

INVENTEC CORPORATION
Minutes of 2015 Annual General Shareholders' Meeting
(Translation)

Time : Tuesday, June 16, 2015. 9:00 a.m.

Place : No.16, Sec. 4, Jhongshan N. Rd., Shilin District, Taipei City.
Chientan Youth Activity Center 's Ching-Kuo Memorial Hall.

Quorum : 2,728,995,746 shares were represented by shareholders in person and by proxy (including by exercising voting rights electronically : 1,424,577,138 shares) ,which amounted to 76.07% of the Company's 3,587,475,066 issued and outstanding shares.

Chairman : Lee, Tsu-Chin

Recorder : Wang, Tzu-Ying 、 Tien, Jung-Hsing

Board Members Present :

Director : Lee, Tsu-Chin 、 Yeh, Kuo-I 、 Wen, Shih-Chih 、 Chang, Ching-Sung 、
Huang, Kuo-Chun

Independent Director : Chen, Ruey-Long 、 Chang, Chang-Pang

Supervisor : Cheng, Hsien-Ho 、 Wang, Ping-Hui 、 Shyh Shiunn Investment Corporation
Representative: Yang, Cyong-Nan

Attendance : Li, Nigel N. T, Attorney 、 Yang, Leou-Fong , CPA

Call the Meeting to Order: The Chairman announced that the aggregate shareholding of the shareholders present in person or proxy constituted a quorum. The Chairman called the meeting to order.

Chairman Remarks: (Omitted)

A. Report Items

1. Business Report (Please refer to Appendix 1)

Ms. Yang (Shareholder No. 243704) asked questions with regard to liquidation of subsidiaries, operation strategy, employee layoff, related parties loans, research and development expenses, solar modules anti-dumping, and India market.

Mr. Jiang (Shareholder No. 434691) asked questions with regard to subsidiaries operation, assets and revenues of subsidiaries, and acquisition of available-for-sale financial assets.

The response and explanation were provided by the Chairman and the person who was designated by the Chairman.

2. Supervisors' Review Report (Please refer to Appendix 2)

Ms. Yang (Shareholder No. 243704) asked questions with regard to accounts receivable due

from related parties, and impairment of assets.

The response and explanation were provided by the Chairman, the person who was designated by the Chairman and the Supervisor.

3. The Status of Endorsement and Guarantee

The Company's aggregate amount of endorsements and guarantee is as follows as of December 31, 2014:

		Unit: NTD\$ 1,000
Guarantor	Guarantee	Amounts
Inventec Corporation	Inventec (Chongqing) Corp.	1,265,600
	Inventec (Pudong) Corp.	1,107,400
	Inventec (Shanghai) Corp., Inventec (Pudong) Corp., Inventec (Pudong) Technology Corp., Inventec (Shanghai) Service Co., Ltd., and Inventec Hi-Tech Corp. (Common quota)	3,480,400
	TPV-Inventa Holding Ltd., and TPV-Inventa Technology Co., Ltd..	1,240,288
	Inventec (Czech), s. r. o.	15,820
	Total	7,109,508

4. Amendment of the Company's "Codes of Ethical Conduct"

In order to comply with the Regulation updated, the Board amends Company's "Codes of Ethical Conduct" as below comparison list. Please also refer to Appendix 3 as "Codes of Ethical Conduct" (after amendments).

Comparison of Amendments to "Codes of Ethical Conduct"

Original Version		Amendment Version		Reason
Article 3	Prevention of conflicts of interest: Conflicts of interest occur when personal interest intervenes or is likely to intervene in the overall interest of the company, as for example when a director, supervisor, or managerial officer of the company is unable to perform their duties in an objective and efficient manner, or when a person in such a position takes advantage of their position in the company to obtain improper benefits for either themselves or their spouse, parents, children, or relatives within the third degree of kinship. (under omitted)	Article 3	Prevention of conflicts of interest: Conflicts of interest occur when personal interest intervenes or is likely to intervene in the overall interest of the company, as for example when a director, supervisor, or managerial officer of the company is unable to perform their duties in an objective and efficient manner, or when a person in such a position takes advantage of their position in the company to obtain improper benefits for either themselves or their spouse, parents, children, or relatives within the <u>second</u> degree of kinship. (under omitted)	Comply with the amendments to related Regulations.
Article 9	Encouraging reporting on illegal or unethical activities: The company shall raise awareness of ethics internally and encourage	Article 9	Encouraging reporting on illegal or unethical activities: The company shall raise awareness of ethics internally and encourage	Comply with the amendments to related

	employees to report to a company supervisor, managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. To encourage employees to report illegal conduct, it is advisable that the company adopt relevant procedures or mechanisms for such reporting and make employees aware that the company will use its best efforts to ensure the safety of informants and protect them from reprisals.		employees to report to a company supervisor, managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. To encourage employees to report illegal conduct, it is advisable that the company adopt <u>a concrete whistle-blowing system</u> for such reporting and make employees aware that the company will use its best efforts to ensure the safety of informants and protect them from reprisals.	Regulation
Article 10	Disciplinary measures: When a director, supervisor, or managerial officer violates the code of ethical conduct, the company shall handle the matter in accordance with the disciplinary measures prescribed in the code, and shall without delay disclose on the MOPS <u>the name and title of the violator</u> , the date of the violation, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken. It is advisable that the company establish a relevant complaint system to provide the violator with remedies. <u>The violator can state his opinions on the Board of Directors Meetings, the chair shall seek the opinion of the majority to make a decision (The violator shall enter recusal).</u>	Article 10	Disciplinary measures: When a director, supervisor, or managerial officer violates the code of ethical conduct, the company shall handle the matter in accordance with the disciplinary measures prescribed in the code, and shall without delay disclose on the MOPS the date of the violation, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken. It is advisable that the company establish a relevant complaint system to provide the violator with remedies.	Comply with the amendments to related Regulation
Article 11	Procedures for exemption The code of ethical conduct adopted by a company must require that any exemption for directors, supervisors, or managerial officers from compliance with the code be adopted by a resolution of the board of directors, and that information on the <u>name and title of the person entitled to such exemption</u> , the date on which the board of directors adopted the resolution for exemption, and the period of, reasons for, and principles behind the application of the exemption be disclosed without delay on the MOPS. (under omitted)	Article 11	Procedures for exemption The code of ethical conduct adopted by a company must require that any exemption for directors, supervisors, or managerial officers from compliance with the code be adopted by a resolution of the board of directors, and that information on the date on which the board of directors adopted the resolution for exemption, <u>an independent director objects to or expresses reservations about any matter</u> and the period of, reasons for, and principles behind the application of the exemption be disclosed without delay on the MOPS. (under omitted)	Comply with the amendments to related Regulation
Article 12	Method of disclosure The company shall disclose the code of ethical conduct it has adopted, and any	Article 12	Method of disclosure The company shall disclose the code of ethical conduct it has adopted, and	Comply with the amendments

	amendments to it, in its annual reports and prospectuses and on the MOPS.		any amendments to it, <u>on the company websites</u> , in its annual reports and prospectuses and on the MOPS.	to related Regulation
Article 13	Enforcement The company's code of ethical conduct, and any amendments to it, shall enter into force after it has been adopted by the board of directors, delivered to each supervisor, and submitted to a shareholders meeting.	Article 13	Enforcement The company's code of ethical conduct shall enter into force after it has been adopted by the board of directors, delivered to each supervisor, and submitted to a shareholders meeting. <u>The board of directors may be authorized to adopt, by resolution, any future amendments to these Rules.</u>	Revise the wording.

5. Amendment of the Company's "Ethical Corporate Management Best Practice Principles"

In order to comply with the Regulation updated, the Board amends Company's "Ethical Corporate Management Best Practice Principles" as below comparison list. Please also refer to Appendix 4 as "Ethical Corporate Management Best Practice Principles" (after amendments).

Comparison of Amendments to "Ethical Corporate Management Best Practice Principles"

Original Version		Amendment Version		Reason
Article 2	When engaging in commercial activities, directors, supervisors, managers, and employees of the companies or persons having substantial control over the company ("substantial controllers") shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty ("unethical conduct") for purposes of acquiring or maintaining benefits. (under omitted)	Article 2	When engaging in commercial activities, directors, supervisors, managers, employees, and <u>mandataries</u> of the companies or persons having substantial control over the company ("substantial controllers") shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty ("unethical conduct") for purposes of acquiring or maintaining benefits. (under omitted)	Comply with the amendments to related Regulation
Article 6	The company are advised to, in accordance with the operational philosophies and policies prescribed in the preceding article, establish in our own ethical corporate management best practice principle comprehensive programs in "The Global Employee Standards of Conduct" to forestall unethical conduct ("prevention program"), including operational procedures, guidelines, and training. When establishing the prevention programs, the company shall comply with relevant laws and regulations of the territory where the companies and our business group are operating.	Article 6	The <u>ethical management policy clearly and thoroughly prescribe the specific ethical management practices</u> and the programs in "The Global Employee Standards of Conduct" to forestall unethical conduct ("prevention programs"), including operational procedures, guidelines, and training. When establishing the prevention programs, the company shall comply with relevant laws and regulations of the territory where the companies and our business group are operating. <u>In the course of developing the prevention programs, the company</u>	Comply with the amendments to related Regulation

			<u>are advised to negotiate with staff, labor unions members, important trading counterparties, or other stakeholders.</u>	
Article 7	When establishing the prevention programs, the company shall analyze which business activities within the business scope which are possibly at a higher risk of being involved in an unethical conduct, and strengthen the preventive measures. The prevention programs adopted by the company shall at least include preventive measures against the following: 1. Offering and acceptance of bribes. 2. Illegal political donations. 3. Improper charitable donations or sponsorship. 4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits.	Article 7	When establishing the prevention programs, the company shall analyze which business activities within the business scope which are possibly at a higher risk of being involved in an unethical conduct, and strengthen the preventive measures. The prevention programs adopted by the company shall at least include preventive measures against the following: 1. Offering and acceptance of bribes. 2. Illegal political donations. 3. Improper charitable donations or sponsorship. 4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits. 5. <u>Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights.</u> 6. <u>Engaging in unfair competitive practices.</u> 7. <u>Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services.</u>	Comply with the amendments to related Regulation
Article 8	The company and the respective business group shall clearly specify ethical corporate management policies in our rules and external documents. The board of directors and the management level shall undertake to rigorously and thoroughly enforce such policies for internal management and external commercial activities.	Article 8	The company and the respective business group shall clearly specify in our rules and external documents the ethical corporate management policies <u>and</u> the commitment by the board of directors and the management on rigorous and <u>thorough implementation of the ethical management policy</u>, and shall carry out the policies in internal management and in commercial activities.	Comply with the amendments to related Regulation

Article 9	The company shall engage in commercial activities in a fair and transparent manner. Prior to any commercial transactions, the company shall take into consideration the legality of our agents, suppliers, clients, or other trading counterparties and whether any of them are involved in unethical conduct, and shall avoid any dealings with persons so involved. When entering into contracts with other companies, the company shall include in such contracts terms requiring compliance with ethical corporate management policy and that in the event the trading counterparties are involved in unethical conduct, the company may at any time terminate or rescind the contracts.	Article 9	The company shall engage in commercial activities in a fair and transparent manner <u>based on the principle of ethical management</u>. Prior to any commercial transactions, the company shall take into consideration the legality of our agents, suppliers, clients, or other trading counterparties and whether any of them are <u>involved in</u> unethical conduct, and shall avoid any dealings with persons so <u>involved</u>. When entering into contracts with the <u>agents, suppliers, clients, or other trading counterparties</u>, the company shall include in such contracts terms requiring compliance with ethical corporate management policy and that in the event the trading counterparties are involved in <u>unethical</u> conduct, the company may at any time terminate or rescind the contracts.	Comply with the amendments to related Regulation
Article 10	When conducting business, the company and our directors, supervisors, managers, employees and substantial controllers, shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, including rebates, commissions, grease payments, or offer or accept improper servants, or other interested parties, unless the laws of the territories where the companies operate permit so.	Article 10	When conducting business, the company and our directors, supervisors, managers, employees, <u>mandataries</u>, and substantial controllers, may not directly or indirectly offer, <u>promise to offer</u>, <u>request</u>, or accept any improper benefits <u>in whatever form</u> to or from clients, agents, contractors, suppliers, public servants, or other stakeholders.	Comply with the amendments to related Regulation
Article 11	When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the company and the directors, supervisors, managers, employees, and substantial controllers, shall comply with the Political Donations Act and the relevant internal operational procedures, and shall not make such donations in exchange for commercial gains or business advantages.	Article 11	When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the company and the directors, supervisors, managers, employees, <u>mandataries</u>, and substantial controllers, shall comply with the Political Donations Act and the relevant internal operational procedures, and shall not make such donations in exchange for commercial gains or business advantages.	Comply with the amendments to related Regulation

Article 12	When making or offering donations and sponsorship, the company and our directors, supervisors, managers, employees , and substantial controllers shall comply with relevant laws and regulations and internal operational procedures, and shall not surreptitiously engage in bribery.	Article 12	When making or offering donations and sponsorship, the company and our directors, supervisors, managers, employees , <u>mandataries</u> , and substantial controllers shall comply with relevant laws and regulations and internal operational procedures, and shall not surreptitiously engage in bribery.	Comply with the amendments to related Regulation
Article 13	The company and the directors, supervisors, managers, employees, and substantial controllers shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationship or influence commercial transactions.	Article 13	The company and the directors, supervisors, managers, employees, <u>mandataries</u> , and substantial controllers shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationship or influence commercial transactions.	Comply with the amendments to related Regulation
		Article 14	The company and the directors, supervisors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations, the company's internal operational procedures, and contractual provisions concerning intellectual property, and may not use, disclose, dispose, or damage intellectual property or otherwise infringe intellectual property rights without the prior consent of the intellectual property rights holder.	Comply with the Regulation added.
		Article 15	The company shall engage in business activities in accordance with applicable competition laws and regulations, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.	Comply with the Regulation added.
		Article 16	In the course of research and development, procurement, manufacture, provision, or sale of products and services, the company and the directors, supervisors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations and international standards to ensure the transparency of information about, and safety of, the products and services. The company shall also adopt and publish	Comply with the Regulation added.

			a policy on the protection of the rights and interests of consumers or other stakeholders, and carry out the policy in the operations, with a view to preventing the products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders. Where there are sufficient facts to determine that the company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, the company shall, in principle, recall those products or suspend the services immediately.	
Article 14	The board of directors of the company shall exercise the due care of good administrators to urge th company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies. To achieve sound ethical corporate management, the company is advised to form a dedicated unit to be in charge of establishing and enforcing the ethical corporate management policies and prevention program and reporting to the board of directors on a regular basis.	Article 17	<u>The directors, supervisors, managers, employees, mandataries, and substantial controllers of the company</u> shall exercise the due care of good administrators to urge the company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies. To achieve sound ethical corporate management, the company establishes a dedicated <u>unit, audit center</u> that is <u>under the board of directors</u> and responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs. The dedicated <u>unit shall be in charge of the following matters</u>, and shall report to the board of directors on a regular basis: _ 1. <u>Assisting in incorporating ethics and moral values into the company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.</u> 2. <u>Adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to the company's operations and business.</u>	Comply with the amendments to related Regulation.

			3. <u>Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.</u> 4. <u>Promoting and coordinating awareness and educational activities with respect to ethics policy.</u> 5. <u>Developing a whistle-blowing system and ensuring its operating effectiveness.</u> 6. <u>Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.</u>	
Article 15	The company and the directors, supervisors, managers, employees, and substantial controllers shall comply with laws and regulations and the prevention programs when conducting business.	Article 18	The company and the directors, supervisors, managers, employees, <u>mandataries</u> , and substantial controllers shall comply with laws and regulations and the prevention programs when conducting business.	Comply with the amendments to related Regulation.
Article 16	The company shall promulgate policies for preventing conflicts of interests and offer appropriate means for directors, supervisors and managers to voluntarily explain whether their interests would potentially conflict with those of the companies. The companys' directors shall exercise a high degree of self-discipline, a director may present his opinion and answer relevant questions but is prohibited from participating in discussion of or voting on any proposal where the director or the juristic person that the director represents is an interested party, and such participation is likely to prejudice the interests of the company; neither shall a director vote on such proposal as a proxy of another director in such circumstances. The directors shall practice self-discipline and must not support one another in	Article 19	The company shall adopt policies for preventing conflicts of interest to <u>identify, monitor, and manage risks possibly resulting from unethical conduct</u>, and shall also offer appropriate means for directors, supervisors, managers, and <u>other stakeholders attending or present at board meetings</u> to voluntarily explain whether their interests would potentially conflict with those of the company. When a proposal at a given board of directors meeting concerns the personal interest of, or the interest of the juristic person represented by, any of <u>the directors, supervisors, managers, and other stakeholders attending or present at board meetings of the company, the concerned person shall state the important aspects of the relationship of interest at the given</u>	Comply with the amendments to related Regulation

	improper dealings. The companys' directors, supervisors and managers shall not take advantage of their positions in the companies to obtain improper benefits for the themselves, their spouses, parents, children or any other person.		<u>board meeting.</u> If his or her participation is likely to prejudice the interest of the company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director. The directors shall practice self-discipline and must not support one another in improper dealings. The companys' directors, supervisors, managers, <u>employees, mandataries, and substantial controllers</u> shall not take advantage of their positions or <u>influence</u> in the companies to obtain improper benefits for themselves, their spouses, parents, children or any other person.	
Article 17	The company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results. The internal audit of a the company shall periodically examine the company's compliance with the foregoing systems and prepare audit reports and submit the same to the board of directors.	Article 20	The company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results. The internal audit <u>unit</u> of a the company shall periodically examine the company's compliance with the foregoing systems and prepare audit reports and submit the same to the board of directors. <u>The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary.</u>	Comply with the amendments to related Regulation
Article 18	(contents omitted)	Article 21	(contents omitted)	Article changed

Article 19	The company shall periodically organize training and awareness programs for directors, supervisors, managers, employees, and substantial controllers and invite the companies' commercial transaction counterparties so they understand the companies' resolve to implement ethical corporate management, the related policies, prevention program and the consequences of committing unethical conduct. (under omitted)	Article 22	<u>The chairman, general manager, or senior management of the company shall communicate the importance of corporate ethics to its directors, employees, and mandataries on a regular basis.</u> The company shall periodically organize training and awareness programs for directors, supervisors, managers, employees, mandataries, and substantial controllers and invite the companies' commercial transaction counterparties so they understand the companies' resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct. (under omitted)	Comply with the amendments to related Regulation
Article 20 Item 1	The company shall have in place a formal channel for receiving reports on unethical conduct and keep the reporter's identity and content of the report confidential.	Article 23	<u>The company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:</u> <u>1. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow company insiders and outsiders to submit reports.</u> <u>2. Dedicated personnel or unit appointed to handle whistle-blowing system. Any tip involving a director or senior manager shall be reported to the independent directors or supervisors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted.</u> <u>3. Documentation of case acceptance, investigation processes, investigation results, and relevant documents.</u> <u>4. Confidentiality of the identity of whistle-blowers and the content of reported cases.</u> <u>5. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to our whistle-blowing.</u> <u>6. Whistle-blowing incentive</u>	Comply with the amendments to related Regulation

			<u>measures.</u> <u>When material misconduct or likelihood of material impairment to the company comes to our awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors or supervisors in written form.</u>	
Article 20 Item 2	The company shall establish a well-defined disciplinary and appeal system for handling violations of the ethical corporate management rules, and shall make immediate disclosure on the company's internal website of the title and name of the violator, the date and details of the violation, and the actions taken in response.	Article 24	The company shall adopt and <u>publish</u> a well-defined disciplinary and appeal system for handling violations of the ethical corporate management rules, and shall make immediate disclosure on the company's internal website of the title and name of the violator, the date and details of the violation, and the actions taken in response.	Comply with the amendments to related Regulation
Article 21	The company shall disclose the measures taken for implementing ethical corporate management on the company websites, annual reports, and prospectuses, and shall disclose the ethical corporate management best practice principles on the Market Observation Post System.	Article 25	The company shall <u>collect quantitative data about the promotion of ethical management and continuously analyze and assess the effectiveness of the promotion of ethical management policy.</u> The company shall also disclose the measures taken for implementing ethical corporate management, <u>the status of implementation, the foregoing quantitative data, and the effectiveness of promotion</u> on the company websites, annual reports, and prospectuses, <u>and shall disclose the ethical corporate management best practice principles on the MOPS.</u>	Comply with the amendments to related Regulation
Article 22	The company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage the directors, supervisors, managers, and employees to make suggestions so as to review and improve our ethical corporate management best practice principles and achieve better results from implementing the principles.	Article 26	The company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage the directors, supervisors, managers, and employees to make suggestions, based on which the adopted ethical corporate management <u>policies</u> and measures taken will be reviewed and <u>improved with a view to achieving better implementation</u> of ethical management.	Comply with the amendments to related Regulation

Article 23	The ethical corporate management best practice principles of the company shall be implemented after the board of directors grants the approval, and shall be sent to the supervisors and reported at a shareholders' meeting. The same procedure shall be followed when the principles have been amended.	Article 27	The ethical corporate management best practice principles of the company shall be implemented after the board of directors grants the approval, and shall be sent to the supervisors and reported at a shareholders' meeting. <u>The board of directors may be authorized to adopt, by resolution, any future amendments to these Rules.</u> <u>When the ethical corporate management best practice principles are submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objection or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board of directors meeting.</u> <u>The provisions regarding supervisors in these Principles shall apply mutatis mutandis to the audit committee.</u>	Comply with the amendments to related Regulation.
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B. Ratification Items

Item 1

Proposed by the Board

Proposal : Ratification of the Business Report and Financial Statements of year 2014

Explanation : The Company's 2014 Individual Financial Statements and Consolidated Financial Statements, including the balance sheet, comprehensive income statement, statement of cash flows, and statement of changes in equity, were audited by independent accountants, Chen, Ying-Ru and Yang, Leou-Fong of KPMG Certified Public Accountants. Also Business Report and Financial Statements have been approved by the Board and examined by the Supervisors of Inventec Corporation. (Please refer to Appendix 1 for Business Report, Appendix 5 for Independent Accountants' Audit Report and Individual Finance Statements, and Appendix 6 for Independent Accountants' Audit Report and Consolidated Finance Statements.)

Resolution : Approved and acknowledged as proposed by voting (a total of 2,728,995,746 shares with voting rights were present when votes were cast ; the number of voting rights for approval is 2,348,538,750 , among which 1,044,760,667 was exercised by electronic transmission, or 86.1 % of the total voting rights when votes were cast ; the number of votes against is 140,801 , among which 140,801 was exercised by electronic transmission ; the number of votes abstained is 380,316,195 , among which 379,675,670 was exercised by electronic transmission).

Item2

Proposed by the Board

Proposal : Adoption of the Proposal for Distribution of 2014 Profits

Explanation : (1).With regard to earnings in 2014, an earnings distribution table has been prepared and attached in Appendix 7 in accordance with the Company's Articles of Incorporation. The distributable net profits for 2014 are NT\$ 7,419,282,631 and the proposed cash dividend to shareholders is NT\$1.75 per share. The earnings distribution table was also reviewed by the Supervisors.

(2). NT\$ 574,923,002 will be distributed as Employees' Bonus in Cash and the Remuneration to Directors and Supervisors for 2014, which is the same as accrual expense.

(3). If there is any change of the number of common shares of the Company before the distribution record date, such as bought back the shares by the Company, it is proposed that the Board of Directors be authorized to adjust the cash distribution ratio based on the number of actual shares outstanding on the record date.

(4). Upon the approval of the Annual Meeting of Shareholders, it is proposed that the Board of Directors be authorized to resolve the ex-dividend record date.

Resolution : Approved and acknowledged as proposed by voting (a total of 2,728,995,746 shares with voting rights were present when votes were cast ; the number of voting rights for approval is 2,356,960,088 , among which 1,053,182,005 was exercised by electronic transmission, or 86.4 % of the total voting rights when votes were cast ; the number of votes against is 140,672 , among which 140,672 was exercised by electronic transmission ; the number of votes abstained is 371,894,986 , among which 371,254,461 was exercised by electronic transmission).

C. Discussion Items

Item1

Proposed by the Board

Proposal : Discussion of amendments to the “Rules of Procedure for Shareholders Meetings ”

Explanation : (1). In order to conform to the amendments to “Sample Template Rules of Procedure for Shareholders Meetings” modified by Taiwan Stock Exchange Corporation, hereby propose to amend Company's “Rules of Procedure for Shareholders Meetings”.

(2). Articles 2 and 5 are amended as below comparison list.

Resolution : Approved as proposed by voting (a total of 2,728,995,746 shares with voting rights were present when votes were cast ; the number of voting rights for approval is 2,356,929,929 , among which 1,053,151,846 was exercised by electronic transmission, or 86.4 % of the total voting rights when votes were cast ; the number of votes against is 152,820 , among which 152,820 was exercised by electronic transmission ; the number of votes abstained is 371,912,997 , among which 371,272,472 was exercised by electronic transmission).

Comparison of Amendments to “Rules of Procedure for Shareholders Meetings”

Original Version		Amendment Version		Reason
Article 2	The Company's shareholders meeting shall be convened by the board of directors unless applicable laws and regulations provide otherwise. The notice to convene a regular meeting of shareholders shall be given to each shareholder no later than 30 days prior to the scheduled meeting date. The notice of the shareholders meeting to be given by an issuer to shareholders who own less than 1,000 shares of nominal stocks may be given in the form on the MOPS no later than 30 days prior to the scheduled meeting date. The notice to convene a special meeting of shareholders shall be given to each shareholder no later than 15 days prior to the scheduled meeting date. The notice of the shareholders meeting to be given by an issuer to shareholders who own less than 1,000 shares of nominal stocks may be given in the form on the MOPS no later than 15 days prior to the scheduled meeting date The cause(s) or subject(s) of a	Article 2	The Company's shareholders meeting shall be convened by the board of directors unless applicable laws and regulations provide otherwise. The notice to convene a regular meeting of shareholders shall be given to each shareholder no later than 30 days prior to the scheduled meeting date. The notice of the shareholders meeting to be given by an issuer to shareholders who own less than 1,000 shares of nominal stocks may be given in the form on the MOPS no later than 30 days prior to the scheduled meeting date. The notice to convene a special meeting of shareholders shall be given to each shareholder no later than 15 days prior to the scheduled meeting date. The notice of the shareholders meeting to be given by an issuer to shareholders who own less than 1,000 shares of nominal stocks may be given in the form on the MOPS no later than 15 days prior to the scheduled meeting date The cause(s) or subject(s) of a	Comply with the amendments to related Regulations

	meeting of shareholders to be convened shall be indicated in the individual notice and the public notice to be given to shareholders. The election or discharge of directors or supervisors, the amendment of this Company's Articles of Incorporation, the dissolution, merger, or spin-off the Company, or the matters specified in Article 185, paragraph 1 of the Company Law, or Article 26-1 or Article 43-6 of the Securities and Exchange Law shall be listed among the reasons for the meeting, and may not be proposed as provisional motions.		meeting of shareholders to be convened shall be indicated in the individual notice and the public notice to be given to shareholders. The election or discharge of directors or supervisors, the amendment of this Company's Articles of Incorporation, the dissolution, merger, or spin-off the Company, or the matters specified in Article 185, paragraph 1 of the Company Law, or Article 26-1 or Article 43-6 of the Securities and Exchange Law, or <u>Article 56-1 or Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers</u> shall be listed among the reasons for the meeting, and may not be proposed as provisional motions.	
Article 5	This Corporation shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention. (Omitted) Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.(under omitted)	Article 5	This Corporation shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention. (Omitted) Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. <u>No arbitrary requirements shall be imposed on shareholders to provide additional evidentiary documents beyond those showing eligibility to attend.</u> Solicitors soliciting proxy forms shall also bring identification documents for verification.(under omitted)	Comply with the amendments to related Regulations

D. Extraordinary Motions

None

E. Adjournment

Meeting adjourned: 10:31 am.

****In case of any discrepancy between the English and Chinese version of those minutes of 2015 Annual Shareholders' Meeting of Inventec Corporation, the Chinese version shall prevail.**

Dear Shareholders,

Thank you for attending Inventec's annual shareholders' meeting. We would like to thank you for your long-term support of Inventec. First, our performance in 2014 is described as follows. In terms of revenues, the individual and consolidated revenues for 2014 were 330.7 billion and 435.5 billion NTD, respectively; the main products continued to be computer products. Compared with 2013 (369.2 billion for individual revenue and 461.0 billion for consolidated revenue), the individual revenue decreased by 10.41 % while the consolidated revenue decreased by 5.53%. In terms of product categories, despite the trend of new laptop demand that had been expected due to new operation platform services, the market did not go as expected. Furthermore, intense market competition caused laptop revenue to decrease by 17% compared with the previous year. Because of the growth of cloud market, the server product revenue continues to grow steadily, increasing 22.86% in comparison with the previous year. Thanks to the good product sales of our clients, the performance of wireless devices and mobile communication products was excellent, accumulating revenue of 46.8 billion, an increase of 14.08% from the previous year. Regarding solar energy products, the US published the results of its anti-dumping investigation, this has had a definite impact in market prices. The revenue of solar energy products was 11.2 billion, an increase of 34.81 % from the previous year.

In terms of earnings, the net profit for shareholders of the parent company was 7 billion, increasing 0.023 billion, that is, 0.3 %, from the previous year. The earnings per share were 1.98. The main reason for just a small increase was that the laptop revenue was not as expected due to market competition. The revenue of server products and mobile communication products, on the other hand, increased steadily. Regarding the investments, our priority goal is continue to increase our revenue and gross profit margin. We will also continue to improve production efficacy, integrate provision chains, as well as the investment efficiency of placement strategy. We hope the group will progressively profit.

This year's business plans and strategies are detailed below.

The global economic condition will progressively recover in 2015, however, the information industry still faces an ever-changing global economic environment and low profit

challenges. We will determine our future strategies more actively and find where we can profit more. (1).In terms of research and innovation, in 2014, we invested 8.5 billion in product research to keep our competitiveness in product innovation and automatic process improvement. (2).In terms of laptop products, we will continue to work on thin and easy-to-carry tablets that incorporate cloud services, and with the new operation system, hope to present products that meet both market trend and customer needs. (3).In terms of the enterprise business solution (server, storage devices and network switch) business, in addition to holding our leading role in developing core hardware techniques, we will also develop software to take advantage of cloud services. We will keep our leading role in server products by actively developing new clients. (4).In terms of the wireless devices and smart mobile products, besides facilitating their convenient use, we will develop smart household products and wireless smart terminal products to meet the trend of cloud storage services and internet of things. (5).In terms of cloud placement strategies, on the premise of balancing the development of the cloud and the client, we will actively develop cloud solutions by taking advantage of our leading role in manufacturing servers and allying strategically with other business. (6).In terms of renewable energy investment, we are focusing on the research, production and sale of solar batteries, and the integration of systems and the provision chains of the subsidiary companies in the group. We will continue to reduce cost in order to increase the capacity utilization. We hope the solar energy field will continue to grow with the emergence of new markets and the continuing environmental campaigns.

Inventec turns forty years old in 2015, and has now become a huge group that also invests in cloud computing. This great development should be attributed to all our staff's efforts over the past forty years. Looking forward to the future, in addition to pursuing outstanding growth, our operating team will actively face the challenges in the environment by working on enterprise innovation, expanding business scale, upgrading financial management, and practicing social responsibility. We hope this will work well to create the most value to all stockholders.

Best regards,

Chairman: Lee, Tsu-Chin

General Manager: Huang, Kuo-Chun

Accounting Officer : Yu, Chin-Pao

Supervisors' Review Report

Date: Apr. 30, 2015

The Board of Directors has prepared and submitted to us the Company's 2014 financial statements which have been audited and certified by Chen Ying Ju and Yang Liu Fong of KPMG Certified Public Accountants, along with Company's business report and earnings distribution proposals. We, the Supervisors, have duly examined the same as correct and accurate. We hereby report to the 2015 Annual General Shareholders Meeting in accordance with Article 219 of the Company Act for your review.

Inventec Corporation

Supervisor : Wang, Ping-Hui

Supervisor : Cheng, Hsien-Ho

Supervisor : Shyh Shiunn Investment Corp.
(Representative : Yang, Cyong-Nan)

Appendix 3

Inventec Corporation Codes of Ethical Conduct

Article 1

The guidelines are adopted for the purpose of encouraging the directors, supervisors, and managerial officers (including general managers or their equivalents, assistant general managers or their equivalents, deputy assistant general managers or their equivalents, chief financial and chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of a company) to act in line with ethical standards, and to help interested parties better understand the ethical standards. The Codes of Ethical Conduct was thereby established and shall be duly followed.

Article 2

It may develop respective codes of ethical conduct for different managerial officers.

Article 3 Prevention of conflicts of interest:

Conflicts of interest occur when personal interest intervenes or is likely to intervene in the overall interest of the company, as for example when a director, supervisor, or managerial officer of the company is unable to perform their duties in an objective and efficient manner, or when a person in such a position takes advantage of their position in the company to obtain improper benefits for either themselves or their spouse, parents, children, or relatives within the second degree of kinship. The company shall pay special attention to loans of funds, provisions of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which a director, supervisor, or managerial officer works. The company shall establish a policy aimed at preventing conflicts of interest, and shall offer appropriate means for directors, supervisors, and managerial officers to voluntarily explain whether there is any potential conflict between them and the company.

Article 4 Minimizing incentives to pursue personal gain:

The company shall prevent its directors, supervisors, or managerial officers from engaging in any of the following activities: (1) Seeking an opportunity to pursue personal gain by using company property or information or taking advantage of their positions. (2) Obtaining personal gain by using company property or information or taking advantage of their positions. (3) Competing with the company. When the company has an opportunity for profit, it is the responsibility of the directors, supervisors, and managerial officers to maximize the reasonable and proper benefits that can be obtained by the company.

Article 5 Confidentiality:

The directors, supervisors, and managerial officers of the company shall be bound by the obligation to maintain the confidentiality of any information regarding the company itself or its suppliers and customers, except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the company or the suppliers and customers.

Article 6 Fair trade:

The directors, supervisors, and managerial officers shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

Article 7 Safeguarding and proper use of company assets:

All directors, supervisors, and managerial officers have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the company's profitability.

Article 8 Legal compliance:

The company shall strengthen its compliance with the Securities and Exchange Act and other applicable laws, regulations, and by laws.

Article 9 Encouraging reporting on illegal or unethical activities:

The company shall raise awareness of ethics internally and encourage employees to report to a company supervisor, managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct. To encourage employees to report illegal conduct, it is advisable that the company adopt a concrete whistle-blowing system for such reporting and make employees aware that the company will use its best efforts to ensure the safety of informants and protect them from reprisals.

Article 10 Disciplinary measures:

When a director, supervisor, or managerial officer violates the code of ethical conduct, the company shall handle the matter in accordance with the disciplinary measures prescribed in the code, and shall without delay disclose on the MOPS the date of the violation, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken. It is advisable that the company establish a relevant complaint system to provide the violator with remedies.

Article 11 Procedures for exemption

The code of ethical conduct adopted by a company must require that any exemption for directors, supervisors, or managerial officers from compliance with the code be adopted by a resolution of the board of directors, and that information on the date on which the board of directors adopted the resolution for exemption, an independent director objects to or expresses reservations about any matter and the period of, reasons for, and principles behind the application of the exemption be disclosed without delay on the MOPS, in order that the shareholders may evaluate the appropriateness of the board resolution to forestall any arbitrary or dubious exemption from the code, and to safeguard the interests of the company by ensuring appropriate mechanisms for controlling any circumstance under which such an exemption occurs.

Article 12 Method of disclosure

The company shall disclose the code of ethical conduct it has adopted, and any amendments to it, on the company websites, in its annual reports and prospectuses and on the MOPS.

Article 13 Enforcement

The company's code of ethical conduct shall enter into force after it has been adopted by the board of directors, delivered to each supervisor, and submitted to a shareholders meeting. The board of directors may be authorized to adopt, by resolution, any future amendments to these Rules.

(The Codes were amended on Feb. 25th, 2015.)

Inventec Corporation

Ethical Corporate Management Best Practice Principles

Article 1

These Principles are adopted to foster a corporate culture of ethical management and sound development, and in accordance with Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and relevant laws and regulations.

In accordance with these Principles, adopt its own ethical corporate management best practice principles applicable to its business groups and organizations of the company, which comprise its subsidiaries, any foundation to which the company's direct or indirect contribution of funds exceeds 50 percent of the total funds received, and other institutions or juridical persons which are substantially controlled by the company ("business group").

Article 2

When engaging in commercial activities, directors, supervisors, managers, employees, and mandataries of the company or persons having substantial control over the company ("substantial controllers") shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty ("unethical conduct") for purposes of acquiring or maintaining benefits.

Parties referred to in the preceding paragraph include civil servants, political candidates, political parties or members of political parties, state-run or private-owned businesses or institutions, and their directors, supervisors, managers, employees or substantial controllers or other stakeholders.

Article 3

"Benefits" in these Principles means any valuable things, including money, endowments, commissions, positions, services, preferential treatment or rebates of any type or in any name. Benefits received or given occasionally in accordance with accepted social customs and that do not adversely affect specific rights and obligations shall be excluded.

Article 4

The company shall comply with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Statute, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TWSE/GTSM listing rules, or other laws or regulations regarding commercial activities, as the underlying basic premise to facilitate ethical corporate management.

Article 5

The company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.

Article 6

The ethical management policy clearly and thoroughly prescribe the specific ethical management practices and the programs in "The Global Employee Standards of Conduct" to forestall unethical conduct ("prevention programs"), including operational procedures, guidelines, and training.

When establishing the prevention programs, the company shall comply with relevant laws and regulations of the territory where the companies and our business group are operating. In the course of developing the prevention programs, the company are advised to negotiate with staff, labor unions members, important trading counterparties, or other stakeholders.

Article 7

When establishing the prevention programs, the company shall analyze which business activities within the business scope which are possibly at a higher risk of being involved in an unethical conduct, and strengthen the preventive measures.

The prevention programs adopted by the company shall at least include preventive measures against the following:

1. Offering and acceptance of bribes.
2. Illegal political donations.
3. Improper charitable donations or sponsorship.
4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits.
5. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights.
6. Engaging in unfair competitive practices.
7. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services.

Article 8

The company and the respective business group shall clearly specify in our rules and external documents the ethical corporate management policies and the commitment by the board of directors and the management on rigorous and thorough implementation of the ethical management policy, and shall carry out the policies in internal management and in commercial activities.

Article 9

The company shall engage in commercial activities in a fair and transparent manner based on the principle of ethical management.

Prior to any commercial transactions, the company shall take into consideration the legality of our agents, suppliers, clients, or other trading counterparties and whether any of them are involved in unethical conduct, and shall avoid any dealings with persons so involved.

When entering into contracts with the agents, suppliers, clients, or other trading counterparties, the company shall include in such contracts terms requiring compliance with ethical corporate management policy and that in the event the trading counterparties are involved in unethical conduct, the company may at any time terminate or rescind the contracts.

Article 10

When conducting business, the company and our directors, supervisors, managers, employees, mandataries, and substantial controllers, may not directly or indirectly offer, promise to offer, request, or accept any improper benefits in whatever form to or from clients, agents, contractors, suppliers, public servants, or other stakeholders.

Article 11

When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the company and the directors, supervisors,

managers, employees, mandataries, and substantial controllers, shall comply with the Political Donations Act and the relevant internal operational procedures, and shall not make such donations in exchange for commercial gains or business advantages.

Article 12

When making or offering donations and sponsorship, the company and our directors, supervisors, managers, employees, mandataries, and substantial controllers shall comply with relevant laws and regulations and internal operational procedures, and shall not surreptitiously engage in bribery.

Article 13

The company and the directors, supervisors, managers, employees, mandataries, and substantial controllers shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationship or influence commercial transactions.

Article 14

The company and the directors, supervisors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations, the company's internal operational procedures, and contractual provisions concerning intellectual property, and may not use, disclose, dispose, or damage intellectual property or otherwise infringe intellectual property rights without the prior consent of the intellectual property rights holder.

Article 15

The company shall engage in business activities in accordance with applicable competition laws and regulations, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.

Article 16

In the course of research and development, procurement, manufacture, provision, or sale of products and services, the company and the directors, supervisors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations and international standards to ensure the transparency of information about, and safety of, the products and services. The company shall also adopt and publish a policy on the protection of the rights and interests of consumers or other stakeholders, and carry out the policy in the operations, with a view to preventing the products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders. Where there are sufficient facts to determine that the company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, the company shall, in principle, recall those products or suspend the services immediately.

Article 17

The directors, supervisors, managers, employees, mandataries, and substantial controllers of the company shall exercise the due care of good administrators to urge the company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.

To achieve sound ethical corporate management, the company establishes a dedicated unit, audit center that is under the board of directors and responsible for establishing and

supervising the implementation of the ethical corporate management policies and prevention programs. The dedicated unit shall be in charge of the following matters, and shall report to the board of directors on a regular basis:

- 1.Assisting in incorporating ethics and moral values into the company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.
- 2.Adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to the company's operations and business.
- 3.Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.
- 4.Promoting and coordinating awareness and educational activities with respect to ethics policy.
- 5.Developing a whistle-blowing system and ensuring its operating effectiveness.
- 6.Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.

Article 18

The company and the directors, supervisors, managers, employees, mandataries, and substantial controllers shall comply with laws and regulations and the prevention programs when conducting business.

Article 19

The company shall adopt policies for preventing conflicts of interest to identify, monitor, and manage risks possibly resulting from unethical conduct, and shall also offer appropriate means for directors, supervisors, managers, and other stakeholders attending or present at board meetings to voluntarily explain whether their interests would potentially conflict with those of the company.

When a proposal at a given board of directors meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, supervisors, managers, and other stakeholders attending or present at board meetings of the company, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director. The directors shall practice self-discipline and must not support one another in improper dealings.

The companys' directors, supervisors, managers, employees, mandataries, and substantial controllers shall not take advantage of their positions or influence in the companies to obtain improper benefits for themselves, their spouses, parents, children or any other person.

Article 20

The company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results.

The internal audit unit of a the company shall periodically examine the company's compliance with the foregoing systems and prepare audit reports and submit the same to the board of directors. The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary.

Article 21

The company shall establish operational procedures and guidelines in accordance with Article 6 hereof to guide directors, supervisors, managers, employees, and substantial controllers on how to conduct business. The procedures and guidelines should at least contain the following matters:

1. Standards for determining whether improper benefits have been offered or accepted.
2. Procedures for offering legitimate political donations.
3. Procedures and the standard rates for offering charitable donations or sponsorship.
4. Rules for avoiding work-related conflicts of interests and how they should be reported and handled.
5. Rules for keeping confidential trade secrets and sensitive business information obtained in the ordinary course of business.
6. Regulations and procedures for dealing with suppliers, clients and business transaction counterparties suspected of unethical conduct.
7. Handling procedures for violations of these Principles.
8. Disciplinary measures on offenders.

Article 22

The chairman, general manager, or senior management of the company shall communicate the importance of corporate ethics to its directors, employees, and mandataries on a regular basis. The company shall periodically organize training and awareness programs for directors, supervisors, managers, employees, mandataries, and substantial controllers and invite the companies' commercial transaction counterparties so they understand the companies' resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct.

The company shall apply the policies of ethical corporate management when creating its employee performance appraisal system and human resource policies to establish a clear and effective reward and discipline system.

Article 23

The company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:

1. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow company insiders and outsiders to submit reports.
2. Dedicated personnel or unit appointed to handle whistle-blowing system. Any tip involving a director or senior manager shall be reported to the independent directors or supervisors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted.
3. Documentation of case acceptance, investigation processes, investigation results, and relevant documents.
4. Confidentiality of the identity of whistle-blowers and the content of reported cases.
5. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to our whistle-blowing.
6. Whistle-blowing incentive measures.

When material misconduct or likelihood of material impairment to the company comes to our awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors or supervisors in written form.

Article 24

The company shall adopt and publish a well-defined disciplinary and appeal system for handling violations of the ethical corporate management rules, and shall make immediate disclosure on the company's internal website of the title and name of the violator, the date and details of the violation, and the actions taken in response.

Article 25

The company shall collect quantitative data about the promotion of ethical management and continuously analyze and assess the effectiveness of the promotion of ethical management policy. The company shall also disclose the measures taken for implementing ethical corporate management, the status of implementation, the foregoing quantitative data, and the effectiveness of promotion on the company websites, annual reports, and prospectuses, and shall disclose the ethical corporate management best practice principles on the MOPS.

Article 26

The company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage the directors, supervisors, managers, and employees to make suggestions, based on which the adopted ethical corporate management policies and measures taken will be reviewed and improved with a view to achieving better implementation of ethical management.

Article 27

The ethical corporate management best practice principles of the company shall be implemented after the board of directors grants the approval, and shall be sent to the supervisors and reported at a shareholders' meeting. The board of directors may be authorized to adopt, by resolution, any future amendments to these Rules.

When the ethical corporate management best practice principles are submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objection or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board of directors meeting.

The provisions regarding supervisors in these Principles shall apply *mutatis mutandis* to the audit committee.

(The Codes were amended on Feb. 25th, 2015.)

Appendix 5 Independent Auditors' Report and Individual Financial Statements for Year 2014

Independent Auditors' Report

The Board of Directors of Inventec Corporation :

We have audited the accompanying balance sheets of Inventec Corporation (the "Company") as of December 31, 2014, and 2013, and the related statements of comprehensive income, changes in equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of certain investees accounted for under the equity method, in which the Company's long term equity investments amounted to \$22,083,104 thousand and \$17,188,042 thousand, representing 14.41% and 8.73% of total assets as of December 31, 2014 and 2013, respectively, and related investment income was \$976,579 thousand and \$1,145,500 thousand, representing 11.14% and 13.38% of net income before tax for the years ended December 31, 2014 and 2013, respectively. The financial statements of these investees accounted for under the equity method were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts for these companies, were based solely on the reports of other auditors.

We conducted our audits in accordance with "Regulation Governing Auditing and Certification of Financial Statements by Certified Public Accountants" and auditing standards generally accepted in the Republic of China. Those regulations and standards require that we plan and perform the audit to obtain reasonable assurance about whether the non consolidated financial statements are free of material misstatements. An audit includes examining, on a test basis, evidences supporting the amounts and disclosures in the non consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall non consolidated financial statement presentation. We believe that our audits and the reports issued by other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2014 and 2013, and the results of their operations and their cash flows for the years then ended, in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

KPMG
CPA : Chen, Ying-Ru
Yang, Leou-Fong
Taipei, Taiwan, R.O.C.
March 24, 2015

(English Translation of Financial Report Originally Issued in Chinese)
INVENTEC CORPORATION

Balance Sheets

December 31, 2014 and 2013

(Amounts Expressed in Thousands of New Taiwan Dollars)

Assets		2014.12.31		2013.12.31		LIABILITIES AND EQUITY		2014.12.31		2013.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets :						Current Liabilities :					
1100	Cash and cash equivalents (Notes (4) and (6)(a))	\$ 4,959,500	3	6,803,243	4	2100	Short-term borrowings (Note (6)(j))	\$ 6,054,499	4	10,226,733	5
1110	Current financial assets at fair value through profit or loss (Notes (4) and (6)(b))	65,236	-	47,997	-	2120	Current financial liabilities at fair value through profit or loss (Notes (4) and (6)(b))	17,095	-	2,243	-
1125	Current available-for-sale financial assets (Notes (4) and (6)(b))	429,200	-	402,375	-	2160	Notes payable - related parties (Note (7))	24,263	-	50,502	-
1170	Accounts receivable, net (Notes (4) and (6)(c))	34,650,344	23	38,125,610	19	2170	Accounts payable	29,694,971	19	53,121,097	27
1180	Accounts receivable due from related parties, net (Notes (4), (6)(c) and (7))	20,081,542	13	14,725,337	8	2180	Accounts payable - related parties (Note (7))	32,385,332	21	55,333,227	28
1200	Other receivables (Notes (4), (6)(c) and (7))	48,814,722	32	95,811,901	49	2230	Current tax liabilities	882,741	1	815,190	-
1310	Inventories, manufacturing business, net (Notes (4) and (6)(d))	858,755	1	717,527	-	2200	Other payables (Note (7))	5,256,542	3	3,902,910	2
1479	Other current assets – others (Notes (4) and (6)(i))	90,234	-	165,381	-		Long-term borrowings – current portion (Note (6)(j))	15,029,000	10	-	-
		109,949,533	72	156,799,371	80	2399	Other current liabilities – others	2,211,383	1	1,312,729	1
Non-current assets :						2313	Unearned revenue	2,254,427	2	1,735,547	1
1523	Non-current available-for-sale financial assets (Notes (4) and (6)(b))	457,501	-	490,104	-			93,810,253	61	126,500,178	64
1543	Non-current financial assets at cost (Notes (4) and (6)(b))	292,246	-	256,067	-	Non-current Liabilities :					
1550	Investments accounted for using equity method (Notes (4), (6)(e) and (6)(f))	35,739,723	23	32,134,780	16	2540	Long-term borrowings (Note (6)(j))	-	-	14,178,750	7
1600	Property, plant, and equipment (Notes (4) and (6)(g))	5,820,213	4	6,030,123	3	2640	Accrued pension liabilities (Notes (4) and (6)(l))	956,962	1	981,353	1
1780	Intangible assets (Notes (4) and (6)(h))	86,258	-	75,128	-	2670	Other non-current liabilities- others (Notes (4) and (6)(m))	895,966	-	447,560	-
1900	Other non-current assets – others (Notes (4), (6)(i), (6)(m), (7) and (8))	895,745	1	1,159,391	1			1,852,928	1	15,607,663	8
		43,291,686	28	40,145,593	20		Total Liabilities	95,663,181	62	142,107,841	72
						3110	Ordinary share (Note (6)(n))	35,874,751	23	35,874,751	18
						3200	Capital surplus (Note (6)(n))	2,920,718	2	2,895,677	2
							Retained earnings(Note (6)(n)) :				
						3310	Legal reserve	7,644,271	5	6,936,854	3
						3350	Unappropriated retained earnings	8,129,064	6	7,488,577	4
						3400	Other equity (Note (6)(n))	3,009,234	2	1,641,264	1
							Total equity	57,578,038	38	54,837,123	28
TOTAL ASSETS		\$ 153,241,219	100	196,944,964	100	TOTAL LIABILITIES AND EQUITY		\$ 153,241,219	100	196,944,964	100

Please refer to financial statements.

(English Translation of Financial Report Originally Issued in Chinese)
INVENTEC CORPORATION

Statements of Comprehensive Income

For the Years Ended December 31, 2014 and 2013

(Amounts Expressed in Thousands of New Taiwan Dollars)

		2014		2013	
		Amount	%	Amount	%
4110	Sales revenue (Notes (4), (6)(p) and (7))	\$ 330,784,531	100	369,228,630	100
5000	Operating costs(Notes (4), (6)(d) and (7))	317,437,573	96	354,104,302	96
	Gross profit from operation	13,346,958	4	15,124,328	4
5910	Less : Unrealized profit (loss) from sales(Note (7))	12,315	-	16,869	-
5920	Plus : Realized profit (loss) on from sales(Note (7))	16,869	-	18,944	-
		13,351,512	4	15,126,403	4
	Operating expenses :				
6100	Selling expenses	2,090,611	1	1,693,795	-
6200	Administrative expenses	2,015,209	1	1,988,146	1
6300	Research and development	4,774,060	1	4,778,005	1
	Total operating expenses	8,879,880	3	8,459,946	2
	Operating profit	4,471,632	1	6,666,457	2
	Non-operating income and expenses : (Notes (4), (6)(e) and (6)(q))				
7010	Other income	29,625	-	24,293	-
7020	Other gains and losses	1,690,269	1	730,678	-
7050	Finance costs	(274,464)	-	(218,375)	-
7775	Share of profit (loss) of associates and joint ventures accounted for using equity method	2,847,851	1	1,358,389	-
	Total non-operating income and expenses	4,293,281	2	1,894,985	-
	Profit before income tax	8,764,913	3	8,561,442	2
7950	Less: Tax expense (Notes (4) and (6)(m))	1,667,098	1	1,487,270	-
	Profit for the period	7,097,815	2	7,074,172	2
8300	Other comprehensive income :				
8310	Exchange differences on transition of foreign financial statements	43,034	-	670,037	-
8325	Unrealized losses on available-for-sale financial assets	872	-	(203,109)	-
8360	Actuarial losses on defined benefit plans	11,252	-	(13,687)	-
8380	Share of other comprehensive income of associates and joint ventures accounted for using equity method	1,304,774	-	482,212	-
8399	less : Income tax relating to components of other comprehensive income	1,913	-	(2,327)	-
8300	Other comprehensive income (loss) for the period, net of tax	1,358,019	-	937,780	-
	Total comprehensive income for the period	<u>\$ 8,455,834</u>	<u>2</u>	<u>8,011,952</u>	<u>2</u>
	Earning per share attributable to stockholders of parent (Notes (4) and (6)(o))				
	Basic earnings per share (NT dollars)	<u>\$ 1.98</u>		<u>1.97</u>	
	Diluted earnings per share (NT dollars)	<u>\$ 1.96</u>		<u>1.96</u>	

Please refer to financial statements.

(English Translation of Financial Report Originally Issued in Chinese)
INVENTEC CORPORATION
Statements of Changes in Equity
For the Years Ended December 31, 2014 and 2013
(Amounts Expressed in Thousands of New Taiwan Dollars)

	<u>Capital Stock</u>		<u>Retained Earnings</u>		<u>Other Equity Interest</u>	<u>Unrealized Gains (Losses) on Available-for-Sale Financial Assets</u>	<u>Total Equity</u>
	<u>Share Capital</u>	<u>Capital Surplus</u>	<u>Legal Reserve</u>	<u>Unappropriated Retained Earnings</u>	<u>Exchange Differences on Translation of Foreign Financial Statements</u>		
Balance, January 1, 2013	\$ 35,874,751	2,927,057	6,615,398	3,631,076	378,056	331,475	49,757,813
Net income for the period	-	-	-	7,074,172	-	-	7,074,172
Other comprehensive income (loss) for the period	-	-	-	6,047	1,117,053	(185,320)	937,780
Total comprehensive income (loss) for the period	-	-	-	7,080,219	1,117,053	(185,320)	8,011,952
Appropriation and distribution of retained earnings:(Note1)							
Legal reserve appropriated	-	-	321,456	(321,456)	-	-	-
Cash dividends of ordinary share	-	-	-	(2,869,980)	-	-	(2,869,980)
Others	-	(31,380)	-	(31,282)	-	-	(62,662)
Balance, December 31, 2013	35,874,751	2,895,677	6,936,854	7,488,577	1,495,109	146,155	54,837,123
Net income for the period	-	-	-	7,097,815	-	-	7,097,815
Other comprehensive income (loss) for the period	-	-	-	(9,951)	1,373,853	(5,883)	1,358,019
Total comprehensive income (loss) for the period	-	-	-	7,087,864	1,373,853	(5,883)	8,455,834
Appropriation and distribution of retained earnings:(Note2)							
Legal reserve appropriated	-	-	707,417	(707,417)	-	-	-
Cash dividends of ordinary share	-	-	-	(5,739,960)	-	-	(5,739,960)
Others	-	25,041	-	-	-	-	25,041
Balance, December 31, 2014	\$ 35,874,751	2,920,718	7,644,271	8,129,064	2,868,962	140,272	57,578,038

Note 1:Emoluments to directors amounted to \$57,862 and bonuses to employees amounted to \$202,517 were charged against earnings.

Note 2:Emoluments to directors amounted to \$127,335 and bonuses to employees amounted to \$445,673 were charged against earnings.

Please refer to financial statements.

(English Translation of Financial Report Originally Issued in Chinese)
INVENTEC CORPORATION
Statements of Cash Flows
For the Years Ended December 31, 2014 and 2013
(Amounts Expressed in Thousands of New Taiwan Dollars)

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities :		
Profit before income tax	\$ 8,764,913	8,561,442
Adjustments to reconcile profit before income tax to net cash provided by operating activities :		
Depreciation expense	277,497	305,352
Amortization expense	899,696	839,158
Provision (reversal of provision) for bad debt expense	20,375	(1,815)
Interest expense	274,464	218,375
Interest income	(29,625)	(24,293)
Share of loss (profit) of associates and joint ventures accounted for using equity method	(2,847,851)	(1,358,389)
Gain on disposal of property, plant, and equipment	(2,871)	(1,886)
(Loss) gain on disposal of investments	1,212	(34,678)
Impairment loss on financial assets	87,021	250,000
Impairment loss on non-financial assets	12,307	-
Total adjustments to reconcile profit (loss)	<u>(1,307,775)</u>	<u>191,824</u>
Change in operating assets and liabilities :		
Change in operating assets :		
Increase in financial assets held for trading	(17,239)	(44,066)
Increase in accounts receivable	(1,901,314)	(8,797,346)
Decrease (increase) in other receivables	47,155,765	(50,132,260)
(Increase) decrease in inventories	(141,228)	398,970
Decrease in other current assets	75,147	109,595
Total changes in operating assets	<u>45,171,131</u>	<u>(58,465,107)</u>
Changes in operating liabilities :		
Increase (decrease) in financial liabilities held for trading	14,852	(2,130)
Decrease in notes payable	(26,239)	(26,238)
(Decrease) increase in accounts payable	(46,374,021)	43,775,106
Increase in other payables	1,381,497	1,042,896
Increase in other current liabilities	898,654	324,162
Decrease in accrued pension liabilities	(13,139)	(22,376)
Increase in deferred income	518,880	194,408
Total changes in operating liabilities	<u>(43,599,516)</u>	<u>45,285,828</u>
Total changes in operating assets and liabilities	<u>1,571,615</u>	<u>(13,179,279)</u>
Total adjustments	<u>263,840</u>	<u>(12,987,455)</u>
Cash inflow (outflow) generated from operations	9,028,753	(4,426,013)
Interest received	28,218	24,202
Dividends received	496,000	316,373
Interest paid	(281,678)	(213,248)
Income taxes paid	<u>(1,135,483)</u>	<u>(845,241)</u>
Net cash provided by (used in) operating activities	<u>8,135,810</u>	<u>(5,143,927)</u>

Please refer to financial statements.

(English Translation of Financial Report Originally Issued in Chinese)
INVENTEC CORPORATION
Statements of Cash Flows
For the Years Ended December 31, 2014 and 2013
(Amounts Expressed in Thousands of New Taiwan Dollars)

	<u>2014</u>	<u>2013</u>
Cash flows from investing activities :		
Proceeds from capital reduction of available-for-sale financial assets	6,650	15,000
Proceeds from disposal of subsidiaries	-	79,202
Acquisition of financial assets at cost	(123,200)	-
Acquisition of investments accounted for using equity method	(50,940)	(1,883,223)
Proceeds from capital reduction of investments accounted for using equity method	-	37,293
Acquisition of property, plant and equipment	(88,628)	(207,882)
Proceeds from disposal of property, plant and equipment	19,199	1,011
Acquisition of intangible assets	(374,603)	(293,079)
Increase in other non-current assets	(301,533)	(569,301)
Net cash used in investing activities	<u>(913,055)</u>	<u>(2,820,979)</u>
Cash flows from financing activities :		
(Decrease) increase in short-term borrowings	(4,172,234)	8,640,494
Proceeds from long-term borrowings	850,250	3,311,250
Decrease in other non-current liabilities	(4,554)	(755,022)
Cash dividends paid	(5,739,960)	(2,869,980)
Net cash (used in) provided by financing activities	<u>(9,066,498)</u>	<u>8,326,742</u>
Net (decrease) increase in cash and cash equivalents	(1,843,743)	361,836
Cash and cash equivalents at beginning of period	<u>6,803,243</u>	<u>6,441,407</u>
Cash and cash equivalents at end of period	<u>\$ 4,959,500</u>	<u>6,803,243</u>

Please refer to financial statements.

Appendix 6 Independent Auditors' Report and Consolidated Financial Statements for Year 2014

Independent Auditors' Report

The Board of Directors of Inventec Corporation :

We have audited the accompanying consolidated balance sheets of Inventec Corporation and its subsidiaries (the "Group") as of December 31, 2014 and 2013, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended. These financial statements are the responsibility of the Group's management. Our responsibility is to express an audit report based on our audits. We did not audit the financial statements of certain consolidated subsidiaries with the total assets of \$72,686,249 thousand, \$64,693,938 thousand, representing 37% and 30% of the consolidated total assets as of December 31, 2014 and 2013, respectively; and the net sales of \$82,918,862 thousand and \$82,193,888 thousand, representing 19% and 18% of the consolidated net sales for the years ended December 31, 2014 and 2013, respectively. Also, we did not audit the long term investments of other companies which amounted to \$(542,888) thousand, \$(556,665) thousand, representing (0.28)%, (0.26)% of the consolidated total assets as of December 31, 2014 and 2013, respectively; and the related investment income of \$44,090 thousand and \$1,786 thousand, representing 0.45% and 0.02% of the consolidated net income before tax for the years ended December 31, 2014 and 2013, respectively. The financial statements of these subsidiaries and investees accounted for under the equity method were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts for these companies, were based solely on the reports of other auditors.

We conducted our audits in accordance with the "Regulation Governing Auditing and Certification of Financial Statements by Certified Public Accountants" and the auditing standards generally accepted in the Republic of China. Those regulations and standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the report of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of other auditors, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Consolidated Company as of December 31, 2014 and 2013, and the results of their operations and their cash flows for the years then ended, in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations as endorsed by the Financial Supervisory Commission.

We have also audited the non consolidated financial statements of the Company as of and for the years ended December 31, 2014 and 2013, and have issued modified unqualified audit report thereon.

KPMG
CPA : Chen, Ying-Ru
Yang, Leou-Fong
Taipei, Taiwan, R.O.C.
March 24, 2015

(English Translation of Financial Report Originally Issued in Chinese)

INVENTEC CORPORATION AND ITS SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2014 and 2013

(Amounts Expressed in Thousands of New Taiwan Dollars)

ASSETS		2014.12.31		2013.12.31		LIABILITIES AND EQUITY		2014.12.31		2013.12.31	
		Amount	%	Amount	%			Amount	%	Amount	%
Current Assets :						Current Liabilities :					
1100	Cash and cash equivalents (Notes (4) and (6)(a))	\$ 37,731,741	19	56,932,670	27	2100	Short-term borrowings (Note (6)(k))	\$ 15,859,736	8	24,413,577	12
1110	Current financial assets at fair value through profit or loss (Notes (4) and (6)(b))	440,972	-	202,669	-	2120	Current financial liabilities at fair value through profit or loss (Notes (4) and (6)(b))	41,666	-	104,699	-
1125	Current available-for-sale financial assets (Notes (4) and (6)(b))	8,401,561	4	3,373,724	2	2160	Notes payable—related parties (Note (7))	24,263	-	50,502	-
1170	Accounts receivable, net (Notes (4) and (6)(c))	59,281,105	30	59,797,670	28	2170	Accounts payable	67,231,370	35	89,604,525	42
1180	Accounts receivable due from related parties, net (Notes (4), (6)(c) and (7))	8,967,761	5	6,058,961	3	2180	Accounts payable—related parties (Note (7))	6,712,732	3	4,813,313	2
1200	Other receivables (Notes (4), (6)(c) and (7))	1,039,645	1	1,267,146	1	2230	Current tax liabilities	2,115,698	1	1,882,321	1
1310	Inventories, manufacturing business, net (Notes (4) and (6)(d))	31,772,851	16	39,399,911	18	2200	Other payables (Note (7))	12,165,426	6	9,298,533	4
1479	Other current assets – others (Notes (4) and (6)(j))	3,463,204	2	1,778,792	1	2322	Long-term borrowings—current portion (Note (6)(k))	15,232,531	8	-	-
		151,098,840	77	168,811,543	80	2399	Other current liabilities—others	4,571,486	2	2,916,279	1
Non-current assets :						2313	Unearned revenue	2,713,152	1	2,128,498	1
1523	Non-current available-for-sale financial assets (Notes (4) and (6)(b))	457,501	-	490,104	-			126,668,060	64	135,212,247	63
1543	Non-current financial assets at cost (Notes (4) and (6)(b))	533,751	-	492,729	-	Non-current Liabilities :					
1546	Non-current bond investment without active market (Notes (4) and (6)(b))	-	-	169,735	-	2540	Long-term borrowings (Note (6)(k))	1,005,492	1	14,242,686	7
1550	Investments accounted for using equity method (Notes (4) and (6)(e))	613,137	-	706,460	-	2640	Accrued pension liabilities (Notes (4) and (6)(m))	1,014,760	1	1,056,142	-
1600	Property, plant, and equipment (Notes (4) and (6)(g))	35,073,036	18	34,032,310	16	2670	Other non-current liabilities—others (Notes (4), (6)(e) and (6)(n))	2,590,627	1	1,847,873	1
1760	Investment property, net (Notes (4) and (6)(h))	590,080	-	618,025	-			4,610,879	3	17,146,701	8
1780	Intangible assets (Notes (4) and (6)(i))	901,392	1	887,259	-	Total Liabilities		131,278,939	67	152,358,948	71
1900	Other non-current assets – others (Notes (4), (6)(j) and (6)(n))	6,433,992	4	7,962,971	4						
		44,602,889	23	45,359,593	20	Equity attributable to owners of parent :					
						3110	Ordinary share (Note (6)(o))	35,874,751	18	35,874,751	17
						3200	Capital surplus (Note (6)(o))	2,920,718	1	2,895,677	1
						3300	Retained earnings (Note (6)(o))	15,773,335	8	14,425,431	7
						3400	Other equity (Note (6)(o))	3,009,234	2	1,641,264	1
							Total equity attributable to owners of parent	57,578,038	29	54,837,123	26
						36XX	Non-controlling interests	6,844,752	4	6,975,065	3
							Total Equity	64,422,790	33	61,812,188	29
TOTAL ASSETS		\$ 195,701,729	100	214,171,136	100	TOTAL LIABILITIES AND EQUITY		\$ 195,701,729	100	214,171,136	100

Please refer to consolidated financial statements.

(English Translation of Financial Report Originally Issued in Chinese)

INVENTEC CORPORATION AND ITS SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the Years Ended December 31, 2014 and 2013

(Amounts Expressed in Thousands of New Taiwan Dollars)

		2014		2013	
		Amount	%	Amount	%
4110	Sales revenue (Notes (4), (6)(r) and (7))	\$ 435,599,968	100	461,091,703	100
5000	Operating costs (Notes (4) and (7))	412,251,630	95	438,283,233	95
	Gross profit from operation	23,348,338	5	22,808,470	5
	Operating expenses :				
6100	Selling expenses	2,926,456	-	2,558,917	-
6200	Administrative expenses	4,800,839	1	4,580,862	1
6300	Research and development	8,511,964	2	8,156,825	2
6400	Total operating expenses	16,239,259	3	15,296,604	3
	Operating profit	7,109,079	2	7,511,866	2
	Non-operating income and expenses :				
7010	Other income (Note (6)(s))	2,864,110	-	1,483,583	-
7020	Other gains and losses (Note (6)(s))	1,015,376	-	870,882	-
7050	Finance costs (Note (6)(s))	(1,251,417)	-	(661,981)	-
7060	Share of loss of associates and joint ventures accounted for using equity method (Notes (4) and (6)(e))	(56,450)	-	(280,024)	-
	Total non-operating income and expenses	2,571,619	-	1,412,460	-
	Profit before income tax	9,680,698	2	8,924,326	2
7950	Less: Tax expense (Notes (4) and (6)(n))	3,015,137	-	2,714,888	-
	Profit for the period	6,665,561	2	6,209,438	2
8300	Other comprehensive income :				
8310	Exchange differences on translation of foreign financial statements	1,472,514	-	1,094,159	-
8325	Unrealized gains (losses) on available-for-sale financial assets	32	-	(184,289)	-
8360	Actuarial gains (losses) on defined benefit plans	(6,610)	-	6,521	-
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method	1,836	-	9,908	-
8399	Less: Income tax relating to components of other comprehensive income	107,946	-	1,136	-
8300	Other comprehensive income (loss) for the period, net of tax	1,359,826	-	925,163	-
	Total comprehensive income for the period	\$ 8,025,387	2	7,134,601	2
	Profit attributable to :				
	Owners of parent	\$ 7,097,815	2	7,074,172	2
8620	Non-controlling interests	(432,254)	-	(864,734)	-
		\$ 6,665,561	2	6,209,438	2
	Comprehensive income attributable to :				
	Owners of parent	\$ 8,455,834	2	8,011,952	2
	Non-controlling interests	(430,447)	-	(877,351)	-
		\$ 8,025,387	2	7,134,601	2
	Earning per share attributable to stockholders of parent (Notes (4) and (6)(q))				
	Basic earnings per share (NT dollars)	\$ 1.98		1.97	
	Diluted earnings per share (NT dollars)	\$ 1.96		1.96	

Please refer to consolidated financial statements.

(English Translation of Financial Report Originally Issued in Chinese)

INVENTEC CORPORATION AND ITS SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the Years Ended December 31, 2014 and 2013

(Amounts Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of Parent								
					Other Equity Interest		Total Equity Attributable to Owners of Parent	Non-Controlling Interests	Total Equity
					Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Available-for-Sale Financial Assets			
	Capital Stock		Retained Earnings						
	Share Capital	Capital Surplus	Legal Reserve	Unappropriated Retained Earnings					
Balance, January 1, 2013	\$ 35,874,751	2,927,057	6,615,398	3,631,076	378,056	331,475	49,757,813	5,774,527	55,532,340
Net income	-	-	-	7,074,172	-	-	7,074,172	(864,734)	6,209,438
Other comprehensive income (loss) for the year	-	-	-	6,047	1,117,053	(185,320)	937,780	(12,617)	925,163
Total comprehensive income (loss) for the year	-	-	-	7,080,219	1,117,053	(185,320)	8,011,952	(877,351)	7,134,601
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	321,456	(321,456)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	(2,869,980)	-	-	(2,869,980)	-	(2,869,980)
Changes in non-controlling interests	-	-	-	-	-	-	-	2,007,418	2,007,418
Others	-	(31,380)	-	(31,282)	-	-	(62,662)	70,471	7,809
Balance, December 31, 2013	35,874,751	2,895,677	6,936,854	7,488,577	1,495,109	146,155	54,837,123	6,975,065	61,812,188
Net income	-	-	-	7,097,815	-	-	7,097,815	(432,254)	6,665,561
Other comprehensive income (loss) for the year	-	-	-	(9,951)	1,373,853	(5,883)	1,358,019	1,807	1,359,826
Total comprehensive income (loss) for the year	-	-	-	7,087,864	1,373,853	(5,883)	8,455,834	(430,447)	8,025,387
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	707,417	(707,417)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	(5,739,960)	-	-	(5,739,960)	-	(5,739,960)
Changes in non-controlling interests	-	-	-	-	-	-	-	294,973	294,973
Others	-	25,041	-	-	-	-	25,041	5,161	30,202
Balance, December 31, 2014	\$ 35,874,751	2,920,718	7,644,271	8,129,064	2,868,962	140,272	57,578,038	6,844,752	64,422,790

Please refer to consolidated financial statements.

INVENTEC CORPORATION AND ITS SUBSIDIARIES

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2014 and 2013

(Amounts Expressed in Thousands of New Taiwan Dollars)

	2014	2013
Cash flows from operating activities :		
Profit before income tax	\$ 9,680,698	8,924,326
Adjustments to reconcile profit before income tax to net cash provided by operating activities :		
Depreciation expense	3,813,990	3,963,000
Amortization expense	1,222,212	1,113,915
Provision for bad debt expense	15,856	9,105
Interest expense	1,251,417	661,981
Interest income	(2,864,110)	(1,483,583)
Share-based payments	9,575	18,183
Share of loss of associates and joint ventures accounted for using equity method	56,450	280,024
Loss (Gain) on disposal of property, plant, equipment and inventory property	162,409	(70,755)
Gain on disposal of investments	(383,461)	(250,756)
Impairment loss on financial assets	109,590	384,436
Impairment loss on non-financial assets	1,454,743	1,691,988
Others	(38,264)	(40,531)
Total adjustments to reconcile profit	4,810,407	6,277,007
Change in operating assets and liabilities :		
Change in operating assets :		
Increase in financial assets held for trading	(227,010)	(31,237)
Decrease (increase) in accounts receivable	6,006,396	(3,297,610)
(Increase) decrease in other receivables	(27,568)	125,498
Decrease (increase) in inventories	8,914,388	(2,994,479)
(Increase) decrease in other current assets	(1,646,819)	1,320,864
Total changes in operating assets	13,019,387	(4,876,964)
Changes in operating liabilities :		
(Decrease) increase in financial liabilities held for trading	(64,739)	94,561
Decrease in notes payable	(26,239)	(26,239)
(Decrease) increase in accounts payable	(31,253,048)	9,808,744
Increase in other payables	2,366,838	2,077,346
Increase in other current liabilities	1,638,197	452,245
Decrease in accrued pension liabilities	(30,129)	(88,998)
Increase in deferred income	581,934	171,760
Total changes in operating liabilities	(26,787,186)	12,489,419
Total changes in operating assets and liabilities	(13,767,799)	7,612,455
Total adjustments	(8,957,392)	13,889,462
Cash inflow generated from operations	723,306	22,813,788
Interest received	2,942,046	876,604
Interest paid	(944,491)	(634,400)
Income taxes paid	(1,904,967)	(1,948,630)
Net cash provided by operating activities	815,894	21,107,362

Please refer to consolidated financial statements.

INVENTEC CORPORATION AND ITS SUBSIDIARIES**Consolidated Statements of Cash Flows (CONT'D)****For the Years Ended December 31, 2014 and 2013****(Amounts Expressed in Thousands of New Taiwan Dollars)**

	<u>2014</u>	<u>2013</u>
Cash flows from investing activities :		
Acquisition of available-for-sale financial assets	(33,777,739)	(24,049,791)
Proceeds from disposal of available-for-sale financial assets	29,491,624	21,373,540
Proceeds from capital reduction of available-for-sale financial assets	6,650	15,000
Proceeds from repayments of bond investment without active market	208,740	360,000
Acquisition of financial assets at cost	(144,403)	-
Proceeds from financial assets at cost	1,268	-
Acquisition of investments accounted for using equity method	(939)	-
Proceeds from investments accounted for using equity method	67,329	-
Acquisition of property, plant and equipment	(4,781,393)	(3,013,220)
Proceeds from disposal of property, plant and equipment	93,680	62,711
Acquisition of intangible assets	(378,368)	(296,392)
Proceeds from disposal of investment properties	-	110,611
Decrease (increase) in other non-current assets	438,857	(1,317,501)
Other investing activities	-	(329,090)
Net cash used in investing activities	<u>(8,774,694)</u>	<u>(7,084,132)</u>
Cash flows from financing activities :		
(Decrease) increase in short-term borrowings	(9,035,069)	4,198,824
Repayments of bonds	-	(6,830)
Proceeds from long-term borrowings	1,982,345	3,311,250
Repayments of long-term borrowings	-	(484,000)
Decrease in other payables- related parties	-	(1,010,415)
Increase (decrease) in other non-current liabilities	19,090	(713,934)
Cash dividends paid	(5,739,960)	(2,869,980)
Change in non-controlling interests	19,175	2,230,899
Net cash (used in) provided by financing activities	<u>(12,754,419)</u>	<u>4,655,814</u>
Effect of exchange rate changes on cash and cash equivalents	1,512,290	2,050,013
Net (decrease) increase in cash and cash equivalents	(19,200,929)	20,729,057
Cash and cash equivalents at beginning of the year	<u>56,932,670</u>	<u>36,203,613</u>
Cash and cash equivalents at end of the year	<u>\$ 37,731,741</u>	<u>56,932,670</u>

Please refer to consolidated financial statements.

Appendix 7

Inventec Corporation Profit Distribution Table Year 2014

	Unit: NTD \$
Items:	Total amount
Beginning retained earnings	1,041,199,567
Less: Actuarial losses	(9,950,287)
Retained earnings after adjustment	1,031,249,280
Add: Net profit after tax	7,097,814,835
Less: 10% legal reserve	(709,781,484)
Distributable net profit	7,419,282,631
Distributable items:	
Cash Dividend to shareholders (NT\$1.75 per share)	(6,278,081,366)
Unappropriated retained earnings	1,141,201,265
Notes:	
Compensation of directors and supervisors:	127,760,667
Employees' cash bonus sharing:	447,162,335