

Stock Code :8201

INVENTEC BESTA CO., LTD. AND ITS SUBSIDIARIES
2015 Interim Consolidated Financial Statements-
THREE MONTHS ENDED MARCH 31, 2015 AND 2014

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INVENTEC BESTA CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
March 31, 2015, December 31, 2014, and March 31, 2014
(Expressed in Thousands of New Taiwan Dollars)

Accounting Title	2015/3/31	2014/12/31	2014/3/31
Balance Sheet			
Assets			
Current assets			
Cash and cash equivalents			
Total cash and cash equivalents	447,676	292,402	394,681
Current financial assets at fair value through profit or loss			
Total current financial assets at fair value through profit or loss	0	1,026	0
Notes receivable, net			
Notes receivable, net	1,519	871	2,064
Accounts receivable, net			
Accounts receivable, net	93,351	76,695	163,228
Accounts receivable due from related parties, net			
Accounts receivable due from related parties, net	46,440	26,670	32,765
Other receivables			
Other receivables, net	13,116	27,455	35,282
Current tax assets			
Total current tax assets	2,883	2,640	3,362
Inventories			
Total inventories	159,508	333,483	199,613

Other current assets			
Other current financial assets	665,171	1,804,112	2,259,230
Other current assets, others	19,810	22,876	24,554
Total other current assets	684,981	1,826,988	2,283,784
Total current assets	1,449,474	2,588,230	3,114,779
Non-current assets			
Non-current available-for-sale financial assets			
Non-current available-for-sale financial assets, net	291,385	322,898	287,742
Non-current financial assets at cost			
Non-current financial assets at cost, net	176,400	155,400	150,000
Investments accounted for using equity method			
Investments accounted for using equity method, net	25,814	28,763	37,256
Property, plant and equipment			
Total property, plant and equipment	302,462	305,445	322,346
Intangible assets			
Total intangible assets	79,618	81,249	101,073
Deferred tax assets	12,293	12,293	62,836
Other non-current assets			
Guarantee deposits paid	5,626	5,909	7,230
Other non-current financial assets			
Total other non-current financial assets	8,041	8,017	7,945
Other non-current assets, others			
Total other non-current assets, others	2,161	22,086	2,205
Total other non-current assets	15,828	36,012	17,380
Total non-current assets	903,800	942,060	978,633

Total assets	2,353,274	3,530,290	4,093,412
Liabilities and equity			
Liabilities			
Current liabilities			
Short-term borrowings			
Total short-term borrowings	364,958	1,366,675	1,599,559
Notes payable			
Total notes payable	182	0	631
Accounts payable			
Total accounts payable	87,484	196,256	342,450
Other payables			
Total other payables	111,004	172,698	86,526
Current provisions			
Total current provisions	2,792	3,628	3,631
Other current liabilities			
Total other current liabilities	58,389	19,296	27,363
Total current liabilities	624,809	1,758,553	2,060,160
Non-current liabilities			
Deferred tax liabilities			
Total deferred tax liabilities	16,456	17,823	13,715
Other non-current liabilities			
Net defined benefit liability, non-current	142,525	148,006	170,764
Other non-current liabilities, others	8,520	8,641	3,266
Total other non-current liabilities	151,045	156,647	174,030
Total non-current liabilities	167,501	174,470	187,745

Total liabilities	792,310	1,933,023	2,247,905
Equity			
Equity attributable to owners of parent			
Share capital			
Ordinary share	890,947	890,947	890,947
Total capital stock	890,947	890,947	890,947
Capital surplus			
Total capital surplus	914,593	914,593	1,465,927
Retained earnings			
Unappropriated retained earnings (accumulated deficit)			
Total unappropriated retained earnings (accumulated deficit)	(307,361)	(279,270)	(566,877)
Total retained earnings	(307,361)	(279,270)	(566,877)
Other equity interest			
Total other equity interest	62,785	70,997	55,510
Total equity attributable to owners of parent	1,560,964	1,597,267	1,845,507
Non-controlling interests	0	0	0
Total equity	1,560,964	1,597,267	1,845,507
Total liabilities and equity	2,353,274	3,530,290	4,093,412
Number of share capital awaiting retirement	0	0	0
Equivalent issue shares of advance receipts for ordinary share	0	0	0
Number of shares in entity held by entity and by its subsidiaries	0	0	0

INVENTEC BESTA CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Three Months Ended March 31, 2015 and 2014
(Expressed in Thousands of New Taiwan Dollars)

Accounting Title	2015/01/01To 2015/03/31	2014/01/01To 2014/03/31
Statement of comprehensive income		
Operating revenue		
Total operating revenue	382,521	888,293
Operating costs		
Total operating costs	313,010	725,233
Gross profit (loss) from operations	69,511	163,060
Unrealized profit (loss) from sales	1,863	831
Realized profit (loss) on from sales	1,516	739
Gross profit (loss) from operations	69,164	162,968
Operating expenses		
Selling expenses		
Total selling expenses	39,379	61,366
Administrative expenses		
Total administrative expenses	39,015	41,317
Research and development expenses		
Total research and development expenses	28,115	26,573
Total operating expenses	106,509	129,256

Net operating income (loss)	(37,345)	33,712
Non-operating income and expenses		
Other income		
Total other income	15,938	23,138
Other gains and losses		
Other gains and losses, net	(2,751)	(55,389)
Finance costs		
Finance costs, net	2,312	6,048
Share of profit (loss) of associates and joint ventures accounted for using equity method		
net Share of profit (loss) of associates and joint ventures accounted for using equity method,	(1,514)	(4,412)
Total non-operating income and expenses	9,361	(42,711)
Profit (loss) from continuing operations before tax	(27,984)	(8,999)
Tax expense (income)		
Total tax expense (income)	107	6,544
Profit (loss) from continuing operations	(28,091)	(15,543)
Profit (loss)	(28,091)	(15,543)
Other comprehensive income		
Components of other comprehensive income that will be reclassified to profit or loss		
Exchange differences on translation	(7,214)	6,877

Unrealised gains (losses) on valuation of available-for-sale financial assets	(1,033)	(5,835)
Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss		
Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(1,435)	1,082
Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(1,470)	1,353
Components of other comprehensive income that will be reclassified to profit or loss	(8,212)	771
Other comprehensive income, net	(8,212)	771
Total comprehensive income	(36,303)	(14,772)
Profit (loss), attributable to:		
Profit (loss), attributable to owners of parent	(28,091)	(15,543)
Profit (loss), attributable to non-controlling interests	0	0
Comprehensive income attributable to:		
Comprehensive income, attributable to owners of parent	(36,303)	(14,772)
Comprehensive income, attributable to non-controlling interests	0	0
Basic earnings per share		
Total basic earnings per share	(0.32)	(0.17)

INVENTEC BESTA CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the three months ended March 31, 2015 and 2014
(Expressed in Thousands of New Taiwan Dollars)

2015/03/31 Statement of Stockholders' Equity

	Ordinary share	Total share capital	Capital surplus	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on available-for-sale financial assets	Total other equity interest	Total equity attributable to owners of parent	Total equity
Equity	890,947	890,947	914,593	(279,270)	(279,270)	73,560	(2,563)	70,997	1,597,267	1,597,267
Profit (loss)				(28,091)	(28,091)				(28,091)	(28,091)
Other comprehensive income				0	0	(7,179)	(1,033)	(8,212)	(8,212)	(8,212)
Total comprehensive income				(28,091)	(28,091)	(7,179)	(1,033)	(8,212)	(36,303)	(36,303)
Total increase (decrease) in equity	0	0	0	(28,091)	(28,091)	(7,179)	(1,033)	(8,212)	(36,303)	(36,303)
Equity	890,947	890,947	914,593	(307,361)	(307,361)	66,381	(3,596)	62,785	1,560,964	1,560,964

2014/03/31 Statement of Stockholders' Equity

	Ordinary share	Total share capital	Capital surplus	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on available-for-sale financial assets	Total other equity interest	Total equity attributable to owners of parent	Total equity
Equity	890,947	890,947	1,465,927	(551,334)	(551,334)	46,935	7,804	54,739	1,860,279	1,860,279
Profit (loss)				(15,543)	(15,543)				(15,543)	(15,543)
Other comprehensive income				0	0	6,606	(5,835)	771	771	771
Total comprehensive income				(15,543)	(15,543)	6,606	(5,835)	771	(14,772)	(14,772)
Total increase (decrease) in equity	0	0	0	(15,543)	(15,543)	6,606	(5,835)	771	(14,772)	(14,772)
Equity	890,947	890,947	1,465,927	(566,877)	(566,877)	53,541	1,969	55,510	1,845,507	1,845,507

INVENTEC BESTA CO., LTD. AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Three Months Ended March 31, 2015 and 2014
(Expressed in Thousands of New Taiwan Dollars)

Accounting Title	2015/01/01To2015/03/31	2014/01/01To2014/03/31
Statement of cash flows		
Cash flows from (used in) operating activities, indirect method		
Profit (loss) from continuing operations before tax	(27,984)	(8,999)
Profit (loss) before tax	(27,984)	(8,999)
Adjustments		
Adjustments to reconcile profit (loss)		
Depreciation expense	2,875	5,520
Amortization expense	10,362	21,707
Provision (reversal of provision) for bad debt expense	(82)	(2,937)
Net loss (gain) on financial assets or liabilities at fair value through profit or loss	1,026	0
Interest expense	2,312	6,048
Interest income	(15,938)	(23,138)
Share of loss (profit) of associates and joint ventures accounted for using equity method	1,514	4,412
Loss (gain) on disposal of property, plan and equipment	0	64
Other adjustments to reconcile profit (loss)	(1,129)	13,314
Total adjustments to reconcile profit (loss)	940	24,990
Changes in operating assets and liabilities		

Changes in operating assets		
Decrease (increase) in notes receivable	(646)	(898)
Decrease (increase) in accounts receivable	(16,718)	(56,260)
Decrease (increase) in accounts receivable due from related parties	(19,821)	(27,418)
Decrease (increase) in other receivable	(501)	11,142
Decrease (increase) in inventories	171,789	313,965
Decrease (increase) in other current assets	4,070	43,853
Total changes in operating assets	138,173	284,384
Changes in operating liabilities		
Increase (decrease) in notes payable	182	(73)
Increase (decrease) in accounts payable	(107,422)	(36,711)
Increase (decrease) in other payable	(62,369)	(73,342)
Increase (decrease) in provisions	(835)	(1,389)
Increase (decrease) in receipts in advance	40,092	0
Increase (decrease) in other current liabilities	(527)	(33,409)
Increase (decrease) in net defined benefit liability	(5,481)	210
Increase (decrease) in other operating liabilities	346	92
Total changes in operating liabilities	(136,014)	(144,622)
Total changes in operating assets and liabilities	2,159	139,762
Total adjustments	3,099	164,752
Cash inflow (outflow) generated from operations	(24,885)	155,753
Interest received	31,445	12,509
Interest paid	(2,474)	(5,389)
Net cash flows from (used in) operating activities	4,086	162,873

Cash flows from (used in) investing activities		
Acquisition of available-for-sale financial assets	0	(14,839)
Proceeds from disposal of available-for-sale financial assets	27,866	0
Acquisition of financial assets at cost	(21,000)	0
Acquisition of property, plant and equipment	(942)	(396)
Decrease in refundable deposits	90	610
Acquisition of intangible assets	(8,350)	(9,142)
Increase in other financial assets	1,138,868	0
Decrease in other financial assets	0	(1,167,852)
Increase in other non-current assets	19,813	0
Decrease in other non-current assets	0	(953)
Net cash flows from (used in) investing activities	1,156,345	(1,192,572)
Cash flows from (used in) financing activities		
Increase in short-term loans	0	720,495
Decrease in short-term loans	(1,001,717)	0
Increase in guarantee deposits received	154	282
Net cash flows from (used in) financing activities	(1,001,563)	720,777
Effect of exchange rate changes on cash and cash equivalents	(3,594)	7,757
Net increase (decrease) in cash and cash equivalents	155,274	(301,165)
Cash and cash equivalents at beginning of period	292,402	695,846
Cash and cash equivalents at end of period	447,676	394,681
Cash and cash equivalents reported in the statement of financial position	447,676	394,681