>\$ 78,688</u>	<u>\$ 92,561</u>

Refer to Note 35 for information on bond investments with no active market pledged as security.

11. TRADE RECEIVABLES

	June 30, 2015	December 31, 2014	June 30, 2014
Trade receivables	\$ 45,545,165	\$ 51,479,864	\$ 49,590,288
Allowance for impairment loss	(257,877)	(298,871)	(197,543)
Unrealized interest revenues	<u>(49,548)</u>	<u>(46,981)</u>	<u>-</u>
	<u>\$ 45,237,740</u>	<u>\$ 51,134,012</u>	<u>\$ 49,392,745</u>

The average credit period on sales of goods was 90 days. In determining the recoverability of a trade receivable, the Group considered any change in the credit quality of the trade receivable since the date credit was initially granted to the end of the reporting period. The Group recognized an allowance for impairment loss of 100% against all receivables over 240 days because historical experience had been that receivables that are past due beyond 240 days were not recoverable. Allowance for impairment loss were recognized against trade receivables between 1 days and 240 days based on estimated irrecoverable amounts determined by reference to past default experience of the counterparties and an analysis of their current financial position.

The aging of receivables was as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Not overdue	\$ 43,875,910	\$ 50,175,655	\$ 48,187,283
Overdue			
1-60 days	1,358,482	1,069,101	1,150,312
61-210 days	184,475	109,378	111,491
211-240 days	9,868	4,743	23,059
Over 241 days	<u>116,430</u>	<u>120,987</u>	<u>118,143</u>
	<u>1,669,255</u>	<u>1,304,209</u>	<u>1,403,005</u>
	<u>\$ 45,545,165</u>	<u>\$ 51,479,864</u>	<u>\$ 49,590,288</u>

The above aging schedule was based on the past due date.

As of June 30, 2015, December 31, 2014 and June 30, 2014, the Group did not have the age of the trade receivables that were past due but not impaired.

At the end of the reporting period, trade receivables from sales on installments by the Group were as follows:

For the six months ended June 30, 2014: None.

	June 30, 2015	December 31, 2014
Trade receivables	\$ 966,328	\$ 789,720
Unrealized interests revenue	<u>(49,548)</u>	<u>(46,981)</u>
	<u>\$ 916,780</u>	<u>\$ 742,739</u>

Movements in the allowance for impairment loss recognized on notes receivable and trade receivables were as follow:

	For the Six Months Ended June 30	
	2015	2014
Balance at January 1	\$ 298,871	\$ 215,850
Allowance for impairment loss (reversal of impairment loss)	(32,100)	6,004
Foreign exchange translation	(7,080)	(2,251)
Reclassification	(1,357)	-
Uncollectible amounts written off during the period as uncollectible	(457)	-
Effect of business combination	<u>-</u>	<u>(22,060)</u>
Balance at June 30	<u>\$ 257,877</u>	<u>\$ 197,543</u>

12. INVENTORIES, NET

	June 30, 2015	December 31, 2014	June 30, 2014
Finished goods	\$ 16,784,356	\$ 15,623,878	\$ 14,656,476
Raw materials	7,553,056	7,413,962	8,336,567
Work in progress	2,991,549	3,834,591	5,522,853
Inventory in transit	296,434	2,336,889	1,821,064
Merchandise	<u>308,630</u>	<u>304,471</u>	<u>251,539</u>
	<u>\$ 27,934,025</u>	<u>\$ 29,513,791</u>	<u>\$ 30,588,499</u>

The costs of inventories recognized as cost of goods sold for the three months ended June 30, 2015 and 2014 were \$45,144,500 thousand and \$50,333,956 thousand, respectively, and for the six months ended June 30, 2015 and 2014, \$90,196,932 thousand and \$95,627,979 thousand, respectively.

The cost of inventories recognized as cost of goods sold in the three months and six months ended June 30, 2015 included a reversal amounting to \$197,291 thousand and \$349,156 thousand of inventory write-downs due to inventory write-off. The cost of inventories recognized as cost of goods sold in the three months and six months ended June 30, 2014 included inventory write-downs of \$271,432 thousand and \$304,482 thousand, respectively, which resulted from write-downs of inventory to net realizable value.

13. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Silitech Technology (SuZhou) Co., Ltd., a subsidiary of the Parent Company, entered into an agreement to sell idle equipment in the fourth quarter of 2014. This sale was mainly based on centralized management and production strategy considerations. The sales proceeds substantially exceeded the carrying amount of the related net assets; thus, no impairment losses were recognized on the assets reclassified to held for sale and the sale was completed in January 2015.

14. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

a. Subsidiaries included in consolidated financial statements

Investor	Investee	Main Business	% of Ownership			Remark
			June 30, 2015	December 31, 2014	June 30, 2014	
The Parent Company	Silitech Technology Corp.	Manufacture and sale of modules and plastic products	33.16	32.08	32.08	-
	Lite-On Integrated Service Inc.	Information outsourcing and system integrate	100.00	100.00	100.00	1)
	Lite-On Capital Corp.	Investment activities	100.00	100.00	100.00	1)
	Lite-On Electronics H.K. Ltd.	Sale of LED optical products	100.00	100.00	100.00	1)
	Lite-On Electronics (Thailand) Co., Ltd.	Manufacture and sale of LED optical products	100.00	100.00	100.00	1)
	Lite-On Japan Ltd.	Sale of LED optical products and power supplies	49.49	49.49	49.49	1)
	Lite-On International Holding Co., Ltd.	Investment activities	100.00	100.00	100.00	1)
	LTC Group Ltd.	Investment activities	100.00	100.00	100.00	1)
	Lite-On Technology USA, Inc.	Investment activities	100.00	100.00	100.00	1)
	Lite-On Electronics (Europe) Ltd.	Manufacture and sale of power supplies	100.00	100.00	100.00	1)
	Lite-On Technology (Europe) B.V.	Market research and after-sales service	54.00	54.00	54.00	1)
	Lite-On Overseas Trading Co., Ltd.	Merchandising business	100.00	100.00	100.00	-
	Lite-On Singapore Pte. Ltd.	Manufacture and supply computer peripheral products	100.00	100.00	100.00	-
	Lite-On Vietnam Co., Ltd.	Electronic contract manufacturing	100.00	100.00	100.00	1)
	Li Shin International Enterprise Corp.	Manufacture and sale of computer and appliance components	100.00	100.00	100.00	1)
	Eagle Rock Investment Ltd.	Import and export business and investment activities	100.00	100.00	100.00	1)
	LarView Technologies Corp.	Manufacture of optical instruments, general instruments, optical instruments, computer and peripherals	-	-	83.33	1),2)

(Continued)

Investor	Investee	Main Business	% of Ownership			Remark
			June 30, 2015	December 31, 2014	June 30, 2014	
	LarView Technologies Corporation (Samoa)	Investment activities	100.00	100.00	100.00	1),3)
	Lite-On Mobile Pte. Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	-
	High Yield Group Co., Ltd.	Holding company	100.00	100.00	100.00	1)
	Lite-On IT Singapore Pte. Ltd.	Sale of optical disc drives	-	100.00	100.00	1),4)
	Lite-On Information Technology B.V.	Market research and customer service	100.00	100.00	100.00	1)
	Philip & Lite-On Digital Solutions Corp.	Sale of optical disc drives	49.00	49.00	49.00	-
	LET (HK) Ltd.	Sale of optical disc drives	100.00	100.00	100.00	1)
	Leotek Electronics Holding Limited	Holding company	100.00	100.00	100.00	1)
	Lite-On Automotive Electronics (Europe) BV	Sale of automotive parts and other electronic products	100.00	100.00	100.00	1)
	Lite-On Automotive North America Inc.	Sale of automotive parts and other electronic products	-	100.00	100.00	1),5)
	Lite-On Automotive Service USA Inc.	Sale of automotive parts and other electronic products	100.00	100.00	100.00	1)
	Lite-On Automotive International (Cayman) Co., Ltd.	Investment activities	100.00	100.00	100.00	1)
	Lite-On Automotive Electronics Mexico, S.A. DE C.V.	Production, manufacture, sale, import and export of photovoltaic device, key electronic components, telecommunications equipment, information technology equipment, semiconductor applications, general lighting, automotive electronics, renewable energy products and systems and maintenance of automotive industry	99.00	-	-	1),6)
Lite-On Capital Corp.	Silitech Technology Corp.	Manufacture and sale of modules and plastic products	0.63	0.61	0.61	-
	Lite-On Green Technologies Inc.	Manufacture and wholesale of electronic components and energy technology services	100.00	100.00	100.00	1)
	Lite-On Green Energy (HK) Limited	Investment activities	100.00	100.00	100.00	1)
	Lite-On Technology (Europe) B.V.	Market research and after-sales services	46.00	46.00	46.00	1)
	Lite-On Green Energy (Singapore) Pte. Ltd.	Investment activities	100.00	100.00	100.00	1)
	LarView Technologies Corp.	Manufacture of optical instruments, general instruments, optical instruments, computer and peripherals	-	-	16.67	1),2)
	Five Dimension Co., Ltd.	Development, manufacture and sale of cell phone and camera lens modules	69.94	69.94	-	1),7)
Five Dimension Co., Ltd.	FiiDi Optical Co., Ltd.	Wholesale of precision modules	-	40.00	-	1),8)
Lite-On Green Technologies Inc.	Lite-On Green Technologies B.V.	Solar energy engineering	100.00	100.00	100.00	1)
	Lite-On Green Technologies (HK) Limited	Solar energy engineering	100.00	100.00	100.00	1)
Lar View Technologies Corporation (Samoa)	LarView Technologies Corp. (Shenzhen)	Camera lens modules	100.00	100.00	100.00	1),3)
Lite-On Green Energy (Singapore) Pte. Ltd.	Lite-On Green Energy B.V.	Investment activities	100.00	100.00	100.00	1)
	Lite-On Green Energy Kaiserslautern GmbH	Solar energy engineering	100.00	100.00	100.00	1)
Lite-On Green Technologies (HK) Limited	Lite-on Green Technologies (Nanjing) Corporation	Solar energy engineering	100.00	100.00	100.00	1)
Lite-On Green Energy B.V.	Romeo Tetti PV1 S.R.L.	Solar energy engineering	100.00	100.00	100.00	1)
	Lite-On Green Energy S.R.L.	Solar energy engineering	100.00	100.00	100.00	1)
Lite-On Electronics H.K. Ltd.	Lite-On Electronics (Tianjinn) Co., Ltd.	ODM services	100.00	100.00	100.00	1)
	Lite-On Network Communication (Dongguan) Limited (formerly: Dong Guan G-Com Computer Ltd.)	Manufacture and sale of IT products	100.00	100.00	100.00	1)
	Lite-On Power Technology (Chang Zhou) Co., Ltd.	Manufacture and sale of new-type electronic components and peripheral materials	100.00	100.00	100.00	1)
	China Bridge (China) Co., Ltd.	Investment, sales agent	100.00	100.00	100.00	1)
	Lite-On Electronics (Dongguan) Co., Ltd.	Manufacture of electronic components	100.00	100.00	100.00	1)
	Silitek Elec. (Dongguan) Co., Ltd.	Manufacture and sale of keyboards	100.00	100.00	100.00	1)
	Lite-On Computer Tech (Dongguan) Co., Ltd.	Manufacture and sale of display device	100.00	100.00	100.00	1)
	Dong Guan G-Tech Computers Co., Ltd.	Manufacture and sale of computer case	100.00	100.00	100.00	1)
	DongGuan G-Pro Computer Co., Ltd.	Manufacture and sale of system products	79.29	79.29	79.29	1)
	Lite-On Digital Electronics (Dongguan) Co., Ltd.	Manufacture and sale of computer peripheral products	100.00	100.00	100.00	1)
Lite-On Network Communication (Dongguan) Limited (formerly: Dong Guan G-Com Computer Ltd.)	DongGuan G-Pro Computer Co., Ltd.	Manufacture and sale of system products	20.71	20.71	20.71	1)
China Bridge (China) Co., Ltd.	Lite-On Opto Technology (Changzhou) Co., Ltd.	Development, manufacture of new-type electronic components and provide technology consulting services, maintenance equipment and after-sales services	12.59	12.59	12.59	-
	China Bridge Express (Wuxi) Co., Ltd.	Express and sale of power supplies, printers, display devices and scanners	100.00	100.00	100.00	1)

(Continued)

Investor	Investee	Main Business	% of Ownership			Remark
			June 30, 2015	December 31, 2014	June 30, 2014	
Lite-On Electronics Co., Ltd.	Lite-On Communications (Guangzhou) Co., Ltd.	Manufacture and sale of mobile terminal equipment	100.00	100.00	100.00	-
	Lite-On Electronics (Guangzhou) Co., Ltd.	Manufacture and sale of printers and scanners	100.00	100.00	100.00	-
	Lite-On (Guangzhou) Infortech Co., Ltd.	Information outsourcing	100.00	100.00	100.00	1)
	Lite-On Elec and Wire (Guangzhou) Co., Ltd.	Manufacture and sale of mobile terminal equipment	100.00	100.00	100.00	-
	Lite-On (Guangzhou) Precision Tooling Co., Ltd.	Manufacture and sale of modules	67.03	67.03	67.03	-
	Lite-On Tech (Guangzhou) Co., Ltd.	Manufacture and sale of computer cases	100.00	100.00	100.00	-
	Lite-On Electronics (Jiangsu) Co., Ltd.	Development, manufacture, sale and installation of power supplies and transformers and provision of technology consulting services, maintenance equipment and precision instruments	100.00	100.00	100.00	1)
	Lite-On Technology (Guangzhou) Investment Co., Ltd.	Investment activities	100.00	100.00	100.00	1)
	Lite-On Power Technology (Dongguan) Co., Ltd.	Development, manufacture and sale of electronic components, power supplies and provision technology consulting services	100.00	100.00	100.00	1)
	Lite-On Technology (Guangzhou) Investment Co., Ltd.	Lite-On (Guangzhou) Precision Tooling Co., Ltd.	Manufacture and sale of modules	32.97	32.97	32.97
Zhuhai Lite-On Mobile Technology Co., Ltd.		Mobile phone mold, assembly line design, manufacture and sale activities.	100.00	100.00	100.00	1),9)
Lite-On Electronics (Jiangsu) Co., Ltd.	Lite-On Technology (Changzhou) Co., Ltd.	Development, manufacture, sale and installation of power supplies and transformers and provision technology consulting services, maintenance equipment and after-sales services	100.00	100.00	100.00	-
	Lite-On Opto Technology (Changzhou) Co., Ltd.	Development, manufacture and sale of new-type electronic components and LED and provision technology consulting services, maintenance equipment and after-sales services	87.41	87.41	87.41	-
Yet Foundate Ltd.	Lite-On Medical Device (Changzhou) Ltd.	Manufacture and sale of medical equipment	100.00	100.00	-	1),10)
	Dongguan Lite-On Computer Co., Ltd.	Manufacture and sale of computer hosts and components	100.00	100.00	100.00	1)
Fordgood Electronic Ltd.	Lite-On Li Shin Technology (Ganzhou) Co., Ltd.	Manufacture and sale of electronic components	100.00	100.00	100.00	1)
Lite-On Technology USA, Inc.	Lite-On, Inc.	Sales data processing business of optoelectronic products and power supplies	100.00	100.00	100.00	1)
	Lite-On Trading USA, Inc.	Sale of optical products	100.00	100.00	100.00	1)
	Lite-On Service USA, Inc.	After-sales service of optical products	100.00	100.00	100.00	1)
	Leotek Electronics USA LLC.	Sale of LED products	100.00	100.00	100.00	1)
	Power Innovations International, Inc.	Development, design and manufacture of power control and energy management	95.25	95.25	95.25	1),11)
	Lite-On Sales & Distribution Inc.	Sale of optical disc drives	100.00	100.00	100.00	1),12)
Lite-On International Holding Co., Ltd.	Ze Poly Pte. Ltd.	Manufacture and sale of thin-film solar cell	48.13	48.13	48.13	1)
	Lite-On China Holding Co., Ltd.	Manufacture and sale of computer cases	100.00	100.00	100.00	-
Ze Poly Pte. Ltd.	Ze Poly Tomsk Ltd.	Solar energy industry	-	-	100.00	1),13)
Lite-On Singapore Pte. Ltd.	Lite-On Technology (Ying Tan) Co., Ltd.	Manufacture and sale of electronic components	100.00	100.00	100.00	1)
	Lite-On Technology (Xianging) Co., Ltd.	Manufacture and sale of electronic components	100.00	100.00	100.00	1)
	Lite-On Technology (Shanghai) Ltd.	Manufacture and sale of energy saving equipment	100.00	100.00	-	1),10)
	Lite-On Automotive Electronics Mexico, S.A. DE C.V.	Production, manufacture, sale, import and export of photovoltaic device, key electronic components, telecommunications equipment, information technology equipment, semiconductor applications, general lighting, automotive electronics, renewable energy products and systems and maintenance of automotive industry	1.00	-	-	1),6)
	LTC Group Ltd.	Titanic Capital Services Ltd.	Investment activities	100.00	100.00	100.00
Lite-On Technology (Europe) B.V.	LTC International Ltd.	Manufacture and sale of system products	100.00	100.00	100.00	1)
	Lite-On (Finland) Oy	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	1)
Lite-On (Finland) Oy	Lite-On Mobile Oyj (formerly: Perlos Oyj)	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	1)
Lite-On China Holding Co., Ltd.	Lite-On Electronics Co., Ltd.	Investment activities	100.00	100.00	100.00	1)
	Yet Foundate Ltd.	Manufacture of plastic and computer peripheral products	100.00	100.00	100.00	1)
	I-Solutions Limited	Original equipment manufacturer of electronic products	100.00	100.00	100.00	1)
	Fordgood Electronic Ltd.	Import and export and real estate business	100.00	100.00	100.00	1)
G&W Technology (BVI) Ltd.	G&W Technology (BVI) Ltd.	Real estate management	50.00	50.00	50.00	1)
	G&W Technology Limited	Leasing business	100.00	100.00	100.00	1)
Eagle Rock Investment Ltd.	Huizhou Li Shin Electronic Co., Ltd.	Manufacture of computer peripheral products	100.00	100.00	100.00	1)
	Huizhou Fu Tai Electronic Co., Ltd.	Manufacture of computer peripheral products	100.00	100.00	100.00	1)

(Continued)

Investor	Investee	Main Business	% of Ownership			Remark
			June 30, 2015	December 31, 2014	June 30, 2014	
Eagle Rock Investment Ltd.	Li Shin Technology (Huizhou) Ltd.	Manufacture and sale of new-type electronic components and peripheral materials	100.00	100.00	100.00	1)
High Yield Group Co., Ltd.	Lite-On IT International (HK) Ltd.	Sale of optical disc drives	100.00	100.00	100.00	1)
Lite-On IT International (HK) Ltd.	Lite-On Opto Technology (Guangzhou) Co., Ltd.	Manufacture and sale of optical disc drives	100.00	100.00	100.00	1)
	Lite-On Auto Electric Technology (Guangzhou) Ltd.	Manufacture and sale of optical disc drives	100.00	100.00	100.00	1)
	Lite-On IT Opto Tech (BH) Co., Ltd.	Manufacture and sale of optical disc drives	100.00	100.00	100.00	1)
Lite-On Information Technology B.V.	Lite-On Information Technology GmbH	Sale of optical disc drives	100.00	100.00	100.00	1)
Philip & Lite-On Digital Solutions Corp.	Philips & Lite-On Digital Solutions Germany GmbH	Development and sale of modules of automotive recorders	100.00	100.00	100.00	-
	Philips & Lite-On Digital Solutions USA Inc.	Sale of optical disc drives	100.00	100.00	100.00	-
	Philips & Lite-On Digital Solutions Korea Ltd.	Sale of optical disc drives	100.00	100.00	100.00	-
	Philips & Lite-On Digital Solutions Netherlands B.V.	Sale and design of optical disc drives	100.00	100.00	100.00	-
	Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd.	Sale of optical disc drives	100.00	100.00	100.00	-
Silitech Technology Corp.	Silitech (BVI) Holding Ltd.	Investment activities	100.00	100.00	100.00	-
	Lite-On Japan Ltd.	Sale of LED optical products and power supplies	7.87	7.87	7.87	1)
Silitech (BVI) Holding Ltd.	Silitech (Bermuda) Holding Ltd.	Investment activities	100.00	100.00	100.00	-
Silitech (Bermuda) Holding Ltd.	Silitech Technology Corp. Ltd.	Manufacture of plastic and computer peripheral products	100.00	100.00	100.00	-
	Silitech Technology Corp. Sdn. Bhd.	Manufacture of computer peripheral products	100.00	100.00	100.00	1)
	Silitech Technology (Europe) Ltd.	Sale of modules and keyboards	-	-	100.00	1),14)
	Silitech (Hong Kong) Holding Ltd.	Investment activities	100.00	100.00	100.00	-
	Silitech International (India) Private Limited	Development, manufacture and sale of automotive parts	100.00	100.00	100.00	1)
Silitech (Hong Kong) Holding Ltd.	Silitech Technology (SuZhou) Co., Ltd.	Manufacture and sale of automotive parts	100.00	100.00	100.00	-
Silitech Technology Corp. Ltd.	Xurong Electronic (Shenzhen) Co., Ltd.	Manufacture of automotive parts, touch panels and plastic and rubber assembly	100.00	100.00	100.00	-
	SuZhou Xulong Mold Producing Co., Ltd.	Development, manufacture and sale of precision modules and new-type electronic components (chip components, testing elements, hybrid integrated circuits)	60.00	60.00	60.00	1)
Leotek Electronics Holding Limited	Changzhou Leotek New Energy Trade Limited	Wholesale, import and export and installation of street lights, signal lights, scenery lights and new-type electronic components	100.00	100.00	100.00	1)
Lite-On Automotive International (Cayman) Co., Ltd.	Lite-On Automotive Holdings (Hong Kong) Co., Ltd.	Investment activities	100.00	100.00	100.00	1)
Lite-On Automotive Holdings (Hong Kong) Co., Ltd.	Lite-On Automotive (Wuxi) Co., Ltd.	Manufacture, sale and processing of electronic products	100.00	100.00	100.00	1)
	Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	Manufacture, sale and processing of electronic products	100.00	100.00	100.00	1)
Lite-On Japan Ltd.	Lite-On Japan (S) Pte. Ltd.	Import and export business of electronic components	100.00	100.00	100.00	1)
	L&K Industries Philippines, Inc.	Import and export business of electronic components	100.00	100.00	100.00	1)
	Lite-On Japan (H.K.) Limited	Import and export business of electronic components	100.00	100.00	100.00	1)
	Lite-On Japan (Korea) Co., Ltd.	Import and export business of electronic components	100.00	100.00	100.00	1)
Lite-On Japan (S) Pte. Ltd.	Lite-on Japan (Thailand) Co., Ltd.	Import and export business of electronic components	100.00	100.00	100.00	1)
Lite-On Japan (H.K.) Limited	NL (Shanghai) Co., Ltd.	Import and export business of electronic components	100.00	100.00	100.00	1)
Lite-On Mobile Oyj (formerly: Perlos Oyj)	Lite-On Mobile Sweden AB	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	1)
	Lite-On Mobile Indústria e Comércio de Plásticos Ltda.	Manufacture and sale of mobile phone modules and design for assembly line	3.32	3.53	3.73	1)
Lite-On Mobile Pte. Ltd.	Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	-
	Guangzhou Lite-On Mobile Engineering Plastics Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	1)
	Beijing Lite-On Mobile Electronic and Telecommunication Components Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	-
	Shenzhen Lite-On Mobile Precision Molds Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	1)
	Lite-On Mobile Indústria e Comércio de Plásticos Ltda.	Manufacture and sale of mobile phone modules and design for assembly line	96.68	96.47	96.27	1)
	Perlos Precision Plastics Moulding Limited Liability Company	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	1)
	Lite-On Mobile India Private Limited.	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	1)
	Lite-On Young Fast Pte. Ltd.	Investment activities	100.00	100.00	65.00	1)
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Yantai Lite-On Mobile Electronic Components Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	1)
Lite-On Young Fast Pte. Ltd.	Lite-On Young Fast (Huizhou) Co., Ltd.	Modules of touch panels	100.00	100.00	100.00	1)

(Concluded)

Remark:

- 1) This is an immaterial subsidiary for which the consolidated financial statements are not reviewed by the Company's independent accountants.
 - 2) In April 2014, the Group acquired power to cast the majority of the equity of LarView Technologies Corp.; thus, this investee was included in the consolidated financial statement effective that month. Please refer to Note 29. LarView was dissolved after merging with the Parent Company in September 2014. Thus, LarView's subsidiaries became directly held by the Parent Company.
 - 3) In April 2014, the Group acquired power to cast the majority of the equity of LarView Technologies Corp.; thus, this investee was included in the consolidated financial statement effective that month. LarView was dissolved after merging with the Parent Company in September 2014. Thus, LarView's subsidiaries became directly held by the Parent Company.
 - 4) Lite-On IT Singapore Pte. Ltd. was dissolved after merging with Lite-On Singapore Pte. Ltd. on January 1, 2015.
 - 5) Lite-On Automotive North America Inc. was dissolved after liquidation on May 26, 2015.
 - 6) Established in January 2015.
 - 7) In November 2014, the Group acquired power to cast the majority of the equity; thus, this investee was included in the consolidated financial statement effective that month.
 - 8) In November 2014, the Group acquired power to cast the majority of the equity; thus, this investee was included in the consolidated financial statement effective that month. The company was dissolved after liquidation on April 19, 2015.
 - 9) The Group reorganized its structure on March 5, 2015, and Lite-On Technology (Guangzhou) Investment Co., Ltd. acquired the entire equity of Zhuhai Lite-On Mobile Technology Co., Ltd., from its subsidiary, Lite-On Mobile Pte. Ltd. and Guangzhou Lite-On Mobile Electronic Components Co., Ltd.
 - 10) Established in October 2014.
 - 11) The Group acquired power to cast the majority of the equity of Power Innovations International Inc. in April 2014; thus, this company was included in the consolidated financial statement effective that month. Please refer to Note 29.
 - 12) The Group reorganized its structure on January 1, 2015, and Lite-On Sales & Distribution Inc. became directly held by Lite-On Technology USA, Inc.
 - 13) Accomplished the liquidation in December 2014.
 - 14) Accomplished the liquidation in November 2014.
- b. Subsidiaries excluded from consolidated financial statements: None.

15. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	June 30, 2015	December 31, 2014	June 30, 2014
Investments in associates	\$ 4,032,248	\$ 4,055,902	\$ 4,172,351
Investments in joint ventures	<u>-</u>	<u>-</u>	<u>1,078</u>
	<u>\$ 4,032,248</u>	<u>\$ 4,055,902</u>	<u>\$ 4,173,429</u>

a. Investments in associates

	June 30, 2015	December 31, 2014	June 30, 2014
Material associates			
Lite-On Semiconductor Corp.	\$ 1,713,848	\$ 1,698,507	\$ 1,823,474
Dragonjet Corporation	1,029,213	1,060,414	1,031,112
Logah Technology Corp.	<u>323,044</u>	<u>352,473</u>	<u>453,072</u>
	3,066,105	3,111,394	3,307,658
Associates that are not individually material	966,143	944,508	845,554
Credit balance on the carrying value of investments accounted for using equity method	<u>-</u>	<u>-</u>	<u>19,139</u>
	<u>\$ 4,032,248</u>	<u>\$ 4,055,902</u>	<u>\$ 4,172,351</u>

Material associates:

Name of Associate	<u>Proportion of Ownership and Voting Rights</u>		
	June 30, 2015	December 31, 2014	June 30, 2014
Lite-On Semiconductor Corp.	20.15%	20.23%	20.27%
Dragonjet Corporation	29.62%	29.62%	29.62%
Logah Technology Corp.	31.77%	32.53%	39.63%

Refer to Table 7 “Names, Locations, and Related Information of Investees over which the Company Exercises Significant Influence” and Table 8 “Information on Investment in Mainland China” for the nature of activities, principal place of business and country of incorporation of the associates.

Starting from March 28, 2014, the Group has no power to govern the financial and operating policies of Logah Technology Corp. The Group used the fair value measurement for its investments after it lost control of Logah Technology Corp. (please refer to Note 30). The Group still has significant influence on Logah Technology Corp.; thus, the Group accounted for this investment by the equity method.

The equity-method investees’ financial statements, which had been used to determine the carrying amount of the Group’s investments share of profit and other comprehensive income of associates, had not been reviewed, except for the financial statements as of and for the six months ended June 30, 2015 and 2014 of Lite-On Semiconductor Corp. and Logah Technology Corp.

Fair value (Level 1) of investments in associates with available published price quotation are summarized as follows:

Name of Associate	June 30, 2015	December 31, 2014	June 30, 2014
Lite-On Semiconductor Corp.	\$ 1,531,742	\$ 1,429,838	\$ 2,003,969
Logah Technology Corp.	\$ 415,563	\$ 599,741	\$ 882,497

The Group's investments of the above mentioned associates are measured by equity method.

b. Investments in joint ventures

	June 30, 2015	December 31, 2014	June 30, 2014
Joint ventures that are not individually material	\$ -	\$ -	\$ 1,078

Financial statements, which had been used to determine the carrying amounts of the Group's investments and its share of profits and other comprehensive income of associates, had not been reviewed.

16. PROPERTY, PLANT AND EQUIPMENT, NET

	June 30, 2015	December 31, 2014	June 30, 2014
<u>Carrying amounts of each class of</u>			
Freehold land	\$ 2,327,467	\$ 2,335,867	\$ 2,338,609
Buildings	11,725,955	12,424,092	13,176,173
Machinery equipment	13,901,837	16,012,090	15,726,087
Tooling equipment	374,436	140,111	402,515
Transportation equipment	23,221	21,681	18,682
Office equipment	485,191	465,815	584,908
Equipment held under finance lease	213,072	267,468	293,907
Other equipment	5,591,665	4,440,092	2,785,392
	<u>\$ 34,642,844</u>	<u>\$ 36,107,216</u>	<u>\$ 35,326,273</u>

For the Six Months Ended June 30, 2015

	January 1, 2015	Additions	Disposals	Effect of Business Combination	Reclassification	Effect of Foreign Currency Exchange Differences	June 30, 2015
<u>Cost</u>							
Freehold land	\$ 2,335,867	\$ -	\$ -	\$ -	\$ -	\$ (8,400)	\$ 2,327,467
Buildings	20,591,355	13,910	33,247	-	9,679	(521,989)	20,059,708
Machinery equipment	42,733,143	1,584,558	1,531,357	-	(593,882)	(1,942,868)	40,249,594
Tooling equipment	3,884,972	390,729	181,529	-	832,315	(355,279)	4,571,208
Transportation equipment	83,156	5,902	4,270	-	(709)	(1,916)	82,163
Office equipment	2,730,452	155,921	212,880	-	70,442	(75,112)	2,668,823
Equipment held under finance lease	1,411,445	176	136	-	-	(50,027)	1,361,458
Other equipment	9,077,902	1,255,727	131,025	-	617,472	(340,270)	10,479,806
	<u>82,848,292</u>	<u>\$ 3,406,923</u>	<u>\$ 2,094,444</u>	<u>\$ -</u>	<u>\$ 935,317</u>	<u>\$ (3,295,861)</u>	<u>81,800,227</u>

(Continued)

For the Six Months Ended June 30, 2015

	January 1, 2015	Additions	Disposals	Effect of Business Combination	Reclassification	Effect of Foreign Currency Exchange Differences	June 30, 2015
<u>Accumulated depreciation</u>							
Buildings	\$ 7,821,429	\$ 404,419	\$ 14,330	\$ -	\$ (4,824)	\$ (185,624)	\$ 8,021,070
Machinery equipment	25,607,321	2,116,028	1,196,305	-	(156,836)	(1,151,441)	25,218,767
Tooling equipment	3,704,341	289,638	177,640	-	678,764	(336,817)	4,158,286
Transportation equipment	60,551	3,895	4,090	-	(709)	(1,445)	58,202
Office equipment	2,254,755	136,223	198,496	-	53,279	(71,097)	2,174,664
Equipment held under finance lease	1,101,485	52,194	122	-	2,442	(49,343)	1,106,656
Other equipment	4,534,639	264,318	123,199	-	349,600	(278,167)	4,747,191
	<u>45,084,521</u>	<u>\$ 3,266,715</u>	<u>\$ 1,714,182</u>	<u>\$ -</u>	<u>\$ 921,716</u>	<u>\$ (2,073,934)</u>	<u>45,484,836</u>
<u>Accumulated impairment</u>							
Freehold land	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
Buildings	345,834	(93)	-	-	-	(33,058)	312,683
Machinery equipment	1,113,732	60,270	14,754	-	-	(30,258)	1,128,990
Tooling equipment	40,520	-	-	-	-	(2,034)	38,486
Transportation equipment	924	-	168	-	-	(16)	740
Office equipment	9,882	-	738	-	-	(176)	8,968
Equipment held under finance lease	42,492	-	-	-	-	(762)	41,730
Other equipment	103,171	44,156	813	-	-	(5,564)	140,950
	<u>1,656,555</u>	<u>\$ 104,333</u>	<u>\$ 16,473</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (71,868)</u>	<u>1,672,547</u>
	<u>\$ 36,107,216</u>						<u>\$ 34,642,844</u>

(Concluded)

For the Six Months Ended June 30, 2014

	January 1, 2014	Additions	Disposals	Effect of Business Combination	Reclassification	Effect of Foreign Currency Exchange Differences	June 30, 2014
<u>Cost</u>							
Freehold land	\$ 2,398,990	\$ -	\$ -	\$ (56,368)	\$ -	\$ (4,013)	\$ 2,338,609
Buildings	20,283,203	54,530	5,960	(135,706)	753,354	(255,015)	20,694,406
Machinery equipment	40,610,971	2,169,577	1,083,417	(141,208)	(270,414)	(1,181,104)	40,104,405
Tooling equipment	4,114,144	69,644	215,857	-	9,936	52,351	4,030,218
Transportation equipment	89,042	97	5,287	(1,600)	(72)	(550)	81,630
Office equipment	2,757,887	81,109	32,750	803	(84,373)	(28,396)	2,694,280
Equipment held under finance lease	1,420,378	20,846	8,568	(68,222)	(21,609)	(24,675)	1,318,150
Other equipment	6,784,900	908,560	74,093	(31,642)	(427,610)	(109,987)	7,050,128
	<u>78,459,515</u>	<u>\$ 3,304,363</u>	<u>\$ 1,425,932</u>	<u>\$ (433,943)</u>	<u>\$ (40,788)</u>	<u>\$ (1,551,389)</u>	<u>78,311,826</u>
<u>Accumulated depreciation</u>							
Buildings	6,947,394	\$ 470,520	\$ 4,420	\$ (11,582)	\$ 50,930	\$ (122,386)	7,330,456
Machinery equipment	22,822,096	2,174,892	674,245	(185,703)	(319,336)	(322,865)	23,494,839
Tooling equipment	3,611,874	243,128	206,061	-	2,532	(44,770)	3,606,703
Transportation equipment	64,939	4,504	4,716	(1,301)	(63)	(415)	62,948
Office equipment	2,016,021	135,687	32,095	(20,156)	26,563	(18,571)	2,107,449
Equipment held under finance lease	1,026,069	30,767	8,104	(24,858)	(9,004)	9,373	1,024,243
Other equipment	3,725,652	371,097	60,653	(22,620)	318,099	(97,213)	4,234,362
	<u>40,214,045</u>	<u>\$ 3,430,595</u>	<u>\$ 990,294</u>	<u>\$ (266,220)</u>	<u>\$ 69,721</u>	<u>\$ (596,847)</u>	<u>41,861,000</u>
<u>Accumulated impairment</u>							
Freehold land	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
Buildings	168,211	21,164	181	-	-	(1,417)	187,777
Machinery equipment	998,389	22,821	19,579	(79,978)	(7,133)	(31,041)	883,479
Tooling equipment	22,877	-	1,908	-	-	31	21,000
Transportation equipment	301	-	-	(299)	-	(2)	-
Office equipment	4,431	-	322	(2,133)	-	(53)	1,923
Equipment held under finance lease	14,338	-	-	(14,241)	-	(97)	-
Other equipment	35,541	-	18	(3,902)	-	(1,247)	30,374
	<u>1,244,088</u>	<u>\$ 43,985</u>	<u>\$ 22,008</u>	<u>\$ (100,553)</u>	<u>\$ (7,133)</u>	<u>\$ (33,826)</u>	<u>1,124,553</u>
	<u>\$ 37,001,382</u>						<u>\$ 35,326,273</u>

For the three months and six months ended June 30, 2015 as the result of the declining sale of some of the products in the market, the estimated future cash flows expected to arise from the related equipment was decreased and recognized impairment loss \$76,882 thousand and \$104,333 thousand. The Group carried out a review of the recoverable amount of that related equipment and determined that the carrying amount exceeded the recoverable amount. For the three months and six months ended June 30, 2014 as the result of the declining sale of some of the products in the market, the estimated future cash flows expected to arise from the related equipment was decreased and recognized impairment loss \$44,194 thousand and \$43,985 thousand. The impairment loss had been recognized in the consolidated statements of comprehensive income.

The above items of property, plant and equipment were depreciated on a straight-line basis at the following rates per annum:

Buildings	5-60 years
Machinery equipment	2-10 years
Tooling equipment	2-10 years
Transportation equipment	3-10 years
Office equipment	2-10 years
Equipment held under finance lease	3-40 years
Other equipment	2-10 years

17. INVESTMENT PROPERTIES, NET

	June 30, 2015	December 31, 2014	June 30, 2014
Completed investment properties	<u>\$ 511,156</u>	<u>\$ 537,030</u>	<u>\$ -</u>

The investment properties held by the Group were depreciated using the straight-line method over their estimated useful lives of 20 years.

For the six months ended June 30, 2015, the investment properties held by the Group had no significant increases, disposal and impairment, but depreciation expenses were recognized for these properties.

The fair value of the investment properties as of December 31, 2014 was \$613,771 thousand. The Group's management estimated no significant differences between this fair value and that for the six months ended June 30, 2015. For the investment properties valued by an independent appraiser, the Group's management determined their fair value by reference to the appraiser's market evidence of the transaction price of real estate. The discount rate used was 6.5%.

18. OTHER INTANGIBLE ASSETS, NET

	June 30, 2015	December 31, 2014	June 30, 2014
Goodwill	\$ 14,920,152	\$ 14,953,187	\$ 14,902,016
Patents	9,039	12,188	4,061
Patents use rights	673,969	786,297	898,626
Software	274,085	286,304	258,090
Other intangible assets	<u>152,375</u>	<u>260,987</u>	<u>378,278</u>
	<u>\$ 16,029,620</u>	<u>\$ 16,298,963</u>	<u>\$ 16,441,071</u>

For the Six Months Ended June 30, 2015

	January 1, 2015	Additions	Disposals	Effect of Business Combination	Reclassification	Effect of Foreign Currency Exchange Differences	June 30, 2015
<u>Cost</u>							
Goodwill	\$ 15,483,954	\$ 65,002	\$ -	\$ -	\$ -	\$ (98,037)	\$ 15,450,919
Patents	39,481	-	-	-	-	(181)	39,300
Patents use rights	2,695,878	-	-	-	-	-	2,695,878
Client relationships	163,819	-	-	-	-	-	163,819
Software	563,576	79,083	25,282	-	(59)	(4,186)	613,132
Other intangible assets	3,859,575	4,260	965,365	-	(945,535)	(34,977)	1,917,958
	<u>22,806,283</u>	<u>\$ 148,345</u>	<u>\$ 990,647</u>	<u>\$ -</u>	<u>\$ (945,594)</u>	<u>\$ (137,381)</u>	<u>20,881,006</u>
<u>Accumulated amortization</u>							
Goodwill	77,234	\$ -	\$ -	\$ -	\$ -	\$ -	77,234
Patents	27,293	3,096	-	-	-	(128)	30,261
Patents use rights	1,909,581	112,328	-	-	-	-	2,021,909
Client relationships	163,819	-	-	-	-	-	163,819
Software	277,272	78,272	14,292	-	535	(2,740)	339,047
Other intangible assets	3,598,588	86,997	962,273	-	(931,249)	(26,480)	1,765,583
	<u>6,053,787</u>	<u>\$ 280,693</u>	<u>\$ 976,565</u>	<u>\$ -</u>	<u>\$ (930,714)</u>	<u>\$ (29,348)</u>	<u>4,397,853</u>
<u>Accumulated impairment</u>							
Goodwill	453,533	\$ -	\$ -	\$ -	\$ -	\$ -	453,533
Patents	-	-	-	-	-	-	-
Patents use rights	-	-	-	-	-	-	-
Software	-	-	-	-	-	-	-
Other intangible assets	-	-	-	-	-	-	-
	<u>453,533</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>453,533</u>
	<u>\$ 16,298,963</u>						<u>\$ 16,029,620</u>

For the Six Months Ended June 30, 2014

	January 1, 2014	Additions	Disposals	Effect of Business Combination	Reclassification	Effect of Foreign Currency Exchange Differences	June 30, 2014
<u>Cost</u>							
Goodwill	\$ 14,792,433	\$ 646,599	\$ -	\$ (5,043)	\$ -	\$ (1,206)	\$ 15,432,783
Patents	37,328	549	2,049	130	(6,862)	(17)	29,079
Patents use rights	2,695,878	-	-	-	-	-	2,695,878
Client relationships	163,819	-	-	-	-	-	163,819
Software	265,373	246,374	6,284	10,511	(38,113)	201	478,062
Other intangible assets	3,427,496	40,680	27,743	1,836	411,540	(9,298)	3,844,511
	<u>21,382,327</u>	<u>\$ 934,202</u>	<u>\$ 36,076</u>	<u>\$ 7,434</u>	<u>\$ 366,565</u>	<u>\$ (10,320)</u>	<u>22,644,132</u>
<u>Accumulated amortization</u>							
Goodwill	77,234	\$ -	\$ -	\$ -	\$ -	\$ -	77,234
Patents	25,927	4,379	-	-	(5,300)	12	25,018
Patents use rights	1,684,924	112,328	-	-	-	-	1,797,252
Client relationships	163,819	-	-	-	-	-	163,819
Software	203,832	46,090	4,779	3,799	(29,465)	495	219,972
Other intangible assets	3,056,796	115,874	24,828	879	325,414	(7,902)	3,466,233
	<u>5,212,532</u>	<u>\$ 278,671</u>	<u>\$ 29,607</u>	<u>\$ 4,678</u>	<u>\$ 290,649</u>	<u>\$ (7,395)</u>	<u>5,749,528</u>
<u>Accumulated impairment</u>							
Goodwill	453,533	\$ -	\$ -	\$ -	\$ -	\$ -	453,533
Patents	-	-	-	-	-	-	-
Patents use rights	-	-	-	-	-	-	-
Software	-	-	-	-	-	-	-
Other intangible assets	-	-	-	-	-	-	-
	<u>453,533</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>453,533</u>
	<u>\$ 15,716,262</u>						<u>\$ 16,441,071</u>

a. The above items of other intangible assets were depreciated on a straight-line basis at the following rates per annum:

Patents	6 years
Patents use rights	12 years
Client relationships	4 years
Software	2-14 years
Other intangible assets	1-10 years

b. The amounts of cash-generating unit used in amortizing the Group's goodwill are listed as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Lite-On Mobile Pte. Ltd.	\$ 8,541,471	\$ 8,638,905	\$ 8,638,905
The Parent Company	5,926,156	5,926,156	5,557,694
Power Innovations International Inc.	344,563	278,137	278,137
Five Dimension Co., Ltd.	49,144	51,171	-
LarView Technologies Corp.	-	-	368,462
Others	<u>58,818</u>	<u>58,818</u>	<u>58,818</u>
	<u>\$ 14,920,152</u>	<u>\$ 14,953,187</u>	<u>\$ 14,902,016</u>

- 1) The Group reorganized its structure on June 2014, and the Parent Company acquired the entire equity of Lite-On Mobile Pte. Ltd. from its subsidiary, Lite-On Mobile Oyj (formerly Perlos Oyj). This acquisition resulted in changes to the smallest identifiable group of cash-generating units. Thus, the original goodwill allocated to the cash-generating units of Lite-On Mobile Oyj (formerly Perlos Oyj) were reallocated to the subsidiary Lite-On Mobile Pte. Ltd.
- 2) To integrate its overall resources and enhance the efficiency of operations, the Parent Company had short-form mergers - in accordance with Article 19 of the Business Mergers and Acquisitions Act - with Li Shin International Enterprise Corp., Lite-On Automotive Corp., Leotek Electronics Corp., Lite-On IT Corp. and LarView Technologies Corp. on March 22, 2014, June 1, 2014, June 29, 2014, June 30, 2014 and September 1, 2014, respectively, under the board of directors' approval. The Parent Company was the survivor entity in all of these mergers. The investment premium from Li Shin International Enterprise Corp., Lite-On Automotive Corp., Leotek Electronics Corp., Lite-On IT Corp., and LarView Technologies Corp. were \$1,708,258 thousand, \$277,840 thousand, \$220,170 thousand, \$2,806,508 thousand, and \$368,462 thousand, respectively. The total amount of \$5,381,238 thousand was transferred to the Parent Company and recorded as intangible assets - goodwill.

The goodwill arising from the Parent Company's acquisition of Lite-On Enclosure Inc. in 2004 was \$210,220 thousand was amortized for about five years. However, under the Guidelines Governing the Preparation of Financial Reports, effective January 1, 2006, goodwill need no longer be amortized. As of June 30, 2015, December 31, 2014 and June 30, 2014, the carrying value of goodwill were all \$132,986 thousand.

The Parent Company completed the purchase of some assets of the IrDA Department of Avago Technologies Limited. Statement of IFRS 3 - "Business Combinations" and IAS 38 - "Intangible Assets" define recognized goodwill as the sum of the acquisition cost plus other direct transaction costs minus the fair value of the identifiable net assets acquired. Thus, the calculation of goodwill generated was \$411,932 thousand as of December 31, 2009.

- 3) As of the goodwill resulting from the acquisition of Power Innovations International Inc. and Five Dimension Co., Ltd. in 2014, refer to Note 29.
- 4) Goodwill is allocated to the Group's recoverable amount of cash-generating units. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the management covering the future five-year period. As of June 30, 2015, December 31, 2014 and June 30, 2014, the recoverable amount of all cash-generating units calculated using the value-in-use exceeded their carrying amount, so goodwill was not impaired. The key assumptions used for value-in-use calculations are gross margin, growth rate and discount rate.

Management determined gross margin based on past performance and future profits. The growth rate used is consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant cash-generating units.

19. OTHER ASSETS

	June 30, 2015	December 31, 2014	June 30, 2014
Prepayments	\$ 2,867,817	\$ 2,689,934	\$ 3,233,721
Offset against business tax payable	1,625,411	1,530,386	1,884,341
Prepayments for lease	763,542	775,063	787,893
Prepayment for equipment	5,419	93,450	45,145
Others	<u>495,356</u>	<u>361,639</u>	<u>506,964</u>
	<u>\$ 5,757,545</u>	<u>\$ 5,450,472</u>	<u>\$ 6,458,064</u>
Current	\$ 4,834,472	\$ 4,561,144	\$ 5,575,268
Non-current	<u>923,073</u>	<u>889,328</u>	<u>882,796</u>
	<u>\$ 5,757,545</u>	<u>\$ 5,450,472</u>	<u>\$ 6,458,064</u>

Prepayments for lease with carrying amounts of \$604,481 thousand, \$554,592 thousand and \$526,061 thousand as of June 30, 2015, December 31, 2014 and June 30, 2014, respectively, referred to land use rights located in Mainland China.

20. BORROWINGS

a. Short-term borrowings

	June 30, 2015	December 31, 2014	June 30, 2014
<u>Unsecured borrowings</u>			
Line of credit borrowings	<u>\$ 16,285,429</u>	<u>\$ 22,911,114</u>	<u>\$ 17,988,845</u>

Market interest rates for short-term borrowings were as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Short-term borrowings	0.75%-4.55%	0.82%-4.1%	0.8%-3.6%

b. Long-term borrowings

	June 30, 2015	December 31, 2014	June 30, 2014
<u>Unsecured borrowings</u>			
The Parent Company	\$ 12,500,000	\$ 12,925,000	\$ 13,750,000
Lite-On Mobile Pte. Ltd.	6,162,000	6,319,993	5,963,010
Silitech Technology Corp.	1,440,000	1,440,000	1,440,000
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	739,440	1,011,199	1,192,601
Lite-On Japan Ltd.	132,630	193,630	235,116
Five Dimension Co., Ltd.	<u>26,267</u>	<u>28,977</u>	<u>-</u>
	21,000,337	21,918,799	22,580,727
Current portion	<u>(5,427,960)</u>	<u>(8,358,016)</u>	<u>(9,017,618)</u>
Unsecured borrowings: Non-current	<u>15,572,377</u>	<u>13,560,783</u>	<u>13,563,109</u>
<u>Secured borrowings</u>			
Power Innovations International Inc.	3,772	4,350	4,694
Current portion	<u>(970)</u>	<u>(973)</u>	<u>(1,043)</u>
Secured borrowings: Non-current	<u>2,802</u>	<u>3,377</u>	<u>3,651</u>
Long-term borrowings: Non-current	<u>\$ 15,575,179</u>	<u>\$ 13,564,160</u>	<u>\$ 13,566,760</u>

- 1) As of June 30, 2015, December 31, 2014 and June 30, 2014, the Parent Company had 4, 4 and 5 long-term bank loans respectively with contract terms between September 23, 2008 and September 23, 2018. The floating interest rates are (1.506% to 1.70%, 1.520% to 1.703%, and 1.455% to 1.677% and as of June 30, 2015, December 31, 2014 and June 30, 2014, respectively) payable monthly or quarterly. These loans should be repaid in 3, 5 or 8 installments or at lump sum on loan maturity.

On September 23, 2008, the Parent Company signed a contract for a five-year syndicated loan with Citibank and 14 other financial institutions, and on May 16, 2011 changed the contract period to seven years from 2008. The repayment period is between September 23, 2008 and September 22, 2015. The credit line is \$15 billion, consisting of (a) \$12 billion and (b) \$3 billion of the credit line of the above syndicated loan.

On September 12, 2013, the Parent Company signed another contract for a five-year syndicated loan with Citibank and 16 other financial institutions. The credit line was \$15 billion, which was for Company to repay the former syndicated loan with Citibank signed on September 23, 2008. This syndicated loan was for the Parent Company to repay the former syndicated loan with Citibank under a contract signed on September 23, 2008. It should be used as a medium-term loan but may not be used on a revolving basis. Subsequently, (b) \$3 billion of the credit line of the above syndicated loan signed on September 23 was cancelled.

The principal of this syndication loan should be repaid in five semiannual installments from September 23, 2013, and the interest rate is the 90-day Taipei Interbank Offered Rate plus 61 points.

Under the syndicated loan agreement, the Parent Company should maintain certain financial ratios based on the most recent semiannual or annual consolidated financial statements.

As of June 30, 2015, December 31, 2014 and June 30, 2014, the Parent Company all used \$12 billion of the credit line of the above syndicated loan.

- 2) Lite-On Mobile Pte. Ltd., a subsidiary of the Parent Company, had a long-term, syndicated-bank loan. As of June 30, 2015, December 31, 2014 and June 30, 2014, the floating interest rates were 0.877% to 1.379%, 0.925% to 1.395% and 1.5% to 2.15%, respectively. The principal is repayable from April 29, 2014 in five semiannual installments.

On April 29, 2011, Lite-On Mobile Pte. Ltd. signed a loan contract with Citibank and 13 other financial institutions (the endorsements and guarantees were provided by the Parent Company). This contract is on a five-year syndicated loan of US\$200 million. As of June 30, 2015, December 31, 2014 and June 30, 2014, Lite-On Mobile Pte. Ltd. had used US\$80 million, US\$120 million and US\$160 million, respectively, of the syndicated loan.

On March 31, 2014, Lite-On Mobile Pte. Ltd. signed with Citibank and 12 other financial institutions (the endorsements and guarantees were provided by the Parent Company). This contract is on a five-year syndicated loan of US\$200 million. This syndicated loan was for Lite-On Mobile Pte. Ltd. to prepay the syndicated loan with Citibank under a contract signed on April 29, 2011. As of June 30, 2015, December 31, 2014 and June 30, 2014, Lite-On Mobile Pte. Ltd. had used US\$120 million, US\$80 million and US\$40 million, respectively, of the syndicated loan.

- 3) Silitech Technology Co., Ltd., a subsidiary of the Parent Company, entered into a \$2.4 billion syndicated loan contract, with the Land Bank of Taiwan as lead bank and a contract term from February 18, 2013 to February 18, 2018. This loan was obtained for the purposes of supporting working capital and capital expenditure. As of June 30, 2015, December 31, 2014 and June 30, 2014, Silitech had all used \$1.44 billion of the syndicated loan, with an interest rate of 1.6651% to 1.6656%, 1.6786% and 1.667%., respectively.

The first repayment of NT\$480 million should be made on August 18, 2017. The remaining principal of NT\$960 million is repayable by February 18, 2018.

- 4) Guangzhou Lite-On Mobile Electronic Components Co., Ltd., a subsidiary of the Parent Company, had a syndicated loan with Citibank. As of June 30, 2015, December 31, 2014 and June 30, 2014, the floating interest rates were 0.882% to 0.8823%, 0.880% and 1.25% to 1.68%. The principal is repayable from December 28, 2014 in five semiannual installments.

This contract is a five-year syndicated loan of US\$50 million and was signed with Citibank and 10 other financial institutions (the endorsements and guarantees were provided by the Parent Company). As of June 30, 2015, December 31, 2014 and June 30, 2014, Guangzhou Lite-On Mobile Electronic Components Co., Ltd. had used US\$24 million, US\$32 million and US\$40 million of the credit line of the syndicated loan.

- 5) As of June 30, 2015, Lite-On Japan Ltd., a subsidiary of the Parent Company, had 9 long-term bank loans, with contract terms from March 2011 to October 2018, with interest rate of 0.93% to 1.35% and principal repayable in trimestral installments.

As of December 31, 2014, Lite-On Japan Ltd., a subsidiary of the Parent Company, had 11 long-term bank loans, with contract terms from March 2011 to October 2018, with interest rate of 0.935% to 1.35% and principal repayable in trimestral installments.

As of June 30, 2014, Lite-On Japan Ltd., a subsidiary of the Parent Company, had 12 long-term bank loans, with contract terms from March 2011 to October 2018, with interest rate of 1.00% to 1.35% and principal repayable in trimestral installments.

- 6) As of June 30, 2015 and December 31, 2014, Five Dimension Co., Ltd., a subsidiary of the Parent Company, had both 3 long-term bank loans, with contract terms from March 28, 2012 to March 20, 2027, with interest rate of 0.4% to 2.375% and principal repayable monthly installments or at lump sum on loan maturity.

- 7) As of June 30, 2015 and December 31, 2014, Power Innovations International Inc., a subsidiary of the Parent Company, had a long-term secured borrowing of machinery, with contract terms from March 28, 2013 to March 28, 2019, with interest rate of 4.4%.

21. FINANCE LEASE PAYABLES

	June 30, 2015	December 31, 2014	June 30, 2014
<u>Minimum lease payments</u>			
Not later than one year	\$ 93,357	\$ 93,485	\$ 86,185
Later than one year and not later than five years	54,497	104,988	142,559
Later than five years	<u>-</u>	<u>-</u>	<u>-</u>
	147,854	198,473	228,744
Future finance charges	<u>(6,629)</u>	<u>(11,520)</u>	<u>(15,406)</u>
Present value of minimum lease payments	<u>\$ 141,225</u>	<u>\$ 186,953</u>	<u>\$ 213,338</u>
<u>Present value of minimum lease payments</u>			
Not later than one year	\$ 87,831	\$ 85,232	\$ 76,417
Later than one year and not later than five years	53,394	101,721	136,921
Later than five years	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 141,225</u>	<u>\$ 186,953</u>	<u>\$ 213,338</u>
Current	\$ 87,831	\$ 85,232	\$ 76,417
Non-current	<u>53,394</u>	<u>101,721</u>	<u>136,921</u>
	<u>\$ 141,225</u>	<u>\$ 186,953</u>	<u>\$ 213,338</u>
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	\$ 133,329	\$ 177,962	\$ 203,645
Power Innovations International Inc.	7,322	8,244	8,568
Lite-On Mobile Sweden AB	478	700	868
Lite-On Mobile Oyj (formerly Perlos Oyj)	96	47	244
Lite-On Japan Ltd.	<u>-</u>	<u>-</u>	<u>13</u>
	141,225	186,953	213,338
Current portion of long-term capital lease liabilities	<u>(87,831)</u>	<u>(85,232)</u>	<u>(76,417)</u>
	<u>\$ 53,394</u>	<u>\$ 101,721</u>	<u>\$ 136,921</u>

- a. Guangzhou Lite-On Mobile Electronic Components Co., Ltd. leased buildings, machinery and equipment under capital leases valid from January 1, 2007 to December 31, 2016. The terms of these leases were 10 years, with 7.11% interest rate.
- b. Power Innovations International Inc. leased machinery and equipment under capital leases valid from March 28, 2013 to March 31, 2020. The terms of these leases were between five and seven years, with 3.49% to 4.75% interest rate. The machinery and equipment can be bought at bargain purchase prices at the end of the lease terms.

- c. Lite-On Mobile Sweden AB leased machinery and equipment under capital leases valid from January 9, 2013 to January 31, 2016. The terms of these leases were three years, with 2.36% interest rate.
- d. Lite-On Mobile Oyj (formerly Perlos Oyj) leased machinery and equipment under capital leases valid from October 1, 2011 to September 30, 2015. The terms of these leases were four years, with 5.00% interest rate.
- e. Lite-On Japan Ltd. leased machinery and equipment under capital leases valid from August 2009 to August 2014. The terms of these leases were five years, with 2.7% interest rate.

22. PROVISIONS

	June 30, 2015	December 31, 2014	June 30, 2014
Warranties	<u>\$ 1,109,904</u>	<u>\$ 1,080,628</u>	<u>\$ 939,495</u>

Movements in the provisions were as follow:

	For the Six Months Ended June 30	
	2015	2014
Balance at January 1	\$ 1,080,628	\$ 874,502
Recognition of provisions	179,582	75,062
Usage	(143,487)	(9,432)
Effect of foreign currency exchange differences	<u>(6,819)</u>	<u>(637)</u>
Balance at June 30	<u>\$ 1,109,904</u>	<u>\$ 939,495</u>

Based on the local legislation for the sale of goods, provision for warranty claims is the present value of management's best estimate of the future outflow of economic benefits that will be required under the Company's obligations for warranties. The estimate had been made on the basis of historical warranty trends and may vary as a result of the entry of new materials, altered manufacturing processes or other events affecting product quality.

23. RETIREMENT BENEFIT PLANS

The Group's retirement benefit plans include defined contribution and defined benefit plans. For defined benefit plans, employee benefit expenses were calculated using the actuarially determined pension cost discount rate as of December 31, 2014 and 2013, and recognized in their respective periods.

Employee benefit expenses were included in the following line items by nature and function:

	For the Six Months Ended June 30	
	2015	2014
Post-employment benefits		
Defined contribution plans	\$ 340,106	\$ 311,148
Defined benefit plans	<u>20,739</u>	<u>13,770</u>
	<u>\$ 360,845</u>	<u>\$ 324,918</u>

24. EQUITY

a. Share capital

1) Common shares

	June 30, 2015	December 31, 2014	June 30, 2014
Number of shares authorized (in thousands)	<u>3,500,000</u>	<u>3,500,000</u>	<u>3,500,000</u>
Amount of shares authorized	<u>\$ 35,000,000</u>	<u>\$ 35,000,000</u>	<u>\$ 35,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>2,341,674</u>	<u>2,341,674</u>	<u>2,325,951</u>
Amount of shares issued	<u>\$ 23,416,737</u>	<u>\$ 23,416,737</u>	<u>\$ 23,259,507</u>

Fully paid common shares, which have a par value of \$10, carry one right to vote and carry a right to dividends per share.

Of the Parent Company's authorized shares, 100,000 thousand shares had been reserved for the issuance of employee share options.

2) Issued global depositary receipts

On September 25, 1996, the Parent Company issued 4,900 thousand units of global depositary receipts (GDRs) on the London Stock Exchange. These GDRs represented 49,000 thousand common shares of the Parent Company.

On April 3, 1995, GVC Corp. issued 5,000 thousand units of GDRs on the London Stock Exchange. These GDRs represented 25,000 thousand common shares of GVC Corp., which later issued more shares. As of November 4, 2002, the outstanding GDRs were 7,627 thousand units, or 38,136 thousand common shares of GVC Corp. For merger purposes, these GDRs were exchanged for the Parent Company's 1,478 thousand marketable equity securities, which represented the Parent Company's 14,781 thousand common shares.

As of June 30, 2015, December 31, 2014 and June 30, 2014, the outstanding marketable equity securities were 5,213 thousand units, 5,213 thousand units and 5,206 thousand units, representing 52,127 thousand common share, 52,127 thousand common shares and 52,064 thousand common shares of the Parent Company, respectively. The rights and obligation of security holders are the same as those of common shareholders, except for voting rights. As of June 30, 2015, December 31, 2014 and June 30, 2014, the unredeemed GDRs amounted to 811 thousand units, 994 thousand units and 1,204 thousand units.

b. Capital surplus

The premium from shares issued in excess of par (including share premium from issuance of common shares, conversion of bonds and merger) may be used to offset a deficit; in addition, when the Parent Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to capital (limited to a certain percentage of the Parent Company's capital surplus and once a year).

The capital surplus from share of changes in equities of subsidiaries, treasury share transactions from dividends according to the Parent Company's shares holding by subsidiaries and employee share options may only be used to offset a deficit. But the capital surplus arising from changes in equities of associates and joint ventures accounted for by the equity method may not be used for any purpose.

c. Retained earnings and dividend policy

To ensure the availability of cash for the Parent Company's present and future expansion plans and to meet shareholders' cash flow requirements, the Parent Company prefers to distribute more stock dividends. In principle, cash dividends are limited to 10% of total dividends distributed.

The Parent Company's Articles of Incorporation provide that the annual net income, less any deficit, and 10% legal reserve as well as special reserve equal to the debit balances of the shareholders' equity accounts, together with the distributable unappropriated earnings of prior years, can be retained partially on the basis of operating requirements. The remainder should be distributed as follows:

- 1) Bonus to employees: At least 1%.
- 2) Bonus to directors: 1.5% or less.
- 3) Others, as dividends.

If the bonus to employees is in the form of shares, it may be distributed to the employees' subsidiaries. The requirements and the method of distribution of these share bonuses are based on resolutions passed by the board of directors.

In accordance with the amendments to the Company Act in May 2015, the recipients of dividends and bonuses are limited to shareholders and do not include employees. The Parent Company expects to make consequential amendments to the Company's Articles of Incorporation to be approved during the 2016 annual shareholders' meeting. For information about the accrual basis of the employee remuneration and remuneration to directors and supervisors for the three months and the six months ended June 30, 2015 and 2014, and the actual appropriations for the years ended December 31, 2014 and 2013, please refer to Note 28-d on employee benefit expense.

Under Rule No. 1010012865 and Rule No. 1010047490 issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs", the Parent Company should appropriate or reverse a special reserve. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and thereafter distributed.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Parent Company's paid-in capital. Legal reserve may be used to offset deficit. If the Parent Company has no deficit and the legal reserve has exceeded 25% of the Parent Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

Except for non-ROC resident shareholders, all shareholders receiving the dividends are allowed a tax credit equal to their proportionate share of the income tax paid by the Parent Company.

The appropriations of earnings for 2014 proposed by the shareholders' meeting on June 24, 2015, and the amounts for 2013 approved in the shareholders' meeting on June 19, 2014, were as follows:

	<u>Appropriation of Earnings</u>		<u>Dividends Per Share</u>	
	<u>2014</u>	<u>2013</u>	<u>(NT\$)</u>	
			<u>2014</u>	<u>2013</u>
Legal reserve	\$ 646,166	\$ 875,485		
Legal special reserve	182,544	-		
Reversal of special reserve	-	640,244		
Share dividends	117,084	116,381	\$ 0.05	\$ 0.05
Cash dividends	4,613,097	6,307,866	1.97	2.71

The appropriation of the earnings for 2014 was approved by the Financial Supervisory Commission, Executive Yuan, ROC. The Parent Company's board of directors approved August 16, 2015 as the date of distributing stock dividends and cash dividends.

d. Other equity items

Movements in other equity items were as follows:

	For the Six Months Ended June 30, 2015			
	Foreign Currency Translation Reserve	Unrealized Gain (Loss) from Available-for- sale Financial Assets	Cash Flow Hedges Reserve	Total
Balance at January 1	\$ 4,125,097	\$ 139,072	\$ (11,989)	\$ 4,252,180
Exchange differences arising on translating the financial statements of foreign operations	(1,996,995)	-	-	(1,996,995)
Loss arising on changes in the fair value of available-for-sale financial assets	-	(140,297)	-	(140,297)
Reclassification to income from disposal of available-for-sale financial assets	-	(15,542)	-	(15,542)
Gain arising on changes in the fair value of hedging instruments	-	-	8,915	8,915
Share of other comprehensive income of associates	(77,783)	2,097	-	(75,686)
Income tax effect	<u>280,239</u>	<u>-</u>	<u>-</u>	<u>280,239</u>
Balance at June 30	<u>\$ 2,330,558</u>	<u>\$ (14,670)</u>	<u>\$ (3,074)</u>	<u>\$ 2,312,814</u>

	For the Six Months Ended June 30, 2014			
	Foreign Currency Translation Reserve	Unrealized Gain (Loss) from Available-for- sale Financial Assets	Cash Flow Hedges Reserve	Total
Balance at January 1	\$ 2,383,040	\$ 83,231	\$ (46,969)	\$ 2,419,302
Exchange differences arising on translating foreign operations	(1,012,898)	-	-	(1,012,898)
Gain arising on changes in the fair value of available-for-sale financial assets	-	310,911	-	310,911
Reclassification to income from disposal of available-for-sale financial assets	-	(42,554)	-	(42,554)
Gain arising on changes in the fair value of hedging instruments	-	-	20,410	20,410
				(Continued)

For the Six Months Ended June 30, 2014

	Foreign Currency Translation Reserve	Unrealized Gain (Loss) from Available-for- sale Financial Assets	Cash Flow Hedges Reserve	Total
Share of other comprehensive income of associates	\$ (18,191)	\$ 15,478	\$ -	\$ (2,713)
The proportionate share of other comprehensive income reclassified to profit or loss upon partial disposal of associates	(1,240)	-	-	(1,240)
Effect of deconsolidation of subsidiary (Note 30)	(13,549)	-	-	(13,549)
Income tax effect	<u>151,860</u>	<u>-</u>	<u>-</u>	<u>151,860</u>
Balance at June 30	<u>\$ 1,489,022</u>	<u>\$ 367,066</u>	<u>\$ (26,559)</u>	<u>\$ 1,829,529</u> (Concluded)

The exchange differences arising on translation of foreign operation's net assets from its functional currency to the Parent Company's presentation currency are recognized directly in other comprehensive income and also accumulated in the foreign currency translation reserve.

Unrealized gain/loss on available-for-sale financial assets represents the cumulative gains or losses arising from the fair value measurement on available-for-sale financial assets that are recognized in other comprehensive income. When those available-for-sale financial assets have been disposed of or are determined to be impaired subsequently, the related cumulative gains or losses in other comprehensive income are reclassified to profit or loss.

The cash flow hedges reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of the hedging instruments entered into as cash flow hedges. The cumulative gain or loss arising on changes in fair value of the hedging instruments that are recognized and accumulated in cash flow hedges reserve will be reclassified to profit or loss only when the hedge transaction affects profit or loss.

e. Non-controlling interests

	For the Six Months Ended June 30	
	2015	2014
Balance at January 1	\$ 4,198,430	\$ 6,209,747
Attributable to non-controlling interests:		
Share of profit (loss) for the year	104,830	(12,527)
Exchange difference arising on translation of foreign entities	(138,636)	(221,961)
Unrealized gains and losses on available-for-sale financial assets	139	(58)
Decrease in non-controlling interests	<u>(438,306)</u>	<u>(1,210,286)</u>
Balance at June 30	<u>\$ 3,726,457</u>	<u>\$ 4,764,915</u>

The Group recognized a decrease in non-controlling interests for the six months ended June 30, 2015 and 2014 because of the attribution of cash dividends to non-controlling interests, the effect of the acquisition and deconsolidation of subsidiary and acquisition of non-controlling interests in subsidiaries.

f. Treasury shares

Unit: In Thousands of Shares

Purpose of Buy Back	Number of Shares at January 1	Increase During the Period	Decrease During the Period	Number of Shares at June 30
<u>For the six months ended June 30, 2015</u>				
Shares held by subsidiaries	<u>26,575</u>	<u>-</u>	<u>-</u>	<u>26,575</u>
<u>For the six months ended June 30, 2014</u>				
Shares held by subsidiaries	<u>28,118</u>	<u>-</u>	<u>1,675</u>	<u>26,443</u>

The Parent Company's shares held by its subsidiaries at the end of the reporting periods were as follows:

Name of Subsidiary	Number of Shares Held (In Thousands)	Carrying Amount	Market Price
<u>June 30, 2015</u>			
Lite-On Capital Inc.	14,966	\$ 718,857	\$ 541,768
LTC International Ltd.	6,935	297,469	268,186
Yet Foundate Ltd.	2,248	126,881	93,524
Lite-On Electronics Co., Ltd.	2,426	<u>105,515</u>	<u>100,909</u>
		<u>\$ 1,248,722</u>	<u>\$ 1,004,387</u>
<u>December 31, 2014</u>			
Lite-On Capital Inc.	14,966	\$ 718,857	\$ 544,761
LTC International Ltd.	6,935	297,469	272,328
Yet Foundate Ltd.	2,248	126,881	95,922
Lite-On Electronics Co., Ltd.	2,426	<u>105,515</u>	<u>103,497</u>
		<u>\$ 1,248,722</u>	<u>\$ 1,016,508</u>
<u>June 30, 2014</u>			
Lite-On Capital Inc.	14,892	\$ 718,857	\$ 742,339
LTC International Ltd.	6,900	297,469	313,609
Yet Foundate Ltd.	2,237	126,881	90,053
Lite-On Electronics Co., Ltd.	2,414	<u>105,515</u>	<u>97,165</u>
		<u>\$ 1,248,722</u>	<u>\$ 1,243,166</u>

On July 20, 2015, the Parent Company's Board of Directors approved the repurchase of up to 100,000 thousand shares listed on the Taiwan Stock Exchange between July 21, 2015 and September 20, 2015, with the buyback price ranging from NT\$25.34 to NT\$53.97. The Parent Company will retire the reacquired shares within six months after the end of the repurchase period.

Under the Securities and Exchange Act, the Parent Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as rights to dividends and to vote. The subsidiaries holding treasury shares, however, retain shareholders' rights, except the rights to participate in any share issuance for cash and to vote.

25. REVENUE

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Revenue from the sale of goods	\$ 51,590,593	\$ 58,174,863	\$ 103,077,384	\$ 109,871,459
Rental income from property	32,393	28,966	64,024	58,060
Solar power	<u>23,503</u>	<u>30,538</u>	<u>45,483</u>	<u>46,762</u>
	<u>\$ 51,646,489</u>	<u>\$ 58,234,367</u>	<u>\$ 103,186,891</u>	<u>\$ 109,976,281</u>

For segment revenue information, refer to Note 39.

26. INCOME TAX

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Current income tax expense				
Current period	\$ 334,110	\$ 345,664	\$ 739,556	\$ 741,564
Unappropriated earnings	<u>91,099</u>	<u>209,536</u>	<u>91,099</u>	<u>209,536</u>
	425,209	555,200	830,655	951,100
Deferred tax	<u>(8,009)</u>	<u>5,308</u>	<u>1,071</u>	<u>981</u>
Income tax expense recognized in profit or loss	<u>\$ 417,200</u>	<u>\$ 560,508</u>	<u>\$ 831,726</u>	<u>\$ 952,081</u>

b. Income tax recognized in other comprehensive income

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
<u>Deferred tax</u>				
Income tax recognized in other comprehensive income				
Translation of foreign operations	<u>\$ (131,537)</u>	<u>\$ (202,217)</u>	<u>\$ (283,530)</u>	<u>\$ (197,321)</u>

c. Integrated income tax

	June 30, 2015	December 31, 2014	June 30, 2014
Unappropriated earnings			
Unappropriated earnings generated before January 1, 1998	\$ 2,215	\$ 2,215	\$ 2,215
Unappropriated earnings generated on and after January 1, 1998	<u>8,947,706</u>	<u>11,430,326</u>	<u>8,430,081</u>
	<u>\$ 8,949,921</u>	<u>\$ 11,432,541</u>	<u>\$ 8,432,296</u>
Imputation credits accounts	<u>\$ 1,592,553</u>	<u>\$ 1,308,624</u>	<u>\$ 1,651,332</u>

The estimated and actual creditable ratio for distribution of earnings of 2014 and 2013 were 10.94% and 11.40%, respectively.

d. Income tax assessments

The tax returns through 2011 have been assessed by the tax authorities.

27. EARNINGS PER SHARE

	Unit: NT\$ Per Share			
	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Basic earnings per share	<u>\$ 0.62</u>	<u>\$ 0.87</u>	<u>\$ 1.33</u>	<u>\$ 1.49</u>
Pro forma earnings per share that adjusted retrospectively to reflect the effects of changes in the number of shares resulted from bonus issue (August 16, 2015) occurred after these consolidated financial statements were approved	<u>\$ 0.61</u>	<u>\$ 0.87</u>	<u>\$ 1.32</u>	<u>\$ 1.49</u>
Diluted earnings per share	<u>\$ 0.62</u>	<u>\$ 0.87</u>	<u>\$ 1.32</u>	<u>\$ 1.48</u>
Pro forma earnings per share that adjusted retrospectively to reflect the effects of changes in the number of shares resulted from bonus issue (August 16, 2015) occurred after these consolidated financial statements were approved	<u>\$ 0.61</u>	<u>\$ 0.87</u>	<u>\$ 1.31</u>	<u>\$ 1.48</u>

The earnings and weighted average number of common shares outstanding in the computation of earnings per share from continuing operations were as follows:

Net Profit for the Period

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Earnings used in the computation of basic earnings per share	\$ 1,430,523	\$ 2,031,173	\$ 3,076,271	\$ 3,458,852
Effect of potentially dilutive ordinary shares:				
Bonus issue to employees or employee remuneration	-	-	-	-
Earnings used in the computation of diluted earnings per share from continuing operations	<u>\$ 1,430,523</u>	<u>\$ 2,031,173</u>	<u>\$ 3,076,271</u>	<u>\$ 3,458,852</u>

Weighted Average Number of Ordinary Shares Outstanding

Unit: In Thousands of Shares

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Weighted average number of ordinary shares outstanding in computation of basic earnings per share	\$ 2,315,098	\$ 2,322,854	\$ 2,315,098	\$ 2,321,369
Effect of potentially dilutive ordinary shares:				
Bonus issue to employees or employee remuneration	<u>9,661</u>	<u>2,339</u>	<u>17,084</u>	<u>13,963</u>
Weighted average number of ordinary shares outstanding in computation of dilutive earnings per share	<u>2,324,759</u>	<u>2,325,193</u>	<u>2,332,182</u>	<u>2,335,332</u>

If the Parent Company settles the bonuses or remuneration paid to employees in cash or shares, the Parent Company presumed that the entire amount of the bonus or remuneration would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if the effect is dilutive. The dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

28. ADDITIONAL INFORMATION FOR EXPENSES

Net income included the following items:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
a. Depreciation of property, plant and equipment				
Recognized in cost of revenue	\$ 1,418,320	\$ 1,374,787	\$ 2,816,996	\$ 2,749,073
Recognized in operating expenses	<u>203,983</u>	<u>329,106</u>	<u>449,719</u>	<u>681,522</u>
	<u>\$ 1,622,303</u>	<u>\$ 1,703,893</u>	<u>\$ 3,266,715</u>	<u>\$ 3,430,595</u>
b. Investment properties				
Recognized in cost of revenue	\$ 7,273	\$ -	\$ 14,649	\$ -
Recognized in operating expenses	<u>801</u>	<u>-</u>	<u>1,650</u>	<u>-</u>
	<u>\$ 8,074</u>	<u>\$ -</u>	<u>\$ 16,299</u>	<u>\$ -</u>
c. Amortization of intangible assets				
Recognized in cost of revenue	\$ 11,405	\$ 16,309	\$ 29,072	\$ 33,475
Recognized in operating expenses	<u>123,536</u>	<u>126,631</u>	<u>251,621</u>	<u>245,196</u>
	<u>\$ 134,941</u>	<u>\$ 142,940</u>	<u>\$ 280,693</u>	<u>\$ 278,671</u>
d. Employee benefit expenses				
Post-employment benefits (Note 23)				
Defined contribution plans	\$ 171,018	\$ 145,117	\$ 340,106	\$ 311,148
Defined benefit plans	<u>10,595</u>	<u>6,664</u>	<u>20,739</u>	<u>13,770</u>
	181,613	151,781	360,845	324,918
Termination benefits	15,266	18,655	18,615	23,527
Other employee benefits	<u>5,919,759</u>	<u>5,927,740</u>	<u>11,737,928</u>	<u>11,370,932</u>
	<u>\$ 6,116,638</u>	<u>\$ 6,098,176</u>	<u>\$ 12,117,388</u>	<u>\$ 11,719,377</u>
Employee benefit expenses summarized by function				
Recognized in cost of revenue	\$ 3,857,231	\$ 3,632,614	\$ 7,453,955	\$ 6,904,377
Recognized in operating expenses	<u>2,259,407</u>	<u>2,465,562</u>	<u>4,663,433</u>	<u>4,815,000</u>
	<u>\$ 6,116,638</u>	<u>\$ 6,098,176</u>	<u>\$ 12,117,388</u>	<u>\$ 11,719,377</u>

Under the Company Act as amended in May 2015, the Company's Articles of Incorporation should stipulate a fixed amount or ratio of annual profit to be distributed as employee remuneration. However, the Parent Company has not made consequential amendments to its policies for the distribution of employee remuneration. The bonus to employees and remuneration to directors were estimated at a certain percentage of net income, were as follows:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Bonus to employees	\$ 284,780	\$ 287,412	\$ 555,744	\$ 489,428
Remuneration to directors	12,153	17,272	26,148	29,409

Material differences between these estimates and the amounts proposed by the board of directors on or before the annual consolidated financial statements are authorized for issue are adjusted in the year the bonus and remuneration are recognized. If there is a change in the proposed amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in accounting estimate.

The appropriations of bonuses to employees and remuneration to directors for 2014 and 2013, which were been approved in the shareholders' meetings on June 24, 2015 and June 19, 2014, respectively, were as follows:

	For the Year Ended December 31			
	2014		2013	
	Cash Dividends	Share Dividends	Cash Dividends	Share Dividends
Bonus to employees	\$ 768,033	\$ 146,292	\$ 997,212	\$ 189,945
Remuneration of directors	54,924	-	70,039	-

The 4,333 thousand shares for 2014 was determined by dividing the amount of share bonus approved in 2015 by the closing price of \$33.76 (after considering the effect of cash and stock dividends) on the day immediately preceding the shareholders' meeting.

The 4,085 thousand shares for 2013 was determined by dividing the amount of share bonus resolved in 2014 by the closing price of \$46.50 (after considering the effect of cash and stock dividends) on the day immediately preceding the shareholders' meeting.

There was no difference between the amounts of the bonus to employees and the remuneration to directors approved in the shareholders' meeting on June 24, 2015 and June 19, 2014 and the amounts recognized in the Parent Company's separate financial statements for the years ended December 31, 2014 and 2013, respectively.

Information on the bonus to employees, directors and supervisors proposed by the Company's board of directors is available on the Market Observation Post System website of the Taiwan Stock Exchange.

29. ACQUISITION OF SUBSIDIARIES

a. Subsidiaries acquired

	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred (Note)
LarView Technologies Corp.	Manufacture of optical instruments, general Instruments, computers and peripherals.	April 2014	83.33	\$ 600,000
Power Innovations International Inc.	Development, design and manufacture of power control equipment and energy management.	June 2014	95.25	424,174
				<u>\$ 1,024,174</u>

Note: Including fair value of the originally held equity of LarView Technologies Corp. at the acquisition date and fair value of non-controlling interests.

The Parent Company acquired 83.33% equity of LarView Technologies Corp. (“Larview”) not only to upgrade its capability in the automated processing of camera modules but also to expand the market for this product. Since the Parent Company’s subsidiary, Lite-On Capital Corp., already had a 16.67% equity in LarView, the Group’s equity in LarView became 100% after the acquisition.

Lite-On Technology USA, Inc., a subsidiary of the Parent Company, acquired 95.25% equity in Power Innovations International Inc. to enhance power system projects and development of uninterrupted power system.

b. Considerations transferred

	LarView Technologies Corp.	Power Innovations International Inc.
Cash	\$ 500,000	\$ 417,237
Fair value of the originally held equity of LarView Technologies Corp. at the acquisition date (recorded as available-for-sale financial assets - non-current)	100,000	-
Fair value of non-controlling interests	-	6,937
	<u>\$ 600,000</u>	<u>\$ 424,174</u>

c. Assets acquired and liabilities assumed at the date of acquisition

	LarView Technologies Corp.	Power Innovations International Inc.
Current assets		
Cash and cash equivalents	\$ 41,259	\$ 87,390
Trade and other receivables	145,720	38,680
Inventories	152,159	49,644
Other	5,138	2,542
Non-current assets		
Property, plant and equipment	264,361	30,280
Investments accounted for by the equity method	4,439	-
Other intangible assets	47,205	1,093
Refundable deposits	1,000	1,020
Other	14,687	-
Current liabilities		
Short-term borrowings	(125,708)	(955)
Trade and other payables	(246,654)	(35,836)
Advances received	(14,068)	(13,990)
Current portion of long-term debts	-	(2,147)
Finance lease payables	-	(142)
Non-current liabilities		
Long-term loans	<u>(58,000)</u>	<u>(11,542)</u>
	<u>\$ 231,538</u>	<u>\$ 146,037</u>

d. Goodwill arising on acquisition

	LarView Technologies Corp.	Power Innovations International Inc.	Total
Consideration transferred	\$ 600,000	\$ 424,174	\$ 1,024,174
Less: Fair value of identifiable net assets acquired (Note)	<u>(231,538)</u>	<u>(146,037)</u>	<u>(377,575)</u>
Goodwill arising on acquisition	<u>\$ 368,462</u>	<u>\$ 278,137</u>	<u>\$ 646,599</u>

Note: The fair value of identifiable net assets is a provisional amount measured at the acquisition date of Power Innovations International Inc. However, the Group reduced by 65,002 thousand of the fair value of identifiable net assets and increased the amount of goodwill recognized on the acquisition in June 2014 because of the acquisition of relevant information in the second quarter of 2015.

e. Net cash outflow on acquisition of subsidiaries

**For the Six
Months Ended
June 30, 2014**

Consideration paid in cash	\$ 917,237
Less: Cash and cash equivalents acquired	<u>(128,649)</u>
	<u>\$ 788,588</u>

f. Impact of acquisitions on the results of the Group

The acquirees' operating results on the acquisition date, which were included in the consolidated statements of comprehensive income, were as follows:

**For the Six
Months Ended
June 30, 2014**

Revenue	
LarView Technologies Corp.	\$ 313,196
Power Innovations International Inc.	<u>49,195</u>
	<u>\$ 362,391</u>
Profit (Loss)	
LarView Technologies Corp.	\$ (83,649)
Power Innovations International Inc.	<u>11,420</u>
	<u>\$ (72,229)</u>

Had these business combinations been in effect at the beginning of the reporting period, the Group's operating revenue would have been \$110,263,176 thousand, and its profit would have been \$4,340,852 thousand for the six months ended June 30, 2014.

30. DECONSOLIDATION OF SUBSIDIARY

On March 28, 2014, the Group lost its power to govern the financial and operating policies of Logah Technology Corp. because of the loss of power to cast the majority of votes at meetings of the Board of Directors; thus, the relevant assets, liabilities and non-controlling interests had been derecognized.

a. Consideration received from the derecognition

The Company did not receive any consideration in the deconsolidation of Logah Technology Corp.

b. Analysis of asset and liabilities on the date control was lost

March 28, 2014

Current assets	
Cash and cash equivalents	\$ 902,385
Trade receivables	27,350
Inventories	1,575
Others	56,537
Non-current assets	
Property, plant and equipment, net	363,030
Others	17,546
Current liabilities	
Borrowings	(91,260)
Payables	(19,764)
Others	(6,281)
Non-current liabilities	
Deferred tax liabilities	(12,793)
Others	<u>(6)</u>
Net assets deconsolidated	<u>\$ 1,238,319</u> (Concluded)

c. Gain on deconsolidation of subsidiary

**For the Six
Months Ended
June 30, 2014**

Fair value of interest retained	\$ 490,624
Add: Accumulated exchange differences reclassified to profit or loss after deconsolidation of subsidiary	13,549
Deduct: Carrying amount of interest retained	
Net assets deconsolidated	1,238,319
Non-controlling interests	<u>(747,537)</u>
	490,782
Deduct: Goodwill of deconsolidated subsidiary	<u>5,043</u>
Gain on deconsolidation (recorded as nonoperating income and expense - other income)	<u>\$ 8,348</u>

d. Net cash outflow on deconsolidation of subsidiary

**For the Six
Months Ended
June 30, 2014**

The balance of cash and cash equivalents deconsolidated	<u>\$ 902,385</u>
---	-------------------

31. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

In April 2014, the Parent Company acquired an additional 17.74% equity interest in Lite-On Automotive Corp., and increased its continuing interest from 82.26 % to 100%. In January to June 2014, the Parent Company acquired an additional 0.87% equity interest in Lite-On IT Corporation, and increased its continuing interest from 99.13 % to 100%.

The above transactions were accounted for as equity transactions, since the Group did not cease to have control over these subsidiaries.

	For the Six Months Ended June 30, 2014	
	Lite-On Automotive Corporation	Lite-On IT Corporation
Cash consideration paid	\$ 808,800	\$ 204,368
The proportionate share of the carrying amount of the net assets of the subsidiary transferred from non-controlling interests	<u>(297,970)</u>	<u>(171,716)</u>
Differences arising from equity transaction	<u>\$ 510,830</u>	<u>\$ 32,652</u>
		For the Six Months Ended June 30, 2014 Lite-On IT Corporation
<u>Line items adjusted for equity transaction</u>		
Capital surplus - difference between consideration and carrying amounts adjusted arising from changes in percentage of ownership in subsidiaries - actual acquisition or disposal		\$ -
Retained earnings		<u>(543,482)</u>
		<u>\$ (543,482)</u>

32. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

The Group's capital management system aims to ensure that the necessary financial resources and operating plan are enough to meet the next 12 months' requirements for working capital, capital expenditures, research and development expenses, debt repayment, dividend expenses and other need.

33. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

For certain financial instruments-including notes receivable, trade receivables - related parties, other receivables - related parties, debt investments with no active market, short-term borrowings, notes payable, trade payables - related parties, other payables - related parties, and finance lease payables-the Group's management considers the carrying amounts of these financial instruments recognized in the financial statements as approximating their fair values. For long-term loans (including their current portion) with floating rates, the carrying amounts of long-term loans are used as basis to estimate their fair value.

b. Fair value of financial instruments that are measured at fair value on a recurring basis

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

1) Fair value hierarchy

June 30, 2015

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	\$ -	\$ 15,701	\$ -	\$ 15,701
Financial liabilities at FVTPL				
Derivative financial liabilities	\$ -	\$ 8,847	\$ -	\$ 8,847
Available-for-sale financial assets				
Securities listed in ROC - equity securities	\$ 452,624	\$ -	\$ -	\$ 452,624
Securities listed in other countries - equity securities	11,503	-	-	11,503
Unlisted securities - ROC - equity securities	-	-	144,617	144,617
Unlisted securities - other countries - equity securities	-	-	205,758	205,758
Mutual funds	-	73,146	-	73,146
Emerging market stocks	-	178,716	-	178,716
	<u>\$ 464,127</u>	<u>\$ 251,862</u>	<u>\$ 350,375</u>	<u>\$ 1,066,364</u>

December 31, 2014

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	\$ -	\$ 13,111	\$ -	\$ 13,111
Financial liabilities at FVTPL				
Derivative financial liabilities	\$ -	\$ 38,408	\$ -	\$ 38,408
Available-for-sale financial assets				
Securities listed in ROC - equity securities	\$ 626,191	\$ -	\$ -	\$ 626,191
Securities listed in other countries - equity securities	11,486	-	-	11,486
Unlisted securities - ROC - equity securities	-	-	144,617	144,617
Unlisted securities - other countries - equity securities	-	-	221,811	221,811
Mutual funds	-	143,434	-	143,434
Emerging market stocks	-	178,716	-	178,716
	<u>\$ 637,677</u>	<u>\$ 322,150</u>	<u>\$ 366,428</u>	<u>\$ 1,326,255</u>

June 30, 2014

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	\$ -	\$ 53,825	\$ -	\$ 53,825
Financial liabilities at FVTPL				
Derivative financial liabilities	\$ -	\$ 21,409	\$ -	\$ 21,409
Available-for-sale financial assets				
Securities listed in ROC - equity securities	\$ 1,378,291	\$ -	\$ -	\$ 1,378,291
Securities listed in other countries - equity securities	8,346	-	-	8,346
Unlisted securities - ROC - equity securities	-	-	189,160	189,160
Unlisted securities - other countries - equity securities	-	-	342,733	342,733
Mutual funds	-	133,388	-	133,388
Emerging market stocks	-	178,716	-	178,716
	<u>\$ 1,386,637</u>	<u>\$ 312,104</u>	<u>\$ 531,893</u>	<u>\$ 2,230,634</u>

There were no transfers between Levels 1 and 2 in the current and prior periods.

2) Reconciliation of Level 3 fair value measurements of financial instruments

	Investments on Equity Instruments Unlisted Quotes
<u>June 30, 2015</u>	
Balance at January 1, 2015	\$ 366,428
Total gains or losses	
In profit or loss	(45,071)
In other comprehensive income	(4,609)
Additions	<u>33,627</u>
Balance at June 30, 2015	<u>\$ 350,375</u>

(Continued)

**Investments on
Equity
Instruments**
Unlisted Quotes

June 30, 2014

Balance at January 1, 2014	\$ 613,534
Total gains or losses	
In other comprehensive income	(2,778)
Additions	21,174
Disposals	(37)
Transfers out of Level 3	<u>(100,000)</u>
Balance at June 30, 2014	<u>\$ 531,893</u>

- 3) Valuation techniques and inputs applied for the purpose of measuring Level 2 fair value measurement

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Financial assets at FVTPL - forward exchange contracts and currency swap contracts	Estimation of future cash flows using observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
Mutual funds	Using the observable similar market average price or the price of the same kind of tools provided by the mutual fund management company.
Emerging market shares	Using the recent emerging market share price of similar emerging market shares of investee companies and considering the adjustment of all the information on the performance and operation of the emerging company available from trading date to measuring date.

- 4) Valuation techniques and inputs applied for the purpose of measuring Level 3 fair value measurement

The fair values of unlisted equity securities - ROC and other countries were determined using the income approach. In this approach, the discounted cash flow method was used to capture the present value of the expected economic benefits from these investments. According to the discounted cash flow analysis and observable financial market average prices or with the same kind of tool to be estimated, the use of the discount rate and the parameters can refer to Reuters news agency or Bloomberg agency or other financial institutions with essentially the same conditions and characteristics of the interest rate swap offer financial products whose features including the remaining contract terms of fixed interest rates, the payment of principal, payment of currency, and etc. All the informations can be obtained by the Group.

c. Categories of financial instruments

	June 30, 2015	December 31, 2014	June 30, 2014
<u>Financial assets</u>			
Fair value through profit or loss (FVTPL)			
Derivative instruments	\$ 15,701	\$ 13,111	\$ 53,825
Loans and receivables (1)	103,669,947	119,503,863	106,354,414
Available-for-sale financial assets	1,066,364	1,326,255	2,230,634
<u>Financial liabilities</u>			
Fair value through profit or loss (FVTPL)			
Derivative instruments	8,847	38,408	21,409
Derivative instruments in designated hedge accounting relationships	3,074	11,989	26,558
Amortized cost			
Short-term borrowings	16,285,429	22,911,114	17,988,845
Long-term loans (included current portion of long-term borrowings)	21,004,109	21,923,149	22,585,421
Payables (2)	75,714,915	82,697,461	81,590,177

1) The balances included loans and receivables measured at amortized cost, which comprise cash and cash equivalents, debt investments with no active market, notes receivable, trade receivables, trade receivables - inter, other receivables and other receivables - inter.

2) The balances included financial liabilities measured at amortized cost, which comprise notes payable, trade payables, trade payables - inter, other payables and other payables - inter.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity investments, trade receivable, trade payables, borrowings. The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives was governed by the Group's policies approved by the board of directors, which provided written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below). The Group entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, including:

- Forward foreign exchange contracts to hedge the exchange rate risk arising on the export;
- Interest rate swaps to mitigate the risk of rising interest rates.

There had been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

Several subsidiaries of the Parent Company had foreign currency sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period (Refer to Note 37).

The Group required all its group entities to use forward exchange contracts to eliminate currency exposure. It is the Group's policy to negotiate the terms of the hedge derivatives to match the terms of the hedged item to maximize hedge effectiveness.

Sensitivity analysis

The Group was mainly affected by the U.S. dollar.

The following table details the Group's sensitivity to a 5% increase and decrease in New Taiwan dollars (the functional currency) against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign currency denominated monetary items. A positive number below indicates an increase in pre-tax profit and other equity associated with New Taiwan dollars strengthen 5% against the relevant currency. For a 5% weakening of New Taiwan dollars against the relevant currency, there would be an equal and opposite impact on pre-tax profit and other equity and the balances below would be negative.

	Currency USD Impact	
	For the Six Months Ended	
	June 30	
	2015	2014
Profit or loss	<u>\$ (996,033)</u>	<u>\$ (578,044)</u>

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings, and using interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost - effective hedging strategies are applied.

The carrying amount of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	June 30, 2015	December 31, 2014	June 30, 2014
Fair value interest rate risk			
Financial assets (i)	\$ 25,004,334	\$ 29,221,581	\$ 22,448,193
Financial liabilities (ii)	11,886,263	21,140,609	19,430,184
Cash flow interest rate risk			
Financial assets (iii)	30,982,374	35,292,046	31,805,751
Financial liabilities (iv)	25,544,500	23,880,607	21,357,420

- i. The balances included time deposit and debt investments with no active market.
- ii. The balances included financial liabilities exposed to fair value risk from interest rate fluctuation.
- iii. The balances included demand deposits.
- iv. The balances included financial liabilities exposed to cash flow risk from interest rate fluctuation.

The Parent Company aims to keep borrowings at variable rates. In order to achieve this result, the Parent Company entered into interest rate swaps to hedge its exposures to changes in fair values of the borrowings. The critical terms of these interest rate swaps are similar to those of hedged borrowings. These interest rate swaps were designated as effective hedging instruments and hedge accounting is used.

The Parent Company was also exposed to cash flow interest rate risk in relation to variable-rate bank borrowings and pay-fixed/receive-floating interest rate swaps. The Parent Company's cash flow interest rate risk was mainly concentrated in the fluctuation of the average rate for 90-day notes in Taiwan's secondary market arising from the Group's New Taiwan dollars denominated borrowings.

Sensitivity analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole reporting period.

If interest rates had been 25 basis points higher and all other variables were held constant, the Group's pre-tax profit for the six months ended June 30, 2015 and 2014 would increase by \$6,797 thousand and decrease \$13,060 thousand.

c) Other price risk

The Group was exposed to equity price risk through its investments in listed equity securities. Equity investments are held for strategic rather than trading purposes. The Group does not actively trade these investments.

Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 10% higher, the pre-tax other comprehensive income for the six months ended June 30, 2015 and 2014 would increase by \$46,413 thousand and \$138,664 thousand as a result of the changes in fair value of available-for-sale financial assets.

2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group is exposed to credit risk from trade receivables, deposits, and other financial instruments. Credit risk on business-related exposures is managed separately from that on financial-related exposures.

a) Business related credit risk

To maintain the quality of receivables, the Group has established operating procedures to manage credit risk.

For individual customers, risk factors considered include the customer's financial position, credit rating agency rating, the Group's internal credit rating, and transaction history as well as current economic conditions that may affect the customer's ability to pay. The Group also has the right to use some credit protection enhancement tools, such as requiring advance payments, to reduce the credit risks involving certain customers.

b) Financial related credit risk

Bank deposits and other financial instruments are credit risk sources required by the Group's Department of Finance Department to be measured and monitored. However, since the Group's counter-parties are all reputable financial institutions and government agencies, there is no significant financial credit risk.

3) Liquidity risk

The objective of liquidity risk management, the department is required to maintain operating cash and cash equivalents, in order to ensure that the Group has sufficient financial flexibility.

The table below summarizes the maturity profile of the Group's non-derivative financial liabilities based on contractual undiscounted payments.

June 30, 2015

	Weighted Average Effective Interest Rate (%)	On Demand or Less than 1 Year	1-3 Years	Over 3 Years to 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	-	\$ 75,714,915	\$ 79,546	\$ -	\$ 982
Finance lease liabilities	2.36%-7.11%	87,831	53,394	-	-
Variable interest rate liabilities	0.4%-1.6656%	10,037,852	15,494,048	-	12,600
Fixed interest rate liabilities	1.0%-4.4%	<u>11,676,507</u>	<u>63,156</u>	<u>4,469</u>	<u>906</u>
		<u>\$ 97,517,105</u>	<u>\$ 15,690,144</u>	<u>\$ 4,469</u>	<u>\$ 14,488</u>

December 31, 2014

	Weighted Average Effective Interest Rate (%)	On Demand or Less than 1 Year	1-3 Years	Over 3 Years to 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	-	\$ 82,697,461	\$ 79,976	\$ -	\$ 895
Finance lease liabilities	2.36%-7.11%	85,232	101,721	-	-
Variable interest rate liabilities	0.4%-1.6786%	10,415,998	7,691,404	5,760,000	13,205
Fixed interest rate liabilities	0.82%-4.4%	<u>20,854,105</u>	<u>79,907</u>	<u>19,644</u>	<u>-</u>
		<u>\$ 114,052,796</u>	<u>\$ 7,953,008</u>	<u>\$ 5,779,644</u>	<u>\$ 14,100</u>

June 30, 2014

	Weighted Average Effective Interest Rate (%)	On Demand or Less than 1 Year	1-3 Years	Over 3 Years to 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	-	\$ 81,590,177	\$ 73,348	\$ -	\$ 848
Finance lease liabilities	2.36%-7.11%	76,417	136,921	-	-
Variable interest rate liabilities	1.02%-2%	9,113,171	10,804,249	1,440,000	-
Fixed interest rate liabilities	0.8%-3.6%	<u>17,894,335</u>	<u>1,279,490</u>	<u>43,021</u>	<u>-</u>
		<u>\$ 108,674,100</u>	<u>\$ 12,294,008</u>	<u>\$ 1,483,021</u>	<u>\$ 848</u>

The table below summarizes the maturity profile of the Group's derivative financial instruments based on contractual undiscounted payments.

June 30, 2015

	On Demand or Less than 1 Year	1-3 Years	Over 3 Years to 5 Years	5+ Years
Forward exchange contracts				
Inflows	\$ 4,774,112	\$ -	\$ -	\$ -
Outflows	<u>(4,760,460)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 13,652</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2014

	On Demand or Less than 1 Year	1-3 Years	Over 3 Years to 5 Years	5+ Years
Forward exchange contracts				
Inflows	\$ 8,508,990	\$ -	\$ -	\$ -
Outflows	<u>(8,500,136)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>8,854</u>	<u>-</u>	<u>-</u>	<u>-</u>
Currency swap contracts				
Inflows	671,640	-	-	-
Outflows	<u>(666,900)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>4,740</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 13,594</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

June 30, 2014

	On Demand or Less than 1 Year	1-3 Years	Over 3 Years to 5 Years	5+ Years
Forward exchange contracts				
Inflows	\$ 8,662,891	\$ -	\$ -	\$ -
Outflows	<u>(8,652,443)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>10,448</u>	<u>-</u>	<u>-</u>	<u>-</u>
Currency swap contracts				
Inflows	2,071,069	-	-	-
Outflows	<u>(2,042,997)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>28,072</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 38,520</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

34. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Parent Company and its subsidiaries, which were related parties of the Parent Company, had been eliminated on consolidation and are not disclosed in this note. Besides as disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

a. Sales of goods

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
<u>Related parties categories</u>				
Associates	\$ 67,744	\$ 68,414	\$ 83,591	\$ 114,600
Other related parties	<u>255</u>	<u>876</u>	<u>687</u>	<u>1,769</u>
	<u>\$ 67,999</u>	<u>\$ 69,290</u>	<u>\$ 84,278</u>	<u>\$ 116,369</u>

The Group's selling prices for Lite-On Semiconductor Corp. for the Group were at cost plus a negotiated profit. Except for this sales arrangement with Lite-On Semiconductor Corp., the sales terms between the Group and its related parties were normal.

Operating lease contracts with related parties were based on market prices and made under normal terms.

b. Purchases of goods

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
<u>Related parties categories</u>				
Associates	\$ 1,451,474	\$ 1,272,904	\$ 2,493,918	\$ 2,059,919
Other related parties	<u>174,965</u>	<u>151,969</u>	<u>343,039</u>	<u>265,175</u>
	<u>\$ 1,626,439</u>	<u>\$ 1,424,873</u>	<u>\$ 2,836,957</u>	<u>\$ 2,325,094</u>

The cost of the Group's purchases from Lite-On Semiconductor Corp. for the six months ended June 30, 2015 and 2014 was based on cost plus negotiated profit. Except for these purchases, the purchase terms between the Group and its related parties were normal.

c. Receivables from related parties

	June 30, 2015	December 31, 2014	June 30, 2014
<u>Related parties categories</u>			
Accounts receivable			
Associates	\$ 66,015	\$ 72,417	\$ 103,012
Other related parties	<u>97</u>	<u>652</u>	<u>531</u>
	<u>\$ 66,112</u>	<u>\$ 73,069</u>	<u>\$ 103,543</u>

(Continued)

	June 30, 2015	December 31, 2014	June 30, 2014
Other receivable			
Associates	\$ 78,431	\$ 2,850	\$ 38,989
Other related parties	<u>84</u>	<u>203</u>	<u>40</u>
	<u>\$ 78,515</u>	<u>\$ 3,053</u>	<u>\$ 39,029</u>
			(Concluded)

The outstanding trade receivables from related parties are unsecured. For the six months ended June 30, 2015 and 2014, no impairment loss was recognized for trade receivables from related parties.

d. Payables to related parties

	June 30, 2015	December 31, 2014	June 30, 2014
<u>Related parties categories</u>			
Accounts payable			
Associates	\$ 715,845	\$ 677,197	\$ 289,437
Other related parties	<u>221,972</u>	<u>276,469</u>	<u>190,896</u>
	<u>\$ 937,817</u>	<u>\$ 953,666</u>	<u>\$ 480,333</u>
Other payable			
Associates	\$ 120	\$ 738	\$ 1,299
Other related parties	<u>9,071</u>	<u>6,003</u>	<u>6,792</u>
	<u>\$ 9,191</u>	<u>\$ 6,741</u>	<u>\$ 8,091</u>

The outstanding trade payables from related parties are unsecured.

e. Operating expense

	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	2015	2014	2015	2014
<u>Related parties categories</u>				
Other related parties	<u>\$ 17,312</u>	<u>\$ 22,261</u>	<u>\$ 27,137</u>	<u>\$ 23,539</u>

f. Other revenues

	<u>For the Three Months Ended June 30</u>		<u>For the Six Months Ended June 30</u>	
	2015	2014	2015	2014
<u>Related parties categories</u>				
Associates	\$ 1,372	\$ 859	\$ 2,321	\$ 1,750
Other related parties	<u>539</u>	<u>381</u>	<u>985</u>	<u>760</u>
	<u>\$ 1,911</u>	<u>\$ 1,240</u>	<u>\$ 3,306</u>	<u>\$ 2,510</u>

g. Compensation of key management personnel

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2015	2014	2015	2014
Short-term employee benefits	\$ 52,584	\$ 53,612	\$ 151,641	\$ 177,244
Post-employment benefits	6,342	5,039	12,176	9,593
Termination benefits	<u>17</u>	<u>13,825</u>	<u>34</u>	<u>13,891</u>
	<u>\$ 58,943</u>	<u>\$ 72,476</u>	<u>\$ 163,851</u>	<u>\$ 200,728</u>

The remuneration of directors and key executives was determined by the remuneration committee having regard to the performance of individuals and market trends.

35. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

	June 30, 2015	December 31, 2014	June 30, 2014
Pledge-time deposits	<u>\$ 245,670</u>	<u>\$ 78,688</u>	<u>\$ 92,561</u>

Above assets included the guarantee deposits that had been provided for (a) a government projects (b) the customs agency for shipment clearance in advance of duty payments (c) the tax refund guarantee.

36. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

- a. The European Commission issued a Statement of Objection to some CD-ROM factories in line with antitrust investigations in the third quarter of 2012. The Parent Company has assigned lawyers to deal with the lawsuit. As of June 30, 2015, the investigation was still in progress. The Parent Company believed that this case would not have a significant impact on its business and financial operations.
- b. CMP Consulting Service, Inc., KI, Inc., Aaron Wagner, The Stereo Shop, David Carney, Jr., Tina Corse, Cynthia R. Rall, Richard R. Rall, Aaron Deshaw and Don Cheung filed an antitrust group lawsuit against the Parent Company and its subsidiaries - Philips & Lite-On Digital Solutions Corporation, Philips & Lite-On Digital Solutions USA, Inc. and other companies with related businesses - with a court in California, from October 2009 to September 2010. The Parent Company assigned lawyers as its representative in these lawsuits. In October 2014, the U.S. District Court for the Northern District of California rejected the antitrust group lawsuit, but prosecutors appealed to the United States Court of Appeals for the Ninth Circuit against the rejection of the group litigation. In January 2015, the United States Court of Appeals for the Ninth Circuit dismissed the lawsuit. But in the same month, the judge of the U.S. District Court for the Northern District of California allowed the plaintiff to appeal against the antitrust group lawsuit again within a reduced litigation scope. Litigation process and settlement agreement is still ongoing. The Parent Company already accrued a reasonable amount in case of a loss on this lawsuit and will continue to recognize the losses quarterly on the basis of a reasonable estimation of the lawsuit until the settlement of this lawsuit.
- c. In the second quarter of 2013, the Attorney General of the State of Florida filed antitrust lawsuits against the Parent Company and its subsidiaries - Philips & Lite-On Digital Solutions Corporation and Philips & Lite-On Digital Solutions USA, Inc. - as well as other companies with related businesses with the U.S. District Court for the Northern District of California (USDC-NDC). The Parent Company assigned lawyers as its representative in these lawsuits. In the second quarter of 2014, the USDC-NDC allowed the plaintiff to proceed with the lawsuits but dismissed certain parts of these lawsuits. Although the outcome of the proceedings had not been determined, the Parent Company

already accrued a reasonable amount in case of a loss on this lawsuit and will continue to recognize the losses quarterly at this reasonably estimated amount until the settlement of this lawsuit.

- d. In the second quarter of 2013, Dell Inc. and Dell Products L.P. filed a complaint with the United States District Court for Western District of Texas; In the fourth quarter of 2013, Acer Inc., Acer America Corporation, Gateway Inc. and Gateway U.S. Retail, Inc. filed a complaint with the United States District Court for the Northern District of California; In the fourth quarter of 2013, Ingram Micro Inc., and Synnex Corporation filed a complaint with the United States District Court for the Central District of California. All these complaints constituted an antitrust group lawsuit against the Parent Company and other companies with related businesses. The Parent Company assigned lawyers as its representative in these lawsuits. Although the outcome of the proceedings had not been determined, the Parent Company already accrued a reasonable amount in case of a loss on this lawsuit and will continue to recognize losses quarterly at this reasonably estimated amount until the settlement of this lawsuit.
- e. From the second quarter of 2010 to the second quarter of 2014, petitioner Carlos Fogelman filed a motion for authorization to institute class action antitrust proceedings with the Superior Court of Quebec in the district of Montreal. The Fanshawe College of Applied Arts and Technology filed a statement of claim in Ontario court. Neil Godfrey filed a statement of claim with the Superior Court of British Columbia. Donald Woligroski filed a statement of claim in Manitoba court. Cindy Retallick filed a statement of claim in Saskatchewan court. All plaintiffs filed the antitrust group lawsuit against the Company and its subsidiaries - Philips & Lite-On Digital Solutions Corporation, Philips & Lite-On Digital Solutions USA, Inc. and other companies with related businesses. The Parent Company assigned lawyers as its representative in these lawsuits. Although the outcome of the proceedings had not been determined, the Parent Company accrued a reasonable amount in case of a loss on this lawsuit and will continue to recognize the losses quarterly at this reasonably estimated amount until the settlement of this lawsuit.

37. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the group entities and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

	June 30, 2015		December 31, 2014		June 30, 2014	
	Foreign Currencies	Exchange Rate	Foreign Currencies	Exchange Rate	Foreign Currencies	Exchange Rate
<u>Financial assets</u>						
Monetary items						
USD	\$ 1,319,773	30.8100	\$ 1,534,223	31.6000	\$ 1,381,847	29.8150
THB	715,192	0.9126	742,958	0.9593	711,979	0.9199
JPY	148,909	0.2520	186,534	0.2641	34,453	0.2942
HKD	136,805	3.9745	157,663	4.0748	475,692	3.8469
EUR	21,977	34.3994	22,028	38.4003	454,664	40.7005
Non-monetary items						
Investments						
accounted for						
using equity						
method						
USD	816	30.8100	316	31.6000	128	29.8150
Financial						
instruments at fair						
value through						
profit or loss						
USD	510	30.8100	392	31.6000	1,551	29.8150
JPY	-	0.2520	-	0.2641	3,137	0.2942
EUR	-	34.3994	19	38.4003	164	40.7005

(Continued)

	June 30, 2015		December 31, 2014		June 30, 2014	
	Foreign Currencies	Exchange Rate	Foreign Currencies	Exchange Rate	Foreign Currencies	Exchange Rate
<u>Financial liabilities</u>						
Monetary items						
USD	\$ 1,966,338	30.8100	\$ 1,887,114	31.6000	\$ 1,769,601	29.8150
JPY	226,418	0.2520	369,653	0.2641	119,651	0.2942
THB	273,900	0.9126	245,358	0.9593	242,502	0.9199
EUR	12,956	34.3994	15,477	38.4003	23,690	40.7005
HKD	10,546	3.9745	7,470	4.0748	9,479	3.8469
Non-monetary items						
Investments						
accounted for						
using equity						
method						
USD	-	30.8100	-	31.6000	642	29.8150
Financial						
instruments at fair						
value through						
profit or loss						
USD	239	30.8100	1,215	31.6000	658	29.8150
EUR	43	34.3994	-	38.4003	44	40.7005

(Concluded)

For the three months ended June 30, 2015 and 2014 net foreign exchange gains (losses) was \$34,845 thousand and \$(36,743) thousand and the six months ended June 30, 2015 and 2014 net foreign exchange gains (losses) was \$(16,949) thousand and \$1,273 thousand. It is impractical to disclose net foreign exchange gains or losses by each significant foreign currency due to the variety of the foreign currency transactions of the group entities.

38. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions and information on investees:

- 1) Financing provided: Please see Table 1 attached
- 2) Endorsement/guarantee provided: Please see Table 2 attached
- 3) Marketable securities held (excluding investment in subsidiaries, associates and jointly controlled entities): Please see Table 3 attached
- 4) Marketable securities acquired and disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: Please see Table 4 attached
- 5) Acquisition of individual real estate properties at costs of at least NT \$300 million or 20% of the paid-in capital: None
- 6) Disposal of individual real estate properties at prices of at least NT\$300 million or 20% of the paid-in capital: None
- 7) Total purchases from or sales to related parties of at amounting to at least NT\$100 million or 20% of the paid-in capital: Please see Table 5 attached
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Please see Table 6 attached

- 9) Trading in derivative instruments: Notes 7, 9 and 33 to the financial statements
- 10) Names, locations, and related information of investees over which the Company exercises significant influence: Please see Table 7 attached
- b. Information on investments in mainland China:
- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. Please see Table 8 attached
 - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: Please see Table 9 attached
- c. Intercompany relationships and significant intercompany transactions: Please see Table 9 attached

39. SEGMENT INFORMATION

a. General information

The Group identified the reportable segments based on the managerial reporting information, and the segments by the types of products which included Optoelectronics, Information Technologies, Storage, and Mobile Mechanics and others. The types of products are described as follows:

- 1) Optoelectronics: LED Components and Lighting Products, Camera Modules and Automotive Electronics.
- 2) Information technologies: Products used in Server, Networking Devices, NB, Tablets, DT and Multifunction Peripheral.
- 3) Storage: Optical Disk Drives and Solid State Drives.
- 4) The Group also had Mobile Mechanics and Others operating segments that did not exceed the quantitative threshold. These segments mainly engage in manufacturing and selling of Mechanical Products for Mobile Devices and others.

b. Measurement of segment information

The Group uses the income before income tax from operations as the measurement for segment profit and the basis of performance assessment. There was no material differences between the accounting policies of the operating segment and the accounting policies described in Note 4.

c. Segment information

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

	For the Six Months Ended June 30, 2015					
	Optoelectronics	IT	Storage	Mobile Mechanics and Others	Elimination	Total
Sales from external customers	\$ 25,891,853	\$ 49,253,435	\$ 15,953,767	\$ 12,087,836	\$ -	\$ 103,186,891
Sales among segments	772,244	928,631	2,633	200,101	(1,903,609)	-
Operating profit (loss)	684,032	2,852,196	889,268	(691,549)	-	3,733,947

For the Six Months Ended June 30, 2014

	Optoelectronics	IT	Storage	Mobile Mechanics and Others	Elimination	Total
Sales from external customers	\$ 30,629,474	\$ 47,574,084	\$ 18,914,679	\$ 12,858,044	\$ -	\$ 109,976,281
Sales among segments	656,774	1,125,556	-	391,022	(2,173,352)	-
Operating profit (loss)	1,756,103	3,114,003	1,179,976	(1,741,468)	-	4,308,614

d. Reconciliation information for segment profit (loss)

- 1) The revenue from external parties reported to the chief operating decision-maker is used the same accounting policies in consistent with in the statement of comprehensive income.
- 2) A reconciliation of reportable segments profit (loss) and income before income tax is provided as follows:

	For the Six Months Ended June 30	
	2015	2014
Reportable segments' profit	\$ 3,733,947	\$ 4,308,614
Unclassified loss	(429,310)	(544,233)
Nonoperating income and expenses	<u>708,190</u>	<u>634,025</u>
Profit before income tax	<u>\$ 4,012,827</u>	<u>\$ 4,398,406</u>

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED
FOR THE SIX MONTHS ENDED JUNE 30, 2015
(Amounts in Thousands of New Taiwan Dollars)

No.	Financing Company	Counter-party	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Interest Rate	Nature for Financing (Note 1)	Transaction Amount	Reasons for Financing	Allowance for Bad Debt	Collateral		Financing Limits for Each Borrowing Company (Note 2)	Financing Company's Total Financing Amount Limits (Note 2)	Note
													Item	Value			
1	China Bridge (China) Co., Ltd.	Lite-On Opto Technology (Changzhou) Co., Ltd.	Receivables from related parties	Yes	\$ 251,600	\$ 246,480	\$ 246,480	1.0465%	b	\$ -	Operating capital	\$ -	None	\$ -	\$ 1,430,391	\$ 1,430,391	
2	Lite-On Opto Technology (Changzhou) Co., Ltd.	Lite-on Green Technologies (Nanjing) Corporation Changzhou Leotek New Energy Trade Limited	Receivables from related parties	Yes	45,463	44,807	44,807	4.2%	b	-	Operating capital	-	None	-	2,932,198	2,932,198	
			Receivables from related parties	Yes	202,056	199,140	199,140	4.2%	b	-	Operating capital	-	None	-	2,932,198	2,932,198	
3	Lite-On Technology (Changzhou) Co., Ltd.	Lite-On Technology (Shanghai) Ltd. Zhuhai Lite-On Mobile Technology Co., Ltd.	Receivables from related parties	Yes	606,168	205,861	205,861	4.2%	b	-	Equipment purchase	-	None	-	4,684,814	4,684,814	
			Receivables from related parties	Yes	1,262,850	1,244,625	1,244,625	4.2%	b	-	Operating capital	-	None	-	4,684,814	4,684,814	
4	Lite-On Electronics (Tianjin) Co., Ltd.	Lite-On Medical Device (Changzhou) Ltd. Lite-On Technology (Shanghai) Ltd.	Receivables from related parties	Yes	45,463	21,632	21,632	4.2%	b	-	Operating capital	-	None	-	2,733,017	2,733,017	
			Receivables from related parties	Yes	555,654	-	-	4.2%	b	-	Equipment purchase	-	None	-	2,733,017	2,733,017	
5	Lite-On Power Technology (Chang Zhou) Co., Ltd.	Lite-On Technology (Shanghai) Ltd.	Receivables from related parties	Yes	706,258	-	-	4.2%	b	-	Equipment purchase	-	None	-	770,086	770,086	
6	Lite-On Network Communication (Dongguan) Limited (formerly: Dong Guan G-Com Computer Ltd.)	Silitek Elec. (Dongguan) Co., Ltd.	Receivables from related parties	Yes	201,788	-	-	4.2%	b	-	Operating capital	-	None	-	967,961	967,961	
7	Dongguan Lite-On Computer Co., Ltd.	Yantai Lite-On Mobile Electronic Components Co., Ltd.	Receivables from related parties	Yes	50,514	49,785	49,785	4.2%	b	-	Operating capital	-	None	-	52,681	52,681	
8	DongGuan G-Pro Computer Co., Ltd.	Silitek Elec. (Dongguan) Co., Ltd.	Receivables from related parties	Yes	252,570	248,925	248,925	3.92%	b	-	Operating capital	-	None	-	664,988	664,988	
9	Dong Guan G-Tech Computers Co., Ltd.	Lite-On Electronics (Dongguan) Co., Ltd.	Receivables from related parties	Yes	101,028	99,570	99,570	3.92%	b	-	Operating capital	-	None	-	786,954	786,954	
10	Huizhou Li Shin Electronic Co., Ltd.	Lite-On Technology (Xianging) Co., Ltd.	Receivables from related parties	Yes	50,514	49,785	49,785	4.2%	b	-	Operating capital	-	None	-	552,805	552,805	
11	Guangzhou Lite-On Mobile Engineering Plastics Co., Ltd.	Zhuhai Lite-On Mobile Technology Co., Ltd.	Receivables from related parties	Yes	1,262,850	1,244,625	1,244,625	4.2%	b	-	Operating capital	-	None	-	4,644,046	4,644,046	
12	Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Lite-On Young Fast (Huizhou) Co., Ltd. Beijing Lite-On Mobile Electronic and Telecommunication Components Co., Ltd.	Receivables from related parties	Yes	126,118	-	-	5.6%	b	-	Operating capital	-	None	-	10,230,866	10,230,866	
			Receivables from related parties	Yes	858,738	846,345	846,345	4.2%	b	-	Operating capital	-	None	-	10,230,866	10,230,866	
13	Lite-On Auto Electric Technology (Guangzhou) Ltd.	Yantai Lite-On Mobile Electronic Components Co., Ltd.	Receivables from related parties	Yes	50,514	49,785	49,785	4.2%	b	-	Operating capital	-	None	-	126,495	126,495	

(Continued)

No.	Financing Company	Counter-party	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Interest Rate	Nature for Financing (Note 1)	Transaction Amount	Reasons for Financing	Allowance for Bad Debt	Collateral		Financing Limits for Each Borrowing Company (Note 2)	Financing Company's Total Financing Amount Limits (Note 2)	Note
													Item	Value			
14	Lite-On Opto Technology (Guangzhou) Co., Ltd.	Shenzhen Lite-On Mobile Precision Molds Co., Ltd.	Receivables from related parties	Yes	\$ 126,285	\$ 49,785	\$ 49,785	4.2%	b	\$ -	Operating capital	\$ -	None	\$ -	\$ 2,645,858	\$ 2,645,858	
15	Lite-On Mobile Oyj (formerly: Perlos Oyj)	Lite-On Mobile India Private Limited	Receivables from related parties	Yes	154,105	150,969	150,969	2.357%	b	-	Operating capital	-	None	-	819,376	819,376	
16	Lite-On Mobile Pte. Ltd.	Lite-On Mobile India Private Limited	Receivables from related parties	Yes	903,590	885,202	885,202	2.107%	b	-	Operating capital	-	None	-	21,087,950	21,087,950	
17	Lite-On China Holding Co., Ltd.	Lite-On Mobile Pte. Ltd.	Receivables from related parties	Yes	629,000	616,200	616,200	0.86%	b	-	Operating capital	-	None	-	23,400,842	23,400,842	
18	Eagle Rock Investment Ltd.	Lite-On Mobile Pte. Ltd.	Receivables from related parties	Yes	629,000	616,200	616,200	0.86%	b	-	Operating capital	-	None	-	1,815,950	1,815,950	
19	Lite-On Green Energy B.V.	Romeo Teti PV1 S.R.L.	Receivables from related parties	Yes	123,838	58,479	58,479	2.235%	b	-	Operating capital	-	None	-	370,769	370,769	
20	Lite-On Technology (Europe) B.V.	Lite-On Green Energy B.V.	Receivables from related parties	Yes	60,581	58,479	58,479	1.00%	b	-	Operating capital	-	None	-	3,064,104	3,064,104	
21	Lite-On Capital Corp.	Lite-On Green Technologies Inc.	Receivables from related parties	Yes	115,000	65,000	65,000	1.00%	b	-	Operating capital	-	None	-	845,879	845,879	
22	Lite-On Singapore Pte. Ltd.	Lite-On China Holding Co., Ltd.	Receivables from related parties	Yes	282,195	277,290	277,290	0.86%	b	-	Operating capital	-	None	-	12,138,829	12,138,829	
23	Lite-On Electronics (Guangzhou) Co., Ltd.	Silitek Elec. (Dongguan) Co., Ltd.	Receivables from related parties	Yes	248,925	248,925	248,925	3.745%	b	-	Operating capital	-	None	-	13,495,023	13,495,023	
24	LTC International Ltd.	Lite-On Automotive Electronics Mexico, S.A. DE C.V.	Receivables from related parties	Yes	92,430	92,430	92,430	4.08%	b	-	Operating capital	-	None	-	389,673	389,673	

Note 1: Reasons for financing are as follows:

- a. Business relationship.
- b. The need for short-term financing.

Note 2: Financing limit for each borrower and aggregate financing limits are calculated based on the Company's policy.

Note 3: The net worth value is based on the most current reviewed financial statements.

Note 4: All intercompany financing loans have been eliminated from consolidation.

(Concluded)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED
FOR THE SIX MONTHS ENDED JUNE 30, 2015
(Amounts in Thousands of New Taiwan Dollars)

No.	Endorsement/ Guarantee Provider	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party (Note 2)	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity Per Latest Financial Statements (%)	Maximum Endorsement/ Guarantee Amount Allowable (Note 2)	Guarantee Provided by Parent Company	Guarantee Provided by A Subsidiary	Guarantee Provided to Subsidiaries In Mainland China	Note
		Name	Nature of Relationship (Note 1)											
0	Lite-On Technology Corporation (the "Parent Company")	Lite-On Technology (Europe) B.V.	b	\$ 7,170,969	\$ 67,708	\$ 65,359	\$ 65,359	\$ -	0.09	\$ 28,683,876	Yes	No	No	
		Lite-On Mobile Pte. Ltd. (Note 3)	c	7,170,969	10,064,000	8,626,800	6,162,000	-	12.03	28,683,876	Yes	No	No	
		Silitek Elec. (Dongguan) Co., Ltd.	c	7,170,969	1,132,200	1,109,160	1,109,160	-	1.55	28,683,876	Yes	No	Yes	
		Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	c	7,170,969	1,320,900	1,047,540	739,440	-	1.46	28,683,876	Yes	No	Yes	
1	Lite-On Mobile Oyj (formerly: Perlos Oyj)	Lite-On Mobile Sweden AB	b	131,100	15,210	14,936	933	-	0.02	327,750	No	No	No	
		Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	b	131,100	803,246	791,654	131,860	-	1.10	327,750	No	No	Yes	
2	Lite-On Capital Corp.	Lite-On Green Technologies B.V.	c	2,114,697	835,949	806,941	806,941	-	1.13	2,114,697	No	No	No	

Note 1: Relationship between endorser/guarantor and endorsee/guarantee are as follows:

- a. Business relationship.
- b. A subsidiary in which the Company holds directly over 50% of equity interest.
- c. An investee in which the Company and its subsidiaries hold over 50% of equity interest.

Note 2: a. The aggregate amount of guarantees/endorsements by Lite-On Technology Corporation should not exceed 40% of its net worth, and the amount of guarantees/endorsements for any single entity should not exceed 10% of its net worth.
b. The endorsement/guarantee limit for each entity and the total endorsement/guarantee limit are calculated on the basis of Lite-On Mobile Oyj's and Lite-On Capital Corp.'s endorsement/guarantee procedures.
c. Limits on endorsement/guarantee amount provided to each guaranteed party and maximum endorsement/guarantee amount allowable were calculated on the basis of the net worth of the endorsement/guarantee provider, as shown in its most recent reviewed financial statements.

Note 3: The guarantee provided by the Parent Company to Lite-On Mobile Pte. Ltd. is for the repayment of the latter's syndicated loan obtained in December 2013.

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

JUNE 30, 2015

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Held Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	June 30, 2015				Note
				Shares/Units (In Thousands)	Carrying Value (Foreign Currencies in Thousands)	Percentage of Ownership (%)	Fair Value (Foreign Currencies in Thousands)	
Lite-On Technology Corporation	<u>Common stock</u>							
	EPISTAR Corporation	Member of the board of directors	Available-for-sale financial assets - non-current	5,908	\$ 243,703	0.54	\$ 243,703	
	Wistron Corporation	-	"	4,832	113,080	0.20	113,080	
	CO-TECH Development Corp.	Chairman of the board is the same person	"	1,530	14,810	0.73	14,810	
	Com2B Corp.	-	"	5,000	19,009	11.11	19,009	
	Avamax Corp.	-	"	559	-	6.99	-	Note
	Aetas Technology, Inc.	Member of the board of directors	"	4,026	-	8.07	-	Note
	AuriaSolar Co., Ltd.	-	"	41,400	-	19.71	-	Note
	Z-Com, Inc.	-	"	3,245	26,609	4.10	26,609	-
	Fong Han Electronics Co., Ltd.	-	"	1,167	-	6.67	-	Note
	Xepex Electronics Co., Ltd.	-	"	-	-	-	-	Note
	AOPEN, Inc.	-	"	100	20,397	0.08	20,397	
	Oplink Communications, Inc.	-	"	12	8,706	0.07	8,706	
	North America Micro-Electronic & Software, Incorporated	-	"	5	1,154	2.67	1,154	
	Action Media Technologies, Inc.	-	"	38	-	-	-	Note
	Taiwan Changxing Technology Co., Ltd.	-	"	462	4,620	15.40	4,620	
		<u>Preferred stock</u>						
Arkologic Holdings Limited	-	"	11,111	-	7.66	-	Note	
PI-CORAL	-	"	1,139	9,730	10.65	9,730		
	<u>Convertible bond</u>							
Xepex Electronics Co., Ltd.	-		Debt investments with no active market - non-current	150	-	-	-	Note
Lite-On Capital Corp.	<u>Common stock</u>							
	Lite-On Technology Corporation	The Parent Company	Available-for-sale financial assets - non-current	14,966	541,768	0.64	541,768	
	Lead Data, Inc.	-	"	865	12,450	0.59	12,450	
Compound Solar Technology Co., Ltd.	-	"	2,000	-	2.86	-	Note	

(Continued)

Held Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	June 30, 2015				Note
				Shares/Units (In Thousands)	Carrying Value (Foreign Currencies in Thousands)	Percentage of Ownership (%)	Fair Value (Foreign Currencies in Thousands)	
	Z-Com, Inc.	-	Available-for-sale financial assets - non-current	2,631	\$ 21,575	3.33	\$ 21,575	
	Pac-Link Opportunity Fund	-	"	14,862	39,694	10.59	39,694	
	Auden Techno Corp.	Member of the board of directors	"	8,124	178,716	19.90	178,716	
Lite-On Green Energy (HK) Limited	<u>Common stock</u> Changzhou Binhu Thin Film Solar Greenhouse Co., Ltd.	-	"	-	US\$ 1,641	19.90	US\$ 1,641	
China Bridge (China) Co., Ltd.	<u>Common stock</u> Shanghai DigiVision Technology Co., Ltd.	-	"	-	CNY 24,830	13.89	CNY 24,830	
Lite-On Electronics Co., Ltd.	<u>Share certificates</u> Lite-On Technology Corporation GDR	The Parent Company	"	243	\$ 100,909	0.10	\$ 100,909	
	<u>Fund</u> Global Performance Fund	-	"	-	HK\$ 6,188	-	HK\$ 6,188	
Yet Foundate Ltd.	<u>Share certificates</u> Lite-On Technology Corporation GDR	The Parent Company	"	225	\$ 93,524	0.10	\$ 93,524	
	<u>Common stock</u> Northen Lights Semiconductor	-	"	3,000	-	5.91	-	Note
LTC Group Ltd. (BVI)	<u>Common stock</u> VIZIO, Inc.	-	"	437	-	2.90	-	Note
LTC International Ltd.	<u>Common stock</u> Lite-On Technology Corporation	The Parent Company	"	3,755	135,949	0.16	135,949	
	<u>Share certificates</u> Lite-On Technology Corporation GDR	The Parent Company	"	318	132,238	0.14	132,238	
Lite-On China Holding Co., Ltd.	<u>Common stock</u> COMMIT Incorporated	-	"	4,962	-	1.87	-	Note
LET (HK) Ltd.	<u>Fund</u> Innovation Works Development Fund, L.P.	-	"	-	HK\$ 5,951	-	HK\$ 5,951	

(Continued)

Held Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	June 30, 2015				Note
				Shares/Units (In Thousands)	Carrying Value (Foreign Currencies in Thousands)	Percentage of Ownership (%)	Fair Value (Foreign Currencies in Thousands)	
Silitech Technology Corp.	<u>Common stock</u> Chi Mei Mold Co., Ltd.	Member of the board of directors	Available-for-sale financial assets - non-current	1,300	\$ 11,165	13.00	\$ 11,165	
	RTR-TECH Technology Co., Ltd.	Member of the board of directors	"	6,820	89,138	11.00	89,138	
Silitech (Bermuda) Holding Ltd.	<u>Common stock</u> Innovation Works Development Fund, L.P.	-	"	-	US\$ 802	-	US\$ 802	
Lite-On Japan Ltd.	<u>Common stock</u> Tamura Corporation	-	"	19,250	JPY 9,413	0.03	JPY 9,413	
	The Dai-ichi Life Insurance Company, Limited	-	"	7	JPY 1,685	-	JPY 1,685	
	With Corporation	-	"	9,000	JPY 5,400	14.20	JPY 5,400	
Lite-On Mobile Oyj (formerly: Perlos Oyj)	<u>Common stock</u> Kontiolahti Golf Oy	-	"	1	EUR 9	-	EUR 9	

Note: The carrying value of financial instruments were all assessed for impairment.

(Concluded)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Amounts in Thousands of New Taiwan Dollars or in Thousands of Foreign Currencies)

Company Name	Marketable Securities Type and Name	Financial Statement Account	Counterparty	Nature of Relationship	Beginning Balance		Acquisition		Disposal				Ending Balance	
					Shares/Units (In Thousands)	Amount	Shares/Units (In Thousands)	Amount	Shares/Units (In Thousands)	Amount	Carrying Amount	Gain (Loss) on Disposal	Shares/Units (In Thousands)	Amount
Lite-On Singapore Pte. Ltd.	Lite-On Technology (Shanghai) Ltd.	Investment accounted for using equity method	-	-	-	\$ -	-	US\$ 65,000 (Note)	-	\$ -	US\$ 1,325 (Note)	\$ -	-	US\$ 63,675
Silitech Technology Corp.	Allianz Global Investors Taiwan Money Market Fund	Financial instruments at fair value through profit or loss - current	-	-	-	-	29,241	\$ 360,000	29,241	360,418	\$ 360,000	418	-	-

Note: The acquisition amount of US\$65,000 thousand was the capital injected in the investee during the period; the US\$1,325 thousand in the disposal is from the loss accounted for using equity method.

TABLE 5

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES OF AT AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Amounts in Thousands of New Taiwan Dollars or in Thousands of Foreign Currencies)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) or Receivable		Note	
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total		
Lite-On Technology Corporation	Lite-On Trading USA, Inc.	Note 2	Sale	\$ (1,722,965)	(3)	About 90 days	Cost-plus pricing	No significant difference	\$ 1,236,213	4		
	Lite-On Japan Ltd.	Note 1	Sale	(432,231)	(1)	About 90 days	Cost-plus pricing	No significant difference	224,655	1		
	Philip & Lite-On Digital Solutions Corp.	Note 1	Sale	(5,163,279)	(9)	About 90 days	Cost-plus pricing	No significant difference	2,406,204	9		
	Lite-On Singapore Pte. Ltd.	Note 1	Sale	(1,912,696)	(3)	About 90 days	Cost-plus pricing	No significant difference	1,261,024	4		
	China Bridge Express (Wuxi) Co., Ltd.	Note 2	Sale	(401,761)	(1)	About 90 days	Based on agreement	No significant difference	264,925	1		
	Lite-On Technology (Changzhou) Co., Ltd.	Note 2	Sale	(516,693)	(1)	About 90 days	Based on agreement	No significant difference	346,674	1		
	Lite-On Technology (Changzhou) Co., Ltd.	Note 2	Purchase	647,549	1	About 90 days	Cost-plus pricing	No significant difference	(437,314)	(2)		
	LET (HK) Ltd.	Note 1	Purchase	4,873,546	9	About 90 days	Cost-plus pricing	No significant difference	(470,081)	(2)		
	Lite-On Singapore Pte. Ltd.	Note 1	Purchase	12,815,893	24	About 90 days	Cost-plus pricing	No significant difference	(6,657,712)	(35)		
	Li Shin International Enterprise Corp.	Note 1	Purchase	1,534,376	3	About 90 days	Based on agreement	No significant difference	(580,065)	(3)		
	Lite-On Overseas Trading Co., Ltd.	Note 1	Purchase	25,934,668	49	About 90 days	Cost-plus pricing	No significant difference	(3,690,186)	(20)		
	Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	Note 2	Purchase	360,919	1	About 90 days	Cost-plus pricing	No significant difference	(230,331)	(1)		
	Lite-On, Inc.	Note 2	Purchase	111,010	-	About 90 days	Cost-plus pricing	No significant difference	-	-		
	Lite-On Network Communication (Dongguan) Limited (formerly: Dong Guan G-Com Computer Ltd.)	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(3,117,222)	(97)	About 90 days	Cost-plus pricing	No significant difference	770,711	91	
	Lite-On Electronics (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(5,397,213)	(100)	About 90 days	Cost-plus pricing	No significant difference	1,310,597	100	
	Silitek Elec. (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(4,571,126)	(95)	About 90 days	Cost-plus pricing	No significant difference	1,965,025	93	
Lite-On Electronics (Guangzhou) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(20,921,957)	(77)	About 90 days	Based on agreement	No significant difference	6,584,364	59		
	Dong Guan G-Tech Computers Co., Ltd.	Note 4	Sale	(125,732)	-	About 90 days	Based on agreement	No significant difference	115,265	1		
Dong Guan G-Tech Computers Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(1,560,254)	(91)	About 90 days	Cost-plus pricing	No significant difference	338,953	68		
	Lite-On Electronics (Guangzhou) Co., Ltd.	Note 4	Sale	(157,528)	(9)	About 90 days	Cost-plus pricing	No significant difference	160,317	32		
Lite-On Electronics (Thailand) Co., Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	Sale	(1,587,511)	(97)	About 90 days	Cost-plus pricing	No significant difference	803,487	96		
Lite-On Power Technology (Dongguan) Co., Ltd.	Lite-On Electronic Co., Ltd.	Note 4	Sale	(832,748)	(100)	About 90 days	Cost-plus pricing	No significant difference	-	-		
Lite-On Singapore Pte. Ltd.	Lite-On Electronics H.K. Ltd.	Note 3	Sale	(991,773)	(2)	About 90 days	Cost-plus pricing	No significant difference	413,948	2		
	Lite-On Japan Ltd.	Note 3	Sale	(835,936)	(2)	About 90 days	Cost-plus pricing	No significant difference	545,986	2		
	Lite-On, Inc.	Note 4	Sale	(338,787)	(1)	About 90 days	Cost-plus pricing	No significant difference	171,218	1		
	Lite-On Trading USA, Inc.	Note 4	Sale	(2,253,332)	(5)	About 90 days	Cost-plus pricing	No significant difference	1,259,869	6		
	China Bridge Express (Wuxi) Co., Ltd.	Note 4	Sale	(472,440)	(1)	About 90 days	Based on agreement	No significant difference	344,665	2		
	Leotek Electronics USA LLC	Note 4	Sale	(644,660)	(2)	About 90 days	Based on agreement	No significant difference	500,322	2		
	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(254,306)	(1)	About 90 days	Cost-plus pricing	No significant difference	1,307,367	6		
	Philips & Lite-On Digital Solutions USA Inc.	Note 4	Sale	(4,302,127)	(10)	About 90 days	Based on agreement	No significant difference	2,648,998	12		
	Philips & Lite-On Digital Solutions Germany GmbH.	Note 4	Sale	(1,123,587)	(3)	About 90 days	Based on agreement	No significant difference	1,150,038	5		
	Lite-On Sales & Distribution Inc.	Note 4	Sale	(265,424)	(1)	About 90 days	Based on agreement	No significant difference	270,965	1		
	Lite-On Technology (Changzhou) Co., Ltd.	Note 4	Sale	(108,899)	-	About 90 days	Cost-plus pricing	No significant difference	81,309	-		
Lite-On Overseas Trading Co., Ltd.	Lite-On Network Communication (Dongguan) Limited (formerly: Dong Guan G-Com Computer Ltd.)	Note 4	Sale	(2,806,832)	(3)	About 90 days	Cost-plus pricing	No significant difference	1,489,779	4		
	Lite-On Technology (Changzhou) Co., Ltd.	Note 4	Sale	(7,460,384)	(9)	About 90 days	Cost-plus pricing	No significant difference	4,850,384	15		
	Lite-On Electronics (Dongguan) Co., Ltd.	Note 4	Sale	(4,744,439)	(6)	About 90 days	Cost-plus pricing	No significant difference	1,276,507	4		
	Silitek Elec. (Dongguan) Co., Ltd.	Note 4	Sale	(3,638,636)	(4)	About 90 days	Cost-plus pricing	No significant difference	1,105,125	3		
	Dong Guan G-Tech Computers Co., Ltd.	Note 4	Sale	(1,067,456)	(1)	About 90 days	Cost-plus pricing	No significant difference	529,413	2		
DongGuan G-Pro Computer Co., Ltd.	Note 4	Sale	(2,377,855)	(3)	About 90 days	Cost-plus pricing	No significant difference	1,028,810	3			

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts (Payable) or Receivable		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
	Lite-On Singapore Pte. Ltd.	Note 3	Sale	\$ (16,487,519)	(19)	About 90 days	Cost-plus pricing	No significant difference	\$ 9,882,763	30	
	Lite-On Electronics (Guangzhou) Co., Ltd.	Note 4	Sale	(20,996,845)	(24)	About 90 days	Based on agreement	No significant difference	9,123,151	27	
	I-Solutions Limited	Note 4	Sale	(180,132)	-	About 90 days	Cost-plus pricing	No significant difference	136,663	-	
	Lite-On Semiconductor Corp.	Note 5	Purchase	230,800	-	About 90 days	Cost-plus pricing	No significant difference	(152,188)	-	
	Diodes Taiwan Inc.	Note 6	Purchase	214,339	-	About 90 days	Cost-plus pricing	No significant difference	(141,849)	-	
Lite-On Electronics Co., Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	Sale	(832,748)	(100)	About 90 days	Cost-plus pricing	No significant difference	-	-	
LET (HK) Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	Sale	(4,734,257)	(33)	About 90 days	Cost-plus pricing	No significant difference	1,156,579	18	
	Lite-Space Technology Company Limited	Note 5	Purchase	1,999,547	14	30-90 days	Cost-plus pricing	No significant difference	(424,530)	(7)	
	Lite-On Opto Technology (Guangzhou) Co., Ltd.	Note 4	Sale	(463,025)	(3)	About 90 days	Cost-plus pricing	No significant difference	457,398	7	
	Lite-On IT Opto Tech (BH) Co., Ltd.	Note 4	Sale	(4,071,697)	(29)	About 90 days	Cost-plus pricing	No significant difference	4,135,654	65	
DongGuan G-Pro Computer Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(2,951,310)	(100)	About 90 days	Based on agreement	No significant difference	3,785	100	
Lite-On Electronics (Tianjinn) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(791,349)	(100)	About 90 days	Based on agreement	No significant difference	254,921	100	
Lite-On Auto Electric Technology (Guangzhou) Ltd.	Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd.	Note 4	Sale	(280,499)	(66)	About 90 days	Cost-plus pricing	No significant difference	4,359	5	
	Lite-On Technology (Shanghai) Ltd.	Note 4	Sale	(127,583)	(30)	About 90 days	Cost-plus pricing	No significant difference	76,726	85	
Lite-On IT Opto Tech (BH) Co., Ltd.	LET (HK) Ltd.	Note 3	Sale	(7,990,173)	(100)	About 90 days	Cost-plus pricing	No significant difference	1,045,591	100	
Lite-On Opto Technology (Guangzhou) Co., Ltd.	LET (HK) Ltd.	Note 3	Sale	(1,535,803)	(95)	About 90 days	Cost-plus pricing	No significant difference	278,728	78	
Huizhou Li Shin Electronic Co., Ltd.	Li Shin International Enterprise Corp.	Note 3	Sale	(693,214)	(73)	Note 7	Based on agreement	No significant difference	393,673	82	
Lite-On Li Shin Technology (Ganzhou) Co., Ltd.	Li Shin International Enterprise Corp.	Note 3	Sale	(198,242)	(100)	Note 7	Based on agreement	No significant difference	105,057	100	
Lite-On Technology (Ying Tan) Co., Ltd.	Li Shin International Enterprise Corp.	Note 3	Sale	(319,362)	(100)	Note 7	Based on agreement	No significant difference	189,094	100	
Lite-On Technology (Xianging) Co., Ltd.	Li Shin International Enterprise Corp.	Note 3	Sale	(290,204)	(100)	Note 7	Based on agreement	No significant difference	78,413	100	
Lite-On Opto Technology (Changzhou) Co., Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	Sale	(1,803,222)	(100)	About 90 days	Based on agreement	No significant difference	216,070	100	
Lite-On Technology (Changzhou) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(4,016,295)	(35)	About 90 days	Cost-plus pricing	No significant difference	374,637	31	
	Lite-On Singapore Pte. Ltd.	Note 3	Sale	(6,853,510)	(60)	About 90 days	Cost-plus pricing	No significant difference	416,286	34	
Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	Sale	(602,701)	(40)	About 90 days	Cost-plus pricing	No significant difference	407,461	39	
Lite-On Technology (Shanghai) Ltd.	Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd.	Note 4	Sale	(163,392)	(100)	About 90 days	Based on agreement	No significant difference	100,032	100	
Lite-On Japan Ltd.	Lite-On Semiconductor Corp.	Note 5	Purchase	JPY 775,832	9	90 days	Cost-plus pricing	No significant difference	JPY (315,945)	(8)	
Shenzhen Lite-On Mobile Precision Molds Co., Ltd.	Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Note 4	Sale	EUR (10,592)	(95)	90 days	Based on agreement	No significant difference	EUR 3,873	90	
Lite-On Mobile Pte. Ltd.	Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Note 4	Sale	EUR (7,144)	(99)	90 days	Based on agreement	No significant difference	EUR 170	83	
Beijing Lite-On Mobile Electronic and Telecommunication Components Co., Ltd.	Lite-On Mobile Oyj (formerly: Perlos Oyj)	Note 4	Sale	EUR (11,888)	(30)	90 days	Based on agreement	No significant difference	EUR 3,573	24	
Silitech Technology Corp. Ltd.	Silitech Technology Corp.	Note 3	Sale	US\$ (15,921)	(76)	90 days	No significant difference	90-120 days	US\$ 10,572	75	
	Lite-On Technology (Changzhou) Co., Ltd.	Note 4	Sale	JPY (29,655)	(16)	90 days	No significant difference	90-120 days	JPY 9,237	17	
				US\$ (3,394)	(16)	90 days	No significant difference	90-120 days	US\$ 2,365	17	
Xurong Electronic (Shenzhen) Co., Ltd.	Silitech Technology Corp. Ltd.	Note 4	Sale	US\$ (21,039)	(58)	90 days	No significant difference	90-120 days	US\$ 14,572	75	
				JPY (29,655)	(58)	90 days	No significant difference	90-120 days	JPY 9,237	75	

(Continued)

Note 1: Equity-method investee.

Note 2: Investee of the equity-method investee.

Note 3: The Company's equity-method investee.

Note 4: Investee of the Company's equity-method investee.

Note 5: Associate.

Note 6: Other related parties.

Note 7: Payment in consideration of the financial condition of each company.

Note 8: All intercompany transactions have been eliminated from consolidation.

(Concluded)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

JUNE 30, 2015

(Amounts in Thousands of New Taiwan Dollars or in Thousands of Foreign Currencies)

Company Name	Related Party	Nature of Relationship	Ending Balance of Notes Receivable-inter	Ending Balance of Trade Receivables-inter	Ending Balance of Other Receivables-inter	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
							Amount	Action Taken		
Lite-On Technology Corporation	Philip & Lite-On Digital Solutions Corp.	Note 1	\$ -	\$ 2,406,204	\$ 137,392	4.00	\$ -	-	\$ 477,616	\$ -
	Lite-On Technology (Changzhou) Co., Ltd.	Note 2	-	346,674	-	2.60	-	-	2,115	-
	China Bridge Express (Wuxi) Co., Ltd.	Note 2	-	264,925	-	2.24	-	-	-	-
	Lite-On Electronics (Guangzhou) Co., Ltd.	Note 2	-	46,917	136,146	-	-	-	-	-
	Titanic Capital Services Ltd.	Note 2	-	-	124,122	-	-	-	-	-
	Lite-On Singapore Pte. Ltd.	Note 1	-	1,261,024	173,960	3.03	101,110	-	241,867	-
	Lite-On Japan Ltd.	Note 1	-	224,655	22,517	2.55	2,191	-	3,514	-
	Lite-On Trading USA, Inc.	Note 2	-	1,236,213	8,347	3.24	-	-	-	-
	Lite-On Overseas Trading Co., Ltd.	Note 1	-	2,043,553	17,607	0.02	-	-	372,122	-
Lite-On Network Communication (Dongguan) Limited (formerly: Dong Guan G-Com Computer Ltd.)	Lite-On Overseas Trading Co., Ltd.	Note 3	-	770,711	-	7.37	-	-	537,846	-
Dong Guan G-Tech Computers Co., Ltd.	Lite-On Electronics (Dongguan) Co., Ltd.	Note 4	-	-	101,760	-	-	-	-	-
	Lite-On Overseas Trading Co., Ltd.	Note 3	-	338,953	-	9.38	-	-	-	-
	Lite-On Electronics (Guangzhou) Co., Ltd.	Note 4	-	160,317	-	2.96	-	-	35,537	-
Lite-On Electronics (Tianjinn) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	-	254,921	-	6.44	-	-	-	-
Lite-On Electronics (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	-	1,310,597	-	9.34	-	-	-	-
G&W Technology (BVI) Limited	G&W Technology Limited	Note 4	-	-	175,655	-	-	-	-	-
Silitek Elec. (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	-	1,965,025	8,479	4.37	-	-	-	-
DongGuan G-Pro Computer Co., Ltd.	Silitek Elec. (Dongguan) Co., Ltd.	Note 4	-	-	254,075	-	-	-	-	-
Lite-On Electronics (Thailand) Co., Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	-	803,487	10,272	3.91	-	-	249,399	-
Lite-On Singapore Pte. Ltd.	Lite-On Electronics H.K. Ltd.	Note 3	-	413,948	1	4.94	-	-	3,472	-
	Lite-On Japan Ltd.	Note 3	-	545,986	715	3.74	7,650	-	91,438	-
	Lite-On Trading USA, Inc.	Note 4	-	1,259,869	11,159	3.13	-	-	117,486	-
	China Bridge Express (Wuxi) Co., Ltd.	Note 4	-	344,665	-	2.62	-	-	88,670	-
	Lite-On Overseas Trading Co., Ltd.	Note 3	-	1,307,367	-	0.56	7,493	-	310,174	-
	Lite-On, Inc.	Note 4	-	171,218	1,179	4.31	20,159	-	34,075	-
	Leotek Electronics USA LLC	Note 4	-	500,322	65	2.62	-	-	-	-
	Philips & Lite-On Digital Solutions USA Inc.	Note 4	-	2,648,998	-	6.50	109,204	-	499,719	-
	Philips & Lite-On Digital Solutions Germany GmbH.	Note 4	-	1,150,038	-	3.91	582,801	-	252,839	-
	Lite-On Sales & Distribution Inc.	Note 4	-	270,965	-	3.92	202,979	-	122,500	-
	Lite-On China Holding Co., Ltd.	Note 4	-	-	278,545	-	-	-	-	-
	Lite-On Electronic Co., Ltd.	Note 4	-	-	101,601	-	-	-	-	-

(Continued)

Company Name	Related Party	Nature of Relationship	Ending Balance of Notes Receivable-inter	Ending Balance of Trade Receivables-inter	Ending Balance of Other Receivables-inter	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
							Amount	Action Taken		
Lite-On Technology (Changzhou) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	\$ -	\$ 374,637	\$ 10,294	24.18	\$ -	-	\$ 370,221	\$ -
	Lite-On Singapore Pte. Ltd.	Note 3	-	416,286	-	22.89	-	-	393,765	-
	Lite-On Technology (Shanghai) Ltd.	Note 4	-	2	211,577	-	-	-	-	-
	Zhuhai Lite-On Mobile Technology Co., Ltd.	Note 4	-	-	1,288,187	-	-	-	-	-
Lite-On Opto Technology (Changzhou) Co., Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	-	216,070	6,928	17.84	-	-	207,713	-
	Changzhou Leotek New Energy Trade Limited	Note 4	-	-	203,554	-	-	-	-	-
Lite-On Electronics (Guangzhou) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	-	6,584,364	-	5.36	-	-	-	-
	Silitek Elec. (Dongguan) Co., Ltd.	Note 4	-	-	251,100	-	-	-	-	-
	Dong Guan G-Tech Computers Co., Ltd.	Note 4	-	115,265	-	4.29	16,614	-	-	-
Huizhou Li Shin Electronic Co., Ltd.	Li-Shin International Enterprise Corp.	Note 3	-	393,673	-	4.14	-	-	202,681	-
Lite-On Technology (Ying Tan) Co., Ltd.	Li-Shin International Enterprise Corp.	Note 3	-	189,094	-	2.70	-	-	16,602	-
Lite-On Li Shin Technology (Ganzhou) Co., Ltd.	Li-Shin International Enterprise Corp.	Note 3	-	105,057	-	3.07	-	-	7,994	-
LET (HK) Ltd.	Lite-On Opto Technology (Guangzhou) Co., Ltd.	Note 4	-	457,398	2,469	0.79	-	-	3,852	-
	Lite-On Auto Electric Technology (Guangzhou) Ltd.	Note 4	-	104,266	-	0.71	-	-	-	-
	Lite-On IT Opto Tech (BH) Co., Ltd.	Note 4	-	4,135,654	-	1.37	-	-	3,940	-
	Lite-On Singapore Pte. Ltd.	Note 3	-	1,156,579	-	16.37	-	-	961,566	-
Lite-On Overseas Trading Co., Ltd.	Lite-On Network Communication (Dongguan) Limited (formerly: Dong Guan G-Com Computer Ltd.)	Note 4	-	1,489,779	9,185	3.57	-	-	512,545	-
	Lite-On Technology (Changzhou) Co., Ltd.	Note 4	-	4,850,384	-	2.60	-	-	-	-
	Dongguan Lite-On Computer Co., Ltd.	Note 4	-	249,064	1	-	249,064	-	-	-
	Lite-On Electronics (Dongguan) Co., Ltd.	Note 4	-	1,276,507	-	7.63	-	-	5,033	-
	Silitek Elec. (Dongguan) Co., Ltd.	Note 4	-	1,105,125	2,588	6.05	-	-	84,208	-
	Dong Guan G-Tech Computers Co., Ltd.	Note 4	-	529,413	-	3.35	-	-	2,770	-
	I-Solutions Limited	Note 4	-	136,663	-	2.07	-	-	-	-
	DongGuan G-Pro Computer Co., Ltd.	Note 4	-	1,028,810	2,892	4.28	-	-	363	-
	Lite-On Electronics (Guangzhou) Co., Ltd.	Note 4	-	9,123,151	498	4.36	-	-	51,850	-
Lite-On Singapore Pte. Ltd.	Note 3	-	9,882,763	-	3.11	-	-	2,111,863	-	
Eagle Rock Investment Ltd.	Lite-On Mobile Pte. Ltd.	Note 4	-	-	616,450	-	-	-	-	-
Lite-On China Holding Co., Ltd.	Lite-On Mobile Pte. Ltd.	Note 4	-	-	616,450	-	-	-	-	-
Lite-On Opto Technology (Guangzhou) Co., Ltd.	LET (HK) Ltd.	Note 3	-	278,728	-	11.17	-	-	-	-
Lite-On IT Opto Tech (BH) Co., Ltd.	LET (HK) Ltd.	Note 3	-	1,045,591	-	4.98	-	-	628,659	-
Lite-On Technology (Shanghai) Ltd.	Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd.	Note 4	-	100,032	-	6.53	-	-	100,032	-
China Bridge (China) Co., Ltd.	Lite-On Opto Technology (Changzhou) Co., Ltd.	Note 4	-	-	248,350	-	-	-	-	-
Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	-	407,461	458	3.66	-	-	133,671	-

(Continued)

Company Name	Related Party	Nature of Relationship	Ending Balance of Notes Receivable-inter	Ending Balance of Trade Receivables-inter	Ending Balance of Other Receivables-inter	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
							Amount	Action Taken		
Silitech Technology Corp. Ltd.	Silitech Technology Corp.	Note 3	\$ -	US\$ 10,572 JPY 9,237	\$ -	3.04	\$ -	-	US\$ 2,306 JPY 6,535	\$ -
Xurong Electronic (Shenzhen) Co., Ltd.	Silitech Technology Corp. Ltd.	Note 4	-	US\$ 14,572 JPY 9,237	-	2.91	-	-	US\$ 2,306 JPY 6,535	-
Silitech (Bermuda) Holding Ltd.	Silitech (Hong Kong) Holding Ltd.	Note 4	-	-	US\$ 14,164	-	-	-	-	-
Beijing Lite-On Mobile Electronic and Telecommunication Components Co., Ltd.	Lite-On Mobile Oyj (formerly: Perlos Oyj)	Note 4	-	EUR 3,573	-	3.33	-	-	EUR 22	-
Shenzhen Lite-On Mobile Precision Molds Co., Ltd.	Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Note 4	-	EUR 3,873	-	2.73	EUR 38	-	-	-
Lite-On Mobile Oyj (formerly: Perlos Oyj)	Lite-On Mobile India Private Limited	Note 4	-	-	EUR 4,389	-	-	-	-	-
Lite-On Mobile Pte. Ltd.	Lite-On Mobile India Private Limited	Note 4	-	-	EUR 25,733	-	-	-	-	-
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Beijing Lite-On Mobile Electronic and Telecommunication Components Co., Ltd.	Note 4	-	-	EUR 24,603	-	-	-	-	-
Guangzhou Lite-On Mobile Engineering Plastics Co., Ltd.	Zhuhai Lite-On Mobile Technology Co., Ltd.	Note 4	-	-	EUR 36,182	-	-	-	-	-

Note 1: Equity-method investee.

Note 2: Investee of the equity-method investee.

Note 3: The Company's equity-method investee.

Note 4: Investee of the Company's equity-method investee.

(Concluded)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEEES OVER WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE
FOR THE SIX MONTHS ENDED JUNE 30, 2015
(Amounts in Thousands of New Taiwan Dollars or Thousands of Foreign Currencies)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of June 30, 2015			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				June 30, 2015	December 31, 2014	Shares (In Thousands)	Percentage of Ownership (%)	Carrying Value			
Lite-On Technology Corporation	Silitech Technology Corp.	New Taipei City, Taiwan	Manufacture and sale of modules and plastic products	\$ 324,685	\$ 324,685	60,757	33.16	\$ 1,454,506	\$ 88,952	\$ 28,537	Subsidiary
	Lite-On Integrated Service Inc.	Taipei City, Taiwan	Information outsourcing and system integrate	25,886	25,886	3,400	100.00	44,301	4,134	4,134	Subsidiary
	Dragonjet Corporation	New Taipei City, Taiwan	Manufacture and sale of computer peripherals, printers, digital cameras, modules and plastic products	1,069,080	1,069,080	26,727	29.62	1,029,213	(8,982)	(3,535)	Associate
	Logah Technology Corp.	Hsinchu, Taiwan	Development, manufacture and sale of LCD TV inverters	402,787	402,787	31,683	28.10	285,703	(84,621)	(23,222)	Associate
	Lite-On Capital Corp.	Taipei City, Taiwan	Investment activities	4,096,367	4,096,367	253,646	100.00	1,387,517	55,772	26,289	Subsidiary
	Lite-On Electronics H.K. Ltd.	Hong Kong	Sale of LED optical products	7,339,481	7,339,481	17,865	100.00	10,736,686	HK\$ 155,680	627,150	Subsidiary
	Lite-On Electronics (Thailand) Co., Ltd.	Thailand	Manufacture and sale of LED optical products	529,106	529,106	5,030	100.00	1,233,245	THB 46,038	43,575	Subsidiary
	Lite-On Japan Ltd.	Japan	Sale of LED optical products and power supplies	248,305	253,111	6,162	49.49	327,618	JPY 76,097	9,701	Subsidiary
	Lite-On International Holding Co., Ltd.	British Virgin Islands	Investment activities	US\$ 285,825	US\$ 285,825	285,825	100.00	22,719,423	US\$ 12,263	332,179	Subsidiary
	LTC Group Ltd.	British Virgin Islands	Investment activities	\$ 1,380,308	\$ 1,380,308	41,916	100.00	523,796	US\$ 5,929	170,701	Subsidiary
	Lite-On Technology USA, Inc.	USA	Investment activities	US\$ 55,172	US\$ 50,407	436	100.00	2,041,804	US\$ 2,133	(14,928)	Subsidiary
	Lite-On Electronics (Europe) Ltd.	United Kingdom	Manufacture and sale of power supplies	\$ 44,559	\$ 44,559	300	100.00	50,200	GBP 63	2,989	Subsidiary
	Lite-On Technology (Europe) B.V.	Netherlands	Market research and after-sales service	2,543,184	2,543,184	331	54.00	124,723	EUR 1,695	27,356	Subsidiary
	Lite-On Overseas Trading Co., Ltd.	British Virgin Islands	Merchandising business	168,947	168,947	5,143	100.00	314,196	US\$ 1,298	40,508	Subsidiary
	Lite-On Singapore Pte. Ltd.	Singapore	Manufacture and supply computer peripheral products	US\$ 63,788	US\$ 63,788	51,777	100.00	11,897,849	US\$ 18,563	772,563	Subsidiary
	Lite-On Vietnam Co., Ltd.	Vietnam	Electronic contract manufacturing	US\$ 3,000	US\$ 3,000	-	100.00	77,210	US\$ 112	3,523	Subsidiary
	Lite-On Mobile Pte. Ltd.	Singapore	Manufacture and sale of mobile phone modules and design for assembly line	EUR 250,329	EUR 250,329	178,178	100.00	10,016,325	EUR (22,456)	(612,032)	Subsidiary
	Li Shin International Enterprise Corp.	British Virgin Islands	Manufacture and sale of computer and appliance components	\$ 56,929	\$ 56,929	1,748	100.00	(63,874)	US\$ 4	129	Subsidiary
	Eagle Rock Investment Ltd.	British Virgin Islands	Import and export business and investment activities	341	341	10	100.00	1,726,103	US\$ 75	2,494	Subsidiary
	Lite-On Semiconductor Corp.	New Taipei City, Taiwan	Manufacture of image sensor and rectifier	773,618	773,618	57,204	18.10	1,513,688	\$ 513,412	92,777	Associate
Canfield Ltd.	Apia, Samoa	Import and export business and investment activities	7,142	7,142	200	33.33	4,980	US\$ 58	602	Associate	
High Yield Group Co., Ltd.	British Virgin Islands	Holding company	2,271,806	2,271,806	68,138	100.00	6,032,995	US\$ 10,651	748,513	Subsidiary	
Lite-On Information Technology B.V.	Netherlands	Market research and customer service	1,597,319	1,597,319	11,018	100.00	8,812	EUR (6)	(467)	Subsidiary	
Philip & Lite-On Digital Solutions Corp.	Taiwan	Sale of optical disc drives	267,113	267,113	17,150	49.00	324,361	\$ 99,497	48,754	Subsidiary	
Lite-On IT Singapore Pte. Ltd.	Singapore	Sale of optical disc drives	-	2,872	-	-	-	-	-	-	Subsidiary (Note 1)
Lite-Space Technology Company Limited	Hong Kong	Sale of computer components	149,968	149,968	5,100	39.23	20,149	US\$ 1,454	17,578	Associate	
LET (HK) Ltd.	Hong Kong	Sale of optical disc drives	42	42	10	100.00	(380,461)	HK\$ 3,683	130,973	Subsidiary	
Leotek Electronics Holding Limited	Hong Kong	Holding company	US\$ 1,010	US\$ 1,010	25,000	100.00	21,115	HK\$ (2,065)	(8,290)	Subsidiary	
Lite-On Automotive Electronics (Europe) BV	Netherlands	Sale of automotive parts and other electronic products	EUR 1,090	EUR 1,090	24	100.00	42,111	EUR 2	94	Subsidiary	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of June 30, 2015			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				June 30, 2015	December 31, 2014	Shares (In Thousands)	Percentage of Ownership (%)	Carrying Value			
	Lite-On Automotive North America Inc.	USA	Sale of automotive parts and other electronic products	US\$ -	US\$ 600	-	-	\$ -	US\$ (6)	\$ (196)	Subsidiary (Note 2)
	Lite-On Automotive Service USA Inc.	USA	Sale of automotive parts and other electronic products	US\$ 60	US\$ 60	1	100.00	12,770	US\$ 5	140	Subsidiary
	Lite-On Automotive International (Cayman) Co., Ltd.	Cayman	Investment activities	US\$ 100,626	US\$ 100,626	11,967	100.00	1,736,446	US\$ 4,355	141,328	Subsidiary
	Lar View Technologies Corp. (Samoa)	Samoa	Investment activities	US\$ 200	US\$ 200	200	100.00	3,301	US\$ -	(1)	Subsidiary
	Lite-On Automotive Electronics Mexico, S.A. DE C.V.	Mexico	Production, manufacture, sale, import and export of photovoltaic device, key electronic components, telecommunications equipment, information technology equipment, semiconductor applications, general lighting, automotive electronics, renewable energy products and systems and maintenance of automotive industry	US\$ 4,950	US\$ -	-	99.00	(16,156)	MXN (2,024)	(3,829)	Subsidiary
Lite-On Capital Corp.	Silitech Technology Corp.	New Taipei City, Taiwan	Manufacture and sale of modules and plastic products	\$ 115,572	\$ 115,572	1,153	0.63	109,054	\$ 88,952	-	Subsidiary
	Lite-On Green Technologies Inc.	Taipei City, Taiwan	Manufacture and wholesale of electronic components and energy technology services	1,040,000	1,040,000	84,000	100.00	151,425	(24,582)	-	Subsidiary
	Lite-On Green Energy (HK) Limited	Hong Kong	Investment activities	US\$ 3,000	US\$ 3,000	3,000	100.00	49,874	US\$ (9)	-	Subsidiary
	Lite-On Technology (Europe) B.V.	Netherlands	Market research and after-sales service	\$ 2,126,479	\$ 2,126,479	282	46.00	108,728	EUR 1,695	-	Subsidiary
	Lite-On Semiconductor Corp.	New Taipei City, Taiwan	Manufacture of image sensor and rectifier	-	-	6,486	2.05	200,160	\$ 513,412	-	Associate
	Lite-On Green Energy (Singapore) Pte. Ltd.	Singapore	Investment activities	440,974	440,974	11,150	100.00	320,561	EUR 458	-	Subsidiary
	Logah Technology Corp.	Hsinchu, Taiwan	Development, manufacture and sale of LCD TV inverters	74,538	89,694	4,141	3.67	37,341	\$ (84,621)	-	Associate
	Five Dimension Co., Ltd.	Japan	Development, manufacture and sale of cell phone and camera lens modules	JPY 23,340	JPY 23,340	11	69.94	44,896	JPY (52,838)	-	Subsidiary
Lite-On Green Technologies Inc.	Lite-On Green Technologies B.V.	Netherlands	Solar energy engineering	EUR 16,020	EUR 16,020	30	100.00	210,597	EUR (245)	-	Subsidiary
	Lite-On Green Technologies (HK) Limited	Hong Kong	Solar energy engineering	US\$ 760	US\$ 760	4,000	100.00	(41,156)	US\$ (51)	-	Subsidiary
Lite-On Green Energy (Singapore) Pte. Ltd.	Lite-On Green Energy B.V.	Netherlands	Investment activities	EUR 11,000	EUR 11,000	100	100.00	EUR 9,358	EUR 246	-	Subsidiary
	Lite-On Green Energy Kaiserslautern GmbH	Oldenburg, Germany	Solar energy engineering	EUR 25	EUR 25	25	100.00	EUR 2	EUR -	-	Subsidiary
Lite-On Green Technologies B.V.	Kompakt solar GmbH	Berlin, Germany	Solar energy engineering	EUR 401	EUR 401	51	51.00	EUR -	EUR -	-	Associate
Lite-On Green Energy B.V.	Romeo Tetti PV1 S.R.L.	Italy	Solar energy engineering	EUR 9,847	EUR 9,847	-	100.00	EUR 8,775	EUR 123	-	Subsidiary
	Lite-On Green Energy S.R.L.	Italy	Solar energy engineering	EUR 60	EUR 60	10	100.00	EUR 2	EUR (16)	-	Subsidiary
China Bridge (China) Co., Ltd.	Lite-On Opto Technology (Changzhou) Co., Ltd.	Changzhou, China	Development, manufacture of new-type electronic components and provide technology consulting services, maintenance equipment and after-sales services	CNY 85,015	CNY 85,015	-	12.59	CNY 74,152	CNY 19,365	-	Subsidiary
	China Bridge Express (Wuxi) Co., Ltd.	Wuxi, China	Express and sale of power supplies, printers, display devices and scanners	CNY 36,244	CNY 36,244	-	100.00	CNY 101,023	CNY 3,852	-	Subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of June 30, 2015			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				June 30, 2015	December 31, 2014	Shares (In Thousands)	Percentage of Ownership (%)	Carrying Value			
Lite-On Electronics (Jiangsu) Co., Ltd.	Lite-On Technology (Changzhou) Co., Ltd.	Changzhou, China	Development, manufacture, sale and installation of power supplies and transformers and provision technology consulting services, maintenance equipment and after-sales services	CNY 467,938	CNY 467,938	-	100.00	CNY 941,009	CNY 41,625	\$ -	Subsidiary
	Lite-On Opto Technology (Changzhou) Co., Ltd.	Changzhou, China	Development, manufacture and sale of new-type electronic components and LED and provision technology consulting services, maintenance equipment and after-sales services	CNY 503,977	CNY 503,977	-	87.41	CNY 514,821	CNY 19,365	-	Subsidiary
	Lite-On Medical Device (Changzhou) Ltd.	Changzhou, China	Manufacture and sale of medical equipment	US\$ 30,640	US\$ -	-	100.00	CNY 30,058	CNY (480)	-	Subsidiary
Lite-On Automotive International (Cayman) Co., Ltd.	Lite-On Automotive Holdings (Hong Kong) Co., Ltd.	Hong Kong	Investment activities	HK\$ 41,384	HK\$ 41,384	100,626	100.00	US\$ 57,269	HK\$ 33,763	-	Subsidiary
Lite-On Technology USA, Inc.	Lite-On, Inc.	USA	Sales data processing business of optoelectronic products and power supplies	US\$ 3,000	US\$ 3,000	3,000	100.00	US\$ 3,840	(US\$ (351)	-	Subsidiary
	Lite-On Trading USA, Inc.	California USA	Sale of optical products	US\$ 31,500	US\$ 31,500	315	100.00	US\$ 32,144	US\$ 530	-	Subsidiary
	Lite-On Service USA, Inc.	California USA	After-sales service of optical products	US\$ 1,000	US\$ 1,000	10	100.00	US\$ 1,081	US\$ 3	-	Subsidiary
	Leotek Electronics USA LLC.	USA	Sale of LED products	US\$ 5,792	US\$ 5,792	-	100.00	US\$ 8,676	US\$ 1,663	-	Subsidiary
	Power Innovations International, Inc.	USA	Development, design and manufacture of power control and energy management	US\$ 15,756	US\$ 13,716	12,916	95.25	US\$ 16,895	US\$ 232	-	Subsidiary
Lite-On Sales & Distribution Inc.	Lite-On Sales & Distribution Inc.	USA	Sale of optical disc drives	US\$ 4,765	US\$ -	1	100.00	US\$ 4,859	US\$ 94	-	Subsidiary (Note 3)
Lite-On International Holding Co., Ltd.	Ze Poly Pte. Ltd.	Singapore	Manufacture and sale of thin-film solar cell	US\$ 7,700	US\$ 7,700	6,006	48.13	US\$ -	US\$ (4)	-	Subsidiary
	Lite-On China Holding Co., Ltd.	British Virgin Islands	Manufacture and sale of computer cases	US\$ 349,441	US\$ 349,441	349,442	100.00	US\$ 759,521	US\$ 12,313	-	Subsidiary
LTC Group Ltd.	Titanic Capital Services Ltd.	British Virgin Islands	Investment activities	\$ 810,662	\$ 810,662	17,655	100.00	US\$ 10,294	US\$ 5,566	-	Subsidiary
	LTC International Ltd.	British Virgin Islands	Manufacture and sale of system products	485,514	485,514	15,120	100.00	US\$ 12,778	US\$ 360	-	Subsidiary
Lite-On Technology (Europe) B.V.	Lite-On (Finland) Oy	Finland	Manufacture and sale of mobile phone modules and design for assembly line	EUR 76,674	EUR 76,674	3	100.00	EUR (30,713)	EUR 1,669	-	Subsidiary
Lite-On Singapore Pte. Ltd.	LiteStar JV Holding (BVI) Co., Ltd.	British Virgin Islands	Investment activities	US\$ 27,000	US\$ 27,000	2	20.19	US\$ 26,362	\$ 121,832	-	Associate
	Lite-On Automotive Electronics Mexico, S.A. DE C.V.	Mexico	Production, manufacture, sale, import and export of photovoltaic device, key electronic components, telecommunications equipment, information technology equipment, semiconductor applications, general lighting, automotive electronics, renewable energy products and systems and maintenance of automotive industry	US\$ 50	US\$ -	-	1.00	US\$ 45	MXN (2,024)	-	Subsidiary
Lite-On (Finland) Oy	Lite-On Mobile Oyj (formerly: Perlos Oyj)	Finland	Manufacture and sale of mobile phone modules and design for assembly line	EUR 196,618	EUR 196,618	52,937	100.00	EUR (4,077)	EUR (22,456)	-	Subsidiary
Lite-On China Holding Co., Ltd.	Lite-On Electronics Co., Ltd.	Hong Kong	Investment activities	US\$ 310,760	US\$ 310,760	2,578,633	100.00	US\$ 720,411	HK\$ 149,635	-	Subsidiary
	Yet Foundate Ltd.	Hong Kong	Manufacture of plastic and computer peripheral products	CNY 73,220	CNY 73,220	68,430	100.00	US\$ 10,306	CNY (40,079)	-	Subsidiary
	I-Solutions Limited	British Virgin Islands	Original equipment manufacturer of electronic products	US\$ 1,500	US\$ 1,500	1,500	100.00	US\$ 1,500	US\$ -	-	Subsidiary
	Fordgood Electronic Ltd.	Hong Kong	Import and export and real estate business	US\$ 13,336	US\$ 13,336	105,450	100.00	US\$ 12,043	HK\$ (5,244)	-	Subsidiary
G&W Technology (BVI) Limited	British Virgin Islands	Real estate management	US\$ 3,900	US\$ 3,900	3,900	50.00	US\$ 4,008	US\$ 224	-	Subsidiary	

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of June 30, 2015			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				June 30, 2015	December 31, 2014	Shares (In Thousands)	Percentage of Ownership (%)	Carrying Value			
G&W Technology (BVI) Limited	G&W Technology Limited	Hong Kong	Leasing business	US\$ 65	US\$ 65	500	100.00	US\$ 791	US\$ 275	\$ -	Subsidiary
High Yield Group Co., Ltd.	Lite-On IT International (HK) Ltd.	Hong Kong	Sale of optical disc drives	US\$ 102,400	US\$ 102,400	102,400	100.00	US\$ 201,975	US\$ 10,658	-	Subsidiary
Lite-On Information Technology B.V.	Lite-On Information Technology GmbH	Germany	Sale of optical disc drives	EUR 25	EUR 25	-	100.00	EUR 33	EUR (5)	-	Subsidiary
Philip & Lite-On Digital Solutions Corp.	Philips & Lite-On Digital Solutions Germany GmbH	Germany	Development and sale of modules of automotive recorders	\$ 1,326,996	\$ 1,326,996	-	100.00	\$ 913,696	EUR 829	-	Subsidiary
		USA	Sale of optical disc drives	33	33	1	100.00	202,730	US\$ 270	-	Subsidiary
	Philips & Lite-On Digital Solutions Korea Ltd.	South Korea	Sale of optical disc drives	15,376	15,376	18	100.00	31,370	KRW 24,398	-	Subsidiary
	Philips & Lite-On Digital Solutions Netherlands B.V.	Netherlands	Sale and design of optical disc drives	381,221	381,221	15	100.00	45,015	EUR 6	-	Subsidiary
Five Dimension Co., Ltd.	FiiDi Optical Co., Ltd.	Taipei City, Taiwan	Wholesale of precision modules	-	420,000	-	-	JPY -	\$ -	-	Subsidiary (Note 4)
Silitech Technology Corp.	Silitech (BVI) Holding Ltd. Lite-On Japan Ltd.	British Virgin Islands	Investment activities	US\$ 95,182	US\$ 95,182	95,182	100.00	\$ 4,102,300	US\$ 3,795	-	Subsidiary
		Japan	Sale of LED optical products and power supplies	JPY 197,040	JPY 199,981	980	7.87	67,143	JPY 76,097	-	Subsidiary
Silitech (BVI) Holding Ltd.	Silitech (Bermuda) Holding Ltd.	Bermuda	Investment activities	US\$ 95,132	US\$ 95,132	95,132	100.00	US\$ 129,767	US\$ 3,798	-	Subsidiary
Silitech (Bermuda) Holding Ltd.	Silitech Technology Corp. Ltd.	Hong Kong	Manufacture of plastic and computer peripheral products	US\$ 8,000	US\$ 8,000	62,400	100.00	US\$ 36,403	CNY 6,773	-	Subsidiary
		Malaysia	Manufacture of computer peripheral products	US\$ 5,632	US\$ 5,632	21,400	100.00	US\$ 10,176	MYR 4,370	-	Subsidiary
	Silitech (Hong Kong) Holding Ltd.	Hong Kong	Investment activities	US\$ 77,200	US\$ 77,200	77,200	100.00	US\$ 62,601	CNY 9,611	-	Subsidiary
	Silitech International (India) Private Limited	India	Development, manufacture and sale of automotive parts	US\$ 3,002	US\$ 3,002	4,173	100.00	US\$ 1,429	INR 622	-	Subsidiary
Lite-On Japan Ltd.	Lite-On Japan (S) Pte. Ltd.	Singapore	Import and export business of electronic components	JPY 68,811	JPY 68,811	988	100.00	JPY 68,811	JPY (12)	-	Subsidiary
		Philippines	Import and export business of electronic components	JPY 261,944	JPY 261,944	1,000	100.00	JPY 261,944	JPY 86	-	Subsidiary
	Lite-On Japan (H.K.) Limited	Hong Kong	Import and export business of electronic components	JPY 70,000	JPY 70,000	50	100.00	JPY 70,000	JPY 19	-	Subsidiary
	Lite-On Japan (Korea) Co., Ltd.	South Korea	Import and export business of electronic components	JPY 22,593	JPY 22,593	20	100.00	JPY 22,593	JPY -	-	Subsidiary
Lite-On Japan (S) Pte.Ltd.	Lite-on Japan (Thailand) Co., Ltd.	Thailand	Import and export business of electronic components	JPY 65,939	JPY 65,939	200	100.00	JPY 65,939	JPY 37	-	Subsidiary
Lite-On Japan (H.K.) Limited	NL (Shanghai) Co., Ltd.	China	Import and export business of electronic components	JPY 35,655	JPY 35,655	30	100.00	JPY 35,655	JPY 12	-	Subsidiary
Lite-On Mobile Oyj (formerly: Perlos Oyj)	Lite-On Mobile Sweden AB	Sweden	Manufacture and sale of mobile phone modules and design for assembly line	EUR 20,551	EUR 20,551	20	100.00	EUR -	EUR (35)	-	Subsidiary
	Lite-On Mobile Indústria e Comércio de Plásticos Ltda.	Brazil	Manufacture and sale of mobile phone modules and design for assembly line	EUR 2,509	EUR 2,509	6,507	3.32	EUR -	EUR (5,003)	-	Subsidiary
Lite-On Mobile Pte. Ltd.	Lite-On Mobile Indústria e Comércio de Plásticos Ltda.	Brazil	Manufacture and sale of mobile phone modules and design for assembly line	US\$ 101,702	US\$ 97,802	189,535	96.68	US\$ 44,252	EUR (5,003)	-	Subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of June 30, 2015			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				June 30, 2015	December 31, 2014	Shares (In Thousands)	Percentage of Ownership (%)	Carrying Value			
	Perlos Precision Plastics Moulding Limited Liability Company	Hungary	Manufacture and sale of mobile phone modules and design for assembly line	US\$ 733	US\$ 733	-	100.00	US\$ 733	EUR 197	\$ -	Subsidiary
	Lite-On Mobile India Private Limited.	India	Manufacture and sale of mobile phone modules and design for assembly line	US\$ 18,508	US\$ 18,508	59,095	100.00	US\$ 18,508	EUR (5,028)	-	Subsidiary
	Lite-On Young Fast Pte. Ltd.	Singapore	Investment activities	US\$ 7,864	US\$ 7,864	10	100.00	US\$ 682	EUR (10)	-	Subsidiary
	Yamada-Lom Fabricacao De Artefatos De Material Plastico Ltda	Brazil	Manufacture and sale of mobile phone modules and design for assembly line	US\$ 540	US\$ 540	-	25.00	US\$ -	BRL (178)	-	Associate
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Yantai Lite-On Mobile Electronic Components Co., Ltd.	Yantai, China	Manufacture and sale of mobile phone modules and design for assembly line	CNY 20,000	CNY 20,000	-	100.00	CNY 20,000	EUR (58)	-	Subsidiary

Note 1: Lite-On IT Singapore Pte. Ltd. was dissolved after merging with Lite-On Singapore Pte. on January 1, 2015.

Note 2: Lite-On Automotive North America Inc. was dissolved after liquidation on May 26, 2015.

Note 3: The Group reorganized its structure and Lite-On Sales & Distribution Inc. became directly held by Lite-On Technology USA, Inc.

Note 4: FiiDi Optical Co., Ltd. was dissolved after liquidation in April 2015.

Note 5: Please refer to Table 8 for information on investment in Mainland China.

(Concluded)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENT IN MAINLAND CHINA
FOR THE SIX MONTHS ENDED JUNE 30, 2015
(Amounts in Thousands of New Taiwan Dollars or Thousands of Foreign Currencies)

Investor Company	Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2015	Investment of Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2015	Net Income (Losses) of the Investee Company (Note 2)	Percentage of Ownership	Share of Profits/Losses (Note 2)	Carrying Amount as of June 30, 2015	Accumulated Inward Remittance of Earnings as of June 30, 2015	Note	
						Outflow	Inflow								
Lite-On Technology Corporation	Lite-On Computer Tech (Dongguan) Co., Ltd.	Manufacture and sale of display device	\$ 505,284 (US\$ 16,400)	Note 1	\$ 877,130 (US\$ 28,469)	\$ -	\$ -	\$ 877,130 (US\$ 28,469)	\$ (7,153) (CNY -1,425)	100.00	\$ (7,153) (CNY -1,425)	\$ 465,776 (HK\$ 117,191)	\$ -	-	
	DongGuan G-Pro Computer Co., Ltd.	Manufacture and sale of system products	702,499 (US\$ 22,801)	Note 1	702,499 (US\$ 22,801)	-	-	702,499 (US\$ 22,801)	63,056 (CNY 12,562)	100.00	63,056 (CNY 12,562)	708,240 (HK\$ 178,196)	-	-	
	Lite-On Electronics (Tianjin) Co., Ltd.	ODM services	2,048,865 (US\$ 66,500)	Note 1	2,048,803 (US\$ 66,498)	-	-	2,048,803 (US\$ 66,498)	(21,203) (CNY 4,224)	100.00	(21,203) (CNY 4,224)	2,573,008 (HK\$ 647,379)	-	-	
	Lite-On Electronics (Dongguan) Co., Ltd.	Manufacture of electronic components	1,090,674 (US\$ 35,400)	Note 1	1,090,674 (US\$ 35,400)	-	-	1,090,674 (US\$ 35,400)	104,764 (CNY 20,871)	100.00	104,764 (CNY 20,871)	1,166,862 (HK\$ 293,587)	-	-	
	Silitek Elec. (Dongguan) Co., Ltd.	Manufacture and sale of keyboards	147,888 (US\$ 4,800)	Note 1	147,888 (US\$ 4,800)	-	-	147,888 (US\$ 4,800)	304,116 (CNY 60,586)	100.00	304,116 (CNY 60,586)	1,481,157 (HK\$ 372,665)	-	-	
	Lite-On Electronics (Guangzhou) Co., Ltd.	Manufacture and sale of printers and scanners	1,127,646 (US\$ 36,600)	Note 1	1,127,646 (US\$ 36,600)	-	-	1,127,646 (US\$ 36,600)	596,552 (CNY 118,845)	100.00	596,552 (CNY 118,845)	13,324,854 (HK\$ 3,352,586)	-	Note 3	
	China Bridge (China) Co., Ltd.	Investment, sales agent	916,443 (US\$ 29,745)	Note 1	916,443 (US\$ 29,745)	-	-	916,443 (US\$ 29,745)	35,157 (CNY 7,004)	100.00	35,157 (CNY 7,004)	1,385,690 (HK\$ 348,645)	-	-	
	Lite-On Network Communication (Dongguan) Limited (formerly: Dong Guan G-Com Computer Ltd.)	Manufacture and sale of IT products	436,578 (US\$ 14,170)	Note 1	436,578 (US\$ 14,170)	-	-	436,578 (US\$ 14,170)	62,755 (CNY 12,502)	100.00	62,755 (CNY 12,502)	951,022 (HK\$ 239,281)	-	-	
	Lite-On Communications (Guangzhou) Co., Ltd.	Manufacture and sale of mobile terminal equipment	756,694 (US\$ 24,560)	Note 1	756,694 (US\$ 24,560)	-	-	756,694 (US\$ 24,560)	-	100.00	-	-	-	-	Note 3
	Dong Guan G-Tech Computers Co., Ltd.	Manufacture and sale of computer case	354,315 (US\$ 11,500)	Note 1	354,315 (US\$ 11,500)	-	-	354,315 (US\$ 11,500)	26,237 (CNY 5,227)	100.00	26,237 (CNY 5,227)	632,597 (HK\$ 159,164)	-	-	-
	Lite-On Tech (Guangzhou) Co., Ltd.	Manufacture and sale of computer case	1,022,892 (US\$ 33,200)	Note 1	1,022,892 (US\$ 33,200)	-	-	1,022,892 (US\$ 33,200)	-	100.00	-	-	-	-	Note 3
	COMMIT Incorporated	Manufacture and sale of application software and multimedia product design	988,570 (US\$ 32,086)	Note 1	18,486 (US\$ 600)	-	-	18,486 (US\$ 600)	-	1.87	-	-	-	-	-
	Lite-On Elec and Wire (Guangzhou) Co., Ltd.	Manufacture and sale of mobile terminal equipment	487,106 (US\$ 15,810)	Note 1	487,106 (US\$ 15,810)	-	-	487,106 (US\$ 15,810)	-	100.00	-	-	-	-	Note 3
	Lite-On (Guangzhou) Infotech Co., Ltd.	Information outsourcing	39,129 (US\$ 1,270)	Note 1	72,219 (US\$ 2,344)	-	-	72,219 (US\$ 2,344)	2,761 (CNY 550)	100.00	2,761 (CNY 550)	161,444 (HK\$ 40,620)	-	-	-
	Lite-On (Guangzhou) Precision Tooling Co., Ltd.	Manufacture and sale of modules	560,742 (US\$ 18,200)	Note 1	375,882 (US\$ 12,200)	-	-	375,882 (US\$ 12,200)	-	100.00	-	-	-	-	Note 3
	Lite-On Digital Electronics (Dongguan) Co., Ltd.	Manufacture and sale of computer peripheral products	92,430 (US\$ 3,000)	Note 1	92,430 (US\$ 3,000)	-	-	92,430 (US\$ 3,000)	231 (CNY 46)	100.00	231 (CNY 46)	84,414 (HK\$ 21,239)	-	-	-
	Lite-On Power Technology (Chang Zhou) Co., Ltd.	Manufacture and sale of new-type electronic components and peripheral materials	518,224 (US\$ 16,820)	Note 1	554,087 (US\$ 17,984)	-	-	554,087 (US\$ 17,984)	9,924 (CNY 1,977)	100.00	9,924 (CNY 1,977)	716,420 (HK\$ 180,254)	-	-	-
	Lite-On Li Shin Technology (Ganzhou) Co., Ltd.	Manufacture and sale of electronic components	369,720 (US\$ 12,000)	Note 1	410,882 (US\$ 13,336)	-	-	410,882 (US\$ 13,336)	(21,293) (CNY -4,242)	100.00	(21,293) (CNY -4,242)	305,536 (HK\$ 76,874)	-	-	-
	Lite-On Technology (Xianging) Co., Ltd.	Manufacture and sale of electronic components	200,265 (US\$ 6,500)	Note 1	200,265 (US\$ 6,500)	-	-	200,265 (US\$ 6,500)	(27,939) (CNY -5,566)	100.00	(27,939) (CNY -5,566)	143,051 (US\$ 4,643)	-	-	-
	Lite-On Electronics (Jiangsu) Co., Ltd.	Development, manufacture, sale and installation of power supplies and transformers and provision of technology consulting services, maintenance equipment and precision instruments	4,652,310 (US\$ 151,000)	Note 1	4,498,260 (US\$ 146,000)	-	154,050 (US\$ 5,000)	4,652,310 (US\$ 151,000)	291,407 (CNY 58,054)	100.00	291,407 (CNY 58,054)	7,381,437 (HK\$ 1,857,199)	-	-	-

(Continued)

Investor Company	Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2015	Investment of Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2015	Net Income (Losses) of the Investee Company (Note 2)	Percentage of Ownership	Share of Profits/Losses (Note 2)	Carrying Amount as of June 30, 2015	Accumulated Inward Remittance of Earnings as of June 30, 2015	Note
						Outflow	Inflow							
	Lite-On Technology (Guangzhou) Investment Co., Ltd.	Investment activities	\$ 924,300 (US\$ 30,000)	Note 1	\$ 924,300 (US\$ 30,000)	\$ -	\$ -	\$ 924,300 (US\$ 30,000)	\$ (172,518) (CNY -34,369)	100.00	\$ (172,518) (CNY -34,369)	\$ 807,758 (HK\$ 203,235)	\$ -	
	Lite-On Technology (Ying Tan) Co., Ltd.	Manufacture and sale of electronic components	338,910 (US\$ 11,000)	Note 1	338,910 (US\$ 11,000)	-	-	338,910 (US\$ 11,000)	(6,224) (CNY -1,240)	100.00	(6,224) (CNY -1,240)	384,632 (US\$ 12,484)	-	
	Lite-On Power Technology (Dongguan) Co., Ltd.	Development, manufacture and sale of electronic components, power supplies and provision technology consulting services	492,097 (US\$ 15,972)	Note 1	492,097 (US\$ 15,972)	-	-	492,097 (US\$ 15,972)	(81,137) (CNY -16,164)	100.00	(81,137) (CNY -16,164)	854,418 (HK\$ 214,975)	-	
	Beijing Lite-On Mobile Electronic and Telecommunication Components Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	492,960 (US\$ 16,000)	Note 1	1,613,335 (US\$ 52,364)	-	-	1,613,335 (US\$ 52,364)	(245,238) (EUR -6,979)	100.00	(245,238) (EUR -6,979)	875,651 (US\$ 28,421)	-	
	Guangzhou Lite-On Mobile Engineering Plastics Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	602,952 (US\$ 19,570)	Note 1	2,792,218 (US\$ 90,627)	-	-	2,792,218 (US\$ 90,627)	38,056 (EUR 1,083)	100.00	38,056 (EUR 1,083)	1,482,577 (US\$ 48,120)	-	
	Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	1,235,481 (US\$ 40,100)	Note 1	3,553,995 (US\$ 115,352)	-	-	3,553,995 (US\$ 115,352)	(249,174) (EUR -7,091)	100.00	(249,174) (EUR -7,091)	2,545,707 (US\$ 82,626)	-	
	Shenzhen Lite-On Mobile Precision Molds Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	254,368 (HK\$ 64,000)	Note 1	402,101 (US\$ 13,051)	-	-	402,101 (US\$ 13,051)	29,482 (EUR 839)	100.00	29,482 (EUR 839)	308,993 (US\$ 10,029)	-	
	Zhuhai Lite-On Mobile Technology Company Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	573,128 (US\$ 18,602)	Note 1	478,448 (US\$ 15,529)	-	-	478,448 (US\$ 15,529)	(219,868) (EUR -6,257)	100.00	(219,868) (EUR -6,257)	(678,659) (CNY -136,318)	-	Note 4
	Lite-On Young Fast (Huizhou) Co., Ltd.	Modules of touch panels	308,100 (US\$ 10,000)	Note 1	225,067 (US\$ 7,305)	-	-	225,067 (US\$ 7,305)	30,044 (EUR 855)	100.00	30,044 (EUR 855)	308,100 (US\$ 10,000)	-	
	Lite-on Green Technologies (Nanjing) Corporation	Solar energy engineering	23,108 (US\$ 750)	Note 1	23,108 (US\$ 750)	-	-	23,108 (US\$ 750)	(1,320) (CNY -263)	100.00	(1,320) (CNY -263)	(43,719) (US\$ -1,419)	-	
	Changzhou Binhu Thin Film Solar Greenhouse Co., Ltd.	Manufacture and sale of solar energy engineering	298,461 (CNY 59,950)	Note 1	92,337 (US\$ 2,997)	-	-	92,337 (US\$ 2,997)	-	19.90	-	50,559 (US\$ 1,641)	-	
	Epricrystal (Changzhou) Co., Ltd.	Manufacture, design and sale of light-emitting diode products	4,313,400 (US\$ 140,000)	Note 1	831,870 (US\$ 27,000)	-	-	831,870 (US\$ 27,000)	129,980 (CNY 25,894)	22.40	29,119 (CNY 5,801)	929,939 (CNY 186,791)	-	
	Dongguan Lite-On Computer Co., Ltd.	Manufacture and sale of computer hosts and components	61,620 (US\$ 2,000)	Note 1	61,620 (US\$ 2,000)	-	-	61,620 (US\$ 2,000)	(202,651) (CNY -40,372)	100.00	(202,651) (CNY -40,372)	(153,985) (CNY -30,930)	-	
	Huizhou Li Shin Electronic Co., Ltd.	Manufacture of computer peripheral products	194,334 (US\$ 6,308)	Note 1	125,366 (US\$ 4,069)	-	-	125,366 (US\$ 4,069)	(3,418) (CNY -681)	100.00	(3,418) (CNY -681)	545,922 (US\$ 17,719)	-	
	Huizhou Fu Tai Electronic Co., Ltd.	Manufacture of computer peripheral products	29,845 (US\$ 969)	Note 1	2,003 (US\$ 65)	-	-	2,003 (US\$ 65)	1,491 (CNY 297)	100.00	1,491 (CNY 297)	60,264 (US\$ 1,956)	-	
	Li Shin Technology (Huizhou) Ltd.	Manufacture and sale of new-type electronic components and peripheral materials	184,860 (US\$ 6,000)	Note 1	-	-	-	-	1,712 (CNY 341)	100.00	1,712 (CNY 341)	414,425 (US\$ 13,451)	-	
	Lite-On Opto Technology (Guangzhou) Co., Ltd.	Manufacture and sale of optical disc drives	1,324,830 (US\$ 43,000)	Note 1	1,324,830 (US\$ 43,000)	-	-	1,324,830 (US\$ 43,000)	(65,265) (CNY -13,002)	100.00	(65,265) (CNY -13,002)	2,570,540 (US\$ 83,432)	-	
	Lite-On Auto Electric Technology (Guangzhou) Ltd.	Manufacture and sale of optical disc drives	61,620 (US\$ 2,000)	Note 1	61,620 (US\$ 2,000)	-	-	61,620 (US\$ 2,000)	14,396 (CNY 2,868)	100.00	14,396 (CNY 2,868)	140,956 (US\$ 4,575)	-	
	Lite-On IT Opto Tech (BH) Co., Ltd.	Manufacture and sale of optical disc drives	1,694,550 (US\$ 55,000)	Note 1	1,694,550 (US\$ 55,000)	-	-	1,694,550 (US\$ 55,000)	382,271 (CNY 76,156)	100.00	382,271 (CNY 76,156)	3,466,156 (US\$ 112,501)	-	
	Lite-On Automotive (Wuxi) Co., Ltd.	Manufacture, sale and processing of electronic products	154,050 (US\$ 5,000)	Note 1	154,050 (US\$ 5,000)	-	-	154,050 (US\$ 5,000)	60,305 (CNY 12,014)	100.00	60,305 (CNY 12,014)	541,911 (HK\$ 136,347)	-	
	Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	Manufacture, sale and processing of electronic products	191,022 (US\$ 6,200)	Note 1	180,855 (US\$ 5,870)	-	-	180,855 (US\$ 5,870)	75,203 (CNY 14,982)	100.00	75,203 (CNY 14,982)	1,221,392 (HK\$ 307,307)	-	

(Continued)

Investor Company	Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2015	Investment of Flows		Accumulated Outflow of Investment from Taiwan as of June 30, 2015	Net Income (Losses) of the Investee Company (Note 2)	Percentage of Ownership	Share of Profits/Losses (Note 2)	Carrying Amount as of June 30, 2015	Accumulated Inward Remittance of Earnings as of June 30, 2015	Note
						Outflow	Inflow							
	Changzhou Leotek New Energy Trade Limited	Wholesale, import and export and installation of street lights, signal lights, scenery lights and new-type electronic components	\$ 30,810 (US\$ 1,000)	Note 1	\$ 30,810 (US\$ 1,000)	\$ -	\$ -	\$ 30,810 (US\$ 1,000)	\$ (8,247) (CNY -1,643)	100.00	\$ (8,247) (CNY -1,643)	\$ 21,896 (HK\$ 5,509)	\$ -	
	LarView Technologies Corp. (Shenzhen)	Camera lens modules	6,162 (US\$ 200)	Note 1	6,162 (US\$ 200)	-	-	6,162 (US\$ 200)	-	100.00	-	3,358 (US\$ 109)	-	
	Lite-On Technology (Shanghai) Ltd.	Manufacture and sale of energy saving equipment	2,002,650 (US\$ 65,000)	Note 1	-	2,002,650 (US\$ 65,000)	-	2,002,650 (US\$ 65,000)	(CNY -1,398)	100.00	(CNY -1,398)	1,961,827 (US\$ 63,675)	-	
Philip & Lite-On Digital Solutions Corp.	Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd.	Sale of optical disc drives	30,810 (US\$ 1,000)	Note 1	30,810 (US\$ 1,000)	-	-	30,810 (US\$ 1,000)	(CNY 40,071 7,983)	100.00	(CNY 40,071 7,983)	523,473	-	
Silitech Technology Corp.	Xurong Electronic (Shenzhen) Co., Ltd.	Manufacture of automotive parts, touch panels and plastic & rubber assembly	86,962 (US\$ 2,800)	Note 1	203,354	-	-	203,354	(CNY 54,092 10,756)	100.00	(CNY 54,092 10,756)	1,013,555 (CNY 202,195)	114,063 (CNY 22,681)	
	Silitech Technology (SuZhou) Co., Ltd.	Manufacture and sale of automotive parts	2,422,524 (US\$ 78,000)	Note 1	2,422,524 (US\$ 78,000)	-	-	2,422,524 (US\$ 78,000)	(CNY 39,332 7,821)	100.00	(CNY 39,332 7,821)	1,839,769 (CNY 367,017)	-	
	SuZhou Xulong Mold Producing Co., Ltd.	Development, manufacture and sale of precision modules and new-type electronic components (chip components, testing elements, hybrid integrated circuits)	139,761 (US\$ 4,500)	Note 1	-	-	-	-	(CNY 34,434 -6,847)	60.00	(CNY 20,659 -4,108)	59,441 (CNY 11,858)	-	

Accumulated Investment in Mainland China as of June 30, 2015	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
\$33,757,531 (US\$1,095,668)	\$40,288,019 (US\$1,307,628)	Note 5

Note 1: Indirect investment in Mainland China through holding companies.

Note 2: The financial statements used as basis for calculating the investment amounts were all unaudited, except those of Silitech Technology (SuZhou) Co., Ltd., Xurong Electronic (Shenzhen) Co., Ltd., Lite-On Electronics (Guangzhou) Co., Ltd., Lite-On Technology (Changzhou) Co., Ltd., Lite-On Opto Technology (Changzhou) Co., Ltd., Guangzhou Lite-On Mobile Electronic Components Co., Ltd., Beijing Lite-On Mobile Electronic and Telecommunication Components Co., Ltd.

Note 3: Lite-On Electronics (Guangzhou) Co., Ltd. merged with Lite-On Tech (Guangzhou) Co., Ltd., Lite-On (Guangzhou) Precision Tooling Co., Ltd., Lite-On Communications (Guangzhou) Co., Ltd. and Lite-On Elec and Wire (Guangzhou) Co., Ltd., with the Lite-On Electronics (Guangzhou) Co., Ltd. as the survivor entity. Because the merging process was still under way as of June 30, 2015, the change in the amount of investment in Mainland China has not yet been registered with the Ministry of Economic Affairs.

Note 4: Zhuhai Lite-On Mobile Technology Company Ltd. reorganized its structure on March 5, 2014; thus Lite-On Technology (Guangzhou) Investment Co., Ltd. wholly acquired Zhuhai Lite-On Mobile Technology Company Ltd.

Note 5: Under Order No. 09704604680 and Order No. 10420404350 issued by the Ministry of Economic Affairs, R.O.C. on August 29, 2008 and February 16, 2015, respectively, the Parent Company acquired a certification-approved by the Industrial Development Bureau and valid from February 9, 2015 to February 8, 2018 - of its status as operation headquarters in the ROC. Thus, the Parent Company has no limitation on the amount of investing in Mainland China.

(Concluded)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS

FOR THE SIX MONTHS ENDED JUNE 30, 2015

(Amounts in Thousands of New Taiwan Dollars)

No. (Note 1)	Company Name	Counter Party	Nature of Relationship (Note 2)	Intercompany Transaction			% of Consolidated Net Revenue or Total Assets (Note 3)
				Financial Statements Item	Amount	Terms	
0	Lite-On Technology Corporation	Philip & Lite-On Digital Solutions Corp.	a.	Sales	\$ 5,163,279	Cost-plus pricing	5
		Philip & Lite-On Digital Solutions Corp.	a.	Accounts receivable	2,406,204	No significant difference	1
		Philip & Lite-On Digital Solutions Corp.	a.	Other receivable	137,392	No significant difference	-
		LET (HK) Ltd.	a.	Purchases	4,873,546	Cost-plus pricing	5
		LET (HK) Ltd.	a.	Accounts payable	470,081	No significant difference	-
		Lite-On Technology (Changzhou) Co., Ltd.	a.	Sales	516,693	Cost-plus pricing	1
		Lite-On Technology (Changzhou) Co., Ltd.	a.	Accounts receivable	346,674	No significant difference	-
		Lite-On Technology (Changzhou) Co., Ltd.	a.	Purchases	647,549	Cost-plus pricing	1
		Lite-On Technology (Changzhou) Co., Ltd.	a.	Accounts payable	437,314	No significant difference	-
		China Bridge Express (Wuxi) Co., Ltd.	a.	Sales	401,761	Cost-plus pricing	-
		China Bridge Express (Wuxi) Co., Ltd.	a.	Accounts receivable	264,925	No significant difference	-
		Lite-On Electronics (Guangzhou) Co., Ltd.	a.	Other receivable	136,146	No significant difference	-
		Lite-On Electronics (Guangzhou) Co., Ltd.	a.	Disposal of property, plant and equipment	185,558	No significant difference	-
		Titanic Capital Services Ltd.	a.	Other receivable	124,122	No significant difference	-
		Titanic Capital Services Ltd.	a.	Other payable	409,746	No significant difference	-
		Lite-On Singapore Pte. Ltd.	a.	Sales	1,912,696	Cost-plus pricing	2
		Lite-On Singapore Pte. Ltd.	a.	Accounts receivable	1,261,024	No significant difference	1
		Lite-On Singapore Pte. Ltd.	a.	Other receivable	173,960	No significant difference	-
		Lite-On Singapore Pte. Ltd.	a.	Purchases	12,815,893	Cost-plus pricing	12
		Lite-On Singapore Pte. Ltd.	a.	Accounts payable	6,657,712	No significant difference	3
		Lite-On Singapore Pte. Ltd.	a.	Other payable	238,865	No significant difference	-
		Lite-On Japan Ltd.	a.	Sales	432,231	Cost-plus pricing	-
		Lite-On Japan Ltd.	a.	Accounts receivable	224,655	No significant difference	-
		Lite-On, Inc.	a.	Purchases	111,010	Cost-plus pricing	-
		Lite-On Sales & Distribution Inc.	a.	Other payable	126,908	No significant difference	-
		Lite-On Trading USA, Inc.	a.	Sales	1,722,965	Cost-plus pricing	2
		Lite-On Trading USA, Inc.	a.	Accounts receivable	1,236,213	No significant difference	1
		Lite-On Overseas Trading Co., Ltd.	a.	Accounts receivable	2,043,553	No significant difference	1
		Lite-On Overseas Trading Co., Ltd.	a.	Purchases	25,934,668	Cost-plus pricing	25
		Lite-On Overseas Trading Co., Ltd.	a.	Accounts payable	3,690,186	No significant difference	2
		Li Shin International Enterprise Corp.	a.	Purchases	1,534,376	Cost-plus pricing	1
		Li Shin International Enterprise Corp.	a.	Accounts payable	580,065	No significant difference	-
		Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	a.	Purchases	360,919	Cost-plus pricing	-
		Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	a.	Accounts payable	230,331	No significant difference	-

(Continued)

No. (Note 1)	Company Name	Counter Party	Nature of Relationship (Note 2)	Intercompany Transaction			% of Consolidated Net Revenue or Total Assets (Note 3)
				Financial Statements Item	Amount	Terms	
1	Lite-On Electronics (Tianjinn) Co., Ltd.	Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd.	c. c.	Sales Accounts receivable	\$ 791,349 254,921	Cost-plus pricing No significant difference	1 -
2	Lite-On Network Communication (Dongguan) Limited (formerly: Dong Guan G-Com Computer Ltd.)	Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd.	c. c.	Sales Accounts receivable	3,117,222 770,711	Cost-plus pricing No significant difference	3 -
3	Lite-On Opto Technology (Changzhou) Co., Ltd.	Changzhou Leotek New Energy Trade Limited Lite-On Singapore Pte. Ltd. Lite-On Singapore Pte. Ltd.	c. c. c.	Other receivable Sales Accounts receivable	203,554 1,803,222 216,070	No significant difference Cost-plus pricing No significant difference	- 2 -
4	Lite-On Li Shin Technology (Ganzhou) Co., Ltd.	Li Shin International Enterprise Corp. Li Shin International Enterprise Corp.	c. c.	Sales Accounts receivable	198,242 105,057	Cost-plus pricing No significant difference	- -
5	Lite-On Technology (Changzhou) Co., Ltd.	Lite-On Technology (Shanghai) Ltd. Lite-On Singapore Pte. Ltd. Lite-On Singapore Pte. Ltd. Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd. Zhuhai Lite-On Mobile Technology Co., Ltd.	c. c. c. c. c. c.	Other receivable Sales Accounts receivable Sales Accounts receivable Other receivable	211,577 6,853,510 416,286 4,016,295 374,637 1,288,187	No significant difference Cost-plus pricing No significant difference Cost-plus pricing No significant difference No significant difference	- 7 - 4 - 1
6	Lite-On Technology (Ying Tan) Co., Ltd.	Li Shin International Enterprise Corp. Li Shin International Enterprise Corp.	c. c.	Sales Accounts receivable	319,362 189,094	Cost-plus pricing No significant difference	- -
7	Lite-On Technology (Xianging) Co., Ltd.	Li Shin International Enterprise Corp.	c.	Sales	290,204	Cost-plus pricing	-
8	Lite-On Technology (Shanghai) Ltd.	Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd. Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd.	c. c.	Sales Accounts receivable	163,392 100,032	Cost-plus pricing No significant difference	- -
9	China Bridge (China) Co., Ltd.	Lite-On Opto Technology (Changzhou) Co., Ltd.	c.	Other receivable	248,350	No significant difference	-
10	Lite-On Electronics (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd.	c. c.	Sales Accounts receivable	5,397,213 1,310,597	Cost-plus pricing No significant difference	5 1
11	Silitek Elec. (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd.	c. c.	Sales Accounts receivable	4,571,126 1,965,025	Cost-plus pricing No significant difference	4 1
12	Lite-On Power Technology (Dongguan) Co., Ltd.	Lite-On Electronics Co., Ltd.	c.	Sales	832,748	Cost-plus pricing	1
13	Lite-On Electronics Co., Ltd.	Lite-On Singapore Pte. Ltd.	c.	Sales	832,748	Cost-plus pricing	1
14	Dong Guan G-Tech Computers Co., Ltd.	Lite-On Electronics (Dongguan) Co., Ltd. Lite-On Electronics (Guangzhou) Co., Ltd. Lite-On Electronics (Guangzhou) Co., Ltd. Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd.	c. c. c. c. c.	Other receivable Sales Accounts receivable Sales Accounts receivable	101,760 157,528 160,317 1,560,254 338,953	No significant difference Cost-plus pricing No significant difference Cost-plus pricing No significant difference	- - - 2 -

(Continued)

No. (Note 1)	Company Name	Counter Party	Nature of Relationship (Note 2)	Intercompany Transaction			% of Consolidated Net Revenue or Total Assets (Note 3)
				Financial Statements Item	Amount	Terms	
15	Huizhou Li Shin Electronic Co., Ltd.	Li Shin International Enterprise Corp. Li Shin International Enterprise Corp.	c. c.	Sales Accounts receivable	\$ 693,214 393,673	Cost-plus pricing No significant difference	1 -
16	DongGuan G-Pro Computer Co., Ltd.	Silitek Elec. (Dongguan) Co., Ltd. Lite-On Overseas Trading Co., Ltd.	c. c.	Other receivable Sales	254,075 2,951,310	No significant difference Cost-plus pricing	- 3
17	Lite-On Electronics (Guangzhou) Co., Ltd.	Silitek Elec. (Dongguan) Co., Ltd. Dong Guan G-Tech Computers Co., Ltd. Dong Guan G-Tech Computers Co., Ltd. Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd.	c. c. c. c. c.	Other receivable Sales Accounts receivable Sales Accounts receivable	251,100 125,732 115,265 20,921,957 6,584,364	No significant difference Cost-plus pricing No significant difference Cost-plus pricing No significant difference	- - - 20 3
18	Lite-On Opto Technology (Guangzhou) Co., Ltd.	LET (HK) Ltd. LET (HK) Ltd.	c. c.	Sales Accounts receivable	1,535,803 278,728	Cost-plus pricing No significant difference	1 -
19	Lite-On Auto Electric Technology (Guangzhou) Ltd.	Lite-On Technology (Shanghai) Ltd. Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd.	c. c.	Sales Sales	127,583 280,499	Cost-plus pricing Cost-plus pricing	- -
20	Lite-On IT Opto Tech (BH) Co., Ltd.	LET (HK) Ltd. LET (HK) Ltd.	c. c.	Sales Accounts receivable	7,990,173 1,045,591	Cost-plus pricing No significant difference	8 1
21	LET (HK) Ltd.	Lite-On Opto Technology (Guangzhou) Co., Ltd. Lite-On Opto Technology (Guangzhou) Co., Ltd. Lite-On Auto Electric Technology (Guangzhou) Ltd. Lite-On IT Opto Tech (BH) Co., Ltd. Lite-On IT Opto Tech (BH) Co., Ltd. Lite-On Singapore Pte. Ltd. Lite-On Singapore Pte. Ltd.	c. c. c. c. c. c. c.	Sales Accounts receivable Accounts receivable Sales Accounts receivable Sales Accounts receivable	463,025 457,398 104,266 4,071,697 4,135,654 4,734,257 1,156,579	Cost-plus pricing No significant difference No significant difference Cost-plus pricing No significant difference Cost-plus pricing No significant difference	- - - 4 2 5 1
22	Lite-On Electronics (Thailand) Co., Ltd.	Lite-On Singapore Pte. Ltd. Lite-On Singapore Pte. Ltd.	c. c.	Sales Accounts receivable	1,587,511 803,487	Cost-plus pricing No significant difference	2 -
23	Lite-On Singapore Pte. Ltd.	Lite-On Technology (Changzhou) Co., Ltd. China Bridge Express (Wuxi) Co., Ltd. China Bridge Express (Wuxi) Co., Ltd. Lite-On Electronics H.K. Ltd. Lite-On Electronics H.K. Ltd. Lite-On Electronics Co., Ltd. Lite-On, Inc. Lite-On, Inc. Lite-On Japan Ltd. Lite-On Japan Ltd. Lite-On Trading USA, Inc. Lite-On Trading USA, Inc. Leotek Electronics USA LLC Leotek Electronics USA LLC	c. c. c. c. c. c. c. c. c. c. c. c. c. c.	Sales Sales Accounts receivable Sales Accounts receivable Other receivable Sales Accounts receivable Sales Accounts receivable Sales Accounts receivable Sales Accounts receivable	108,899 472,440 344,665 991,773 413,948 101,601 338,787 171,218 835,936 545,986 2,253,332 1,259,869 644,660 500,322	Cost-plus pricing Cost-plus pricing No significant difference Cost-plus pricing No significant difference No significant difference Cost-plus pricing No significant difference Cost-plus pricing No significant difference Cost-plus pricing No significant difference Cost-plus pricing No significant difference	- - - 1 - - - - 1 - - 2 1 1 -

(Continued)

No. (Note 1)	Company Name	Counter Party	Nature of Relationship (Note 2)	Intercompany Transaction			% of Consolidated Net Revenue or Total Assets (Note 3)
				Financial Statements Item	Amount	Terms	
31	Shenzhen Lite-On Mobile Precision Molds Co., Ltd.	Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	c.	Sales	\$ 364,358	Cost-plus pricing	-
		Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	c.	Accounts receivable	133,229	No significant difference	-
32	Lite-On Mobile Pte. Ltd.	Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	c.	Sales	245,749	Cost-plus pricing	-
		Lite-On Mobile India Private Limited	c.	Other receivable	885,202	No significant difference	-
33	Lite-On Mobile Oyj (formerly: Perlos Oyj)	Lite-On Mobile India Private Limited	c.	Other receivable	150,979	No significant difference	-
34	Beijing Lite-On Mobile Electronic and Telecommunications Components Co., Ltd.	Lite-On Mobile Oyj (formerly: Perlos Oyj)	c.	Sales	408,940	Cost-plus pricing	-
		Lite-On Mobile Oyj (formerly: Perlos Oyj)	c.	Accounts receivable	122,909	No significant difference	-
35	Silitech Technology Corp.	Silitech Technology Corporation Ltd.	c.	Purchases	505,116	No significant difference	-
		Silitech Technology Corporation Ltd.	c.	Accounts payable	330,700	No significant difference	-
		Lite-On Technology (Changzhou) Co., Ltd.	c.	Sales	104,569	No significant difference	-
36	Xurong Electronic (Shenzhen) Co., Ltd.	Silitech Technology Corporation Ltd.	c.	Accounts receivable	455,030	No significant difference	-
		Silitech Technology Corporation Ltd.	c.	Sales	666,121	No significant difference	1
37	Silitech (Bermuda) Holding Ltd.	Silitech (Hong Kong) Holding Ltd.	c.	Other receivable	439,907	No significant difference	-

Note 1: The Parent Company and its subsidiaries are coded as follows:

- a. The Parent Company is coded "0".
- b. The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Nature of relationship is as follows:

- a. From the Parent Company to its subsidiary.
- b. From a subsidiary to its Parent Company.
- c. Between subsidiaries.

Note 3: The percentage calculation is based on the consolidated total operating revenues or total assets. For balance sheet items, each item's period-end balance is shown as a percentage to consolidated total assets as of June 30, 2015. For profit or loss items, cumulative amounts are shown as a percentage to consolidated total operating revenues for the six months ended June 30, 2015.

Note 4: The intercompany transactions have been eliminated from consolidation.

Note 5: The above table only discloses the related-party transactions each amounting to at least NT\$100 million, relative transactions which under NT\$100 million are not disclosed additionally.

(Concluded)