CHICONY ELECTRONICS CO., LTD AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)
(The consolidated balance sheets as of September 30, 2017 and 2016 are reviewed, not audited)

	Assets	Notes	September 30, 2017	December 31, 2016	(adjusted) September 30, 2016	(adjusted) January 1, 2016
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 2,671,585	$ 3,076,607	$ 3,037,407	$ 2,349,599
1110	Financial assets at fair value through profit or loss - current	6(2)	232,292	237,458	44,206	437,429
1125	Available-for-sale financial assets - current	6(3)	5,278,440	4,321,515	4,218,821	3,969,736
1144	Financial assets carried at cost - current		-	-	-	10,617
1150	Notes receivable, net		844,067	667,235	642,283	266,456
1170	Accounts receivable, net	6(5)	20,867,888	18,890,909	19,187,242	18,073,961
1180	Accounts receivable - related parties	7	313,605	473,676	264,283	329,439
1200	Other receivables		439,274	446,761	397,618	452,479
130X	Inventories, net	6(7)	11,597,956	10,294,196	9,869,498	9,413,581
1410	Prepayments		1,430,916	1,248,502	1,135,922	972,681
1470	Other current assets	8	37,765	165,633	142,143	141,818
11XX	**Current Assets**		43,713,788	39,822,492	38,939,423	36,417,796
	Non-current assets					
1523	Available-for-sale financial assets - noncurrent	6(3)	917,024	1,388,312	2,067,981	1,596,614
1543	Financial assets carried at cost - noncurrent	6(4)	2,100,800	1,836,330	1,064,640	917,494
1550	Investments accounted for under equity method	6(8)	994,792	837,950	865,240	999,597
1600	Property, plant and equipment, net	6(9)	13,298,637	13,495,266	15,296,775	15,461,482
1760	Investment property, net	6(10) and 8	5,495,144	5,547,494	2,113,248	1,855,650
1780	Intangible assets	6(11)	248,860	255,143	261,199	263,118
1840	Deferred income tax assets		145,046	147,971	133,875	135,676
1900	Other non-current assets	6(12) and 8	1,319,790	966,818	1,049,700	1,322,668
15XX	**Non-current assets**		24,520,093	24,475,284	22,852,658	22,552,299
1XXX	**Total assets**		$ 68,233,881	$ 64,297,776	$ 61,792,081	$ 58,970,095

(Continued)

CHICONY ELECTRONICS CO., LTD AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)
(The consolidated balance sheets as of September 30, 2017 and 2016 are reviewed, not audited)

	Liabilities and Equity	Notes	September 30, 2017	December 31, 2016	(adjusted) September 30, 2016	(adjusted) January 1, 2016
	Current liabilities					
2100	Short-term borrowings	6(13) and 8	$ 6,864,341	$ 2,101,177	$ 3,727,759	$ 2,473,216
2110	Short-term notes and bills payable		-	-	250,000	-
2120	Financial liabilities at fair value through profit or loss - current	6(2)	413,470	93,327	751,357	107,399
2150	Notes payable		2,821	6,819	18,012	16,298
2170	Accounts payable	6(14)	20,813,816	20,182,530	19,890,855	18,588,195
2180	Accounts payable - related parties	7	516,471	605,394	480,423	500,250
2200	Other payables	6(15)	8,143,490	8,481,776	6,590,099	7,181,716
2230	Current income tax liabilities		1,303,987	1,329,482	742,371	1,082,321
2300	Other current liabilities	6(16)	706,024	264,263	251,790	273,716
21XX	**Current Liabilities**		38,764,420	33,064,768	32,702,666	30,223,111
	Non-current liabilities					
2540	Long-term borrowings	6(16) and 8	$ 1,450,011	$ 2,352,377	$ 2,523,079	$ 2,389,694
2570	Deferred income tax liabilities		121,724	121,917	37,043	37,189
2600	Other non-current liabilities		225,577	233,781	206,663	205,673
25XX	**Non-current liabilities**		1,797,312	2,708,075	2,766,785	2,632,556
2XXX	**Total Liabilities**		40,561,732	35,772,843	35,469,451	32,855,667
	Equity attributable to owners of parent					
	Share capital	6(19)				
3110	Share capital - common stock		7,206,051	7,120,820	7,120,820	7,038,101
	Capital surplus	6(20)				
3200	Capital surplus		5,279,732	4,629,152	4,649,716	4,090,426
	Retained earnings	6(21)				
3310	Legal reserve		4,215,046	3,861,939	3,861,939	3,477,140
3320	Special reserve		433,524	951,488	951,488	433,524
3350	Unappropriated retained earnings	6(29)	7,860,442	8,049,113	6,683,516	8,505,468
	Other equity interest	6(22)				
3400	Other equity interest		(1,208,511)	63,660	(809,422)	(955,085)
3500	**Treasury stocks**	6(19) and 8	(517,165)	(517,165)	(311,277)	(311,277)
31XX	**Equity attributable to owners of the parent**		23,269,119	24,159,007	22,146,780	22,278,297
36XX	**Non-controlling interest**	4(3)	4,403,030	4,365,926	4,175,850	3,836,131
3XXX	**Total equity**		27,672,149	28,524,933	26,322,630	26,114,428
	Significant contingent liabilities and unrecognised contract	9				
	Significant events after the balance sheet date	11				
3X2X	**Total liabilities and equity**		$ 68,233,881	$ 64,297,776	$ 61,792,081	$ 58,970,095

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

CHICONY ELECTRONICS CO., LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except earnings per share amounts)
(UNAUDITED)

	Items	Notes	Three months ended September 30		Nine months ended September 30	
			2017	2016	2017	2016
4000	**Sales revenue**	6(23) and 7	$ 21,509,202	$ 20,973,216	$ 57,120,587	$ 55,861,046
5000	**Operating costs**	6(7)(26)(27) and 7	(17,744,462)	(17,000,588)	(47,286,208)	(46,464,450)
5900	**Net operating margin**		3,764,740	3,972,628	9,834,379	9,396,596
	Operating expenses	6(26)(27)				
6100	Selling expenses		(831,584)	(816,938)	(2,642,423)	(2,476,316)
6200	General and administrative expenses		(557,678)	(630,440)	(1,705,136)	(1,676,248)
6300	Research and development expenses		(702,058)	(568,324)	(1,927,460)	(1,671,781)
6000	**Total operating expenses**		(2,091,320)	(2,015,702)	(6,275,019)	(5,824,345)
6900	**Operating profit**		1,673,420	1,956,926	3,559,360	3,572,251
	Non-operating income and expenses					
7010	Other income	6(24)	110,625	134,112	528,153	669,956
7020	Other gains and losses	6(25)	133,711	(1,213,036)	153,588	(1,267,594)
7050	Finance costs	6(28)	(29,094)	(22,938)	(75,130)	(66,173)
7060	Share of profit/(loss) of associates and joint ventures accounted for under equity method	6(8)	(49,236)	(37,508)	(110,031)	(112,938)
7000	**Total non-operating revenue and expenses**		166,006	(1,139,370)	496,580	(776,749)
7900	**Profit before income tax**		1,839,426	817,556	4,055,940	2,795,502
7950	Income tax (expense) benefit	6(29)	(308,871)	38,597	(728,559)	(319,571)
8200	**Profit for the year**		$ 1,530,555	$ 856,153	$ 3,327,381	$ 2,475,931
	Other comprehensive income					
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Other comprehensive income, before tax, exchange differences on translation		$ 169,639	($ 877,521)	($ 1,022,448)	($ 1,438,954)
8362	Other comprehensive loss, before tax, available-for-sale financial assets		(508,002)	1,983,592	(603,350)	1,846,946
8370	Share of other comprehensive (loss) income of associates and joint ventures accounted for under equity method		14,266	(6,822)	7,277	(21,487)
8360	**Components of other comprehensive income that will be reclassified to profit or loss**		(324,097)	1,099,249	(1,618,521)	386,505
8300	**Total other comprehensive income for the year**		($ 324,097)	$ 1,099,249	($ 1,618,521)	$ 386,505
8500	**Total comprehensive income for the year**		$ 1,206,458	$ 1,955,402	$ 1,708,860	$ 2,862,436
	Profit (loss), attributable to:					
8610	Owners of the parent		$ 1,227,208	$ 779,339	$ 2,717,737	$ 2,142,385
8620	Non-controlling interest		$ 303,347	$ 76,814	$ 609,644	$ 333,546
	Comprehensive income attributable to:					
8710	Owners of the parent		$ 1,059,664	$ 1,594,567	$ 1,445,566	$ 2,288,048
8720	Non-controlling interest		$ 146,794	$ 360,835	$ 263,294	$ 574,388
	Earnings per share	6(30)				
9750	**Total basic earnings per share**		$ 1.80	$ 1.15	$ 4.00	$ 3.16
9850	**Total diluted earnings per share**		$ 1.79	$ 1.14	$ 3.96	$ 3.14

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

CHICONY ELECTRONICS CO., LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2017 AND 2016
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

		Equity attributable to owners of the parent											
				Retained Earnings			Other equity interest						
	Notes	Share capital - common stock	Capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gain or loss on available-for-sale financial assets	Asset revaluation increment	Treasury stocks	Total	Non-controlling interest	Total equity
Year 2016													
Balance at January 1, 2016		$ 7,038,101	$ 4,090,426	$ 3,477,140	$433,524	$ 8,591,961	$ 1,404,049	($ 2,355,538)	$ -	($311,277)	$ 22,368,386	$ 3,836,131	$ 26,204,517
Effects of retrospective application and retrospective restatement		-	-	-	-	(86,493)	(3,596)	-	-	-	(90,089)	-	(90,089)
Balance at 1 January after adjustments		7,038,101	4,090,426	3,477,140	433,524	8,505,468	1,400,453	(2,355,538)	-	(311,277)	22,278,297	3,836,131	26,114,428
Appropriation of 2015 earnings	6(21)												
Appropriation of legal reserve		-	-	384,799	-	(384,799)	-	-	-	-	-	-	-
Appropriation of special reserve		-	-	-	517,964	(517,964)	-	-	-	-	-	-	-
Distribution of stock dividends		35,191	-	-	-	(35,191)	-	-	-	-	-	-	-
Cash dividends		-	-	-	-	(3,026,383)	-	-	-	-	(3,026,383)	-	(3,026,383)
Approriation of employee bonues		47,528	327,472	-	-	-	-	-	-	-	375,000	-	375,000
Profit for the period		-	-	-	-	2,142,385	-	-	-	-	2,142,385	333,546	2,475,931
Other comprehensive income (loss) for the period	6(22)	-	-	-	-	-	(1,332,540)	1,478,203	-	-	145,663	240,842	386,505
Cash dividends paid to the subsidiaries		-	158,276	-	-	-	-	-	-	-	158,276	-	158,276
Difference between proceeds from addition and disposal of subsidiary and book value		-	43	-	-	-	-	-	-	-	43	(43)	-
Change in ownership interests in subsidiaries		-	73,499	-	-	-	-	-	-	-	73,499	196,420	269,919
Cash dividends distributed by subsidiaries		-	-	-	-	-	-	-	-	-	-	(438,376)	(438,376)
Minority interest adjustment		-	-	-	-	-	-	-	-	-	-	7,330	7,330
Balance at September 30, 2016		$ 7,120,820	$ 4,649,716	$ 3,861,939	$951,488	$ 6,683,516	$ 67,913	($ 877,335)	$ -	($311,277)	$ 22,146,780	$ 4,175,850	$ 26,322,630

(Continued)

CHICONY ELECTRONICS CO., LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2017 AND 2016
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

		Equity attributable to owners of the parent											
				Retained Earnings			Other equity interest						
	Notes	Share capital - common stock	Capital surplus, additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gain or loss on available-for-sale financial assets	Asset revaluation increment	Treasury stocks	Total	Non-controlling interest	Total equity
Year 2017													
Balance at January 1, 2017		$ 7,120,820	$ 4,629,152	$ 3,861,939	$951,488	$ 8,049,113	$ 55,011	($1,379,630)	$1,388,279	($517,165)	$ 24,159,007	$ 4,365,926	$ 28,524,933
Appropriation of 2016 earnings	6(21)												
Appropriation of legal reserve		-	-	353,107	-	(353,107)	-	-	-	-	-	-	-
Reversal of special reserve		-	-	-	(517,964)	517,964	-	-	-	-	-	-	-
Distribution of stock dividends		35,712	-	-	-	(35,712)	-	-	-	-	-	-	-
Cash dividends		-	-	-	-	(3,035,553)	-	-	-	-	(3,035,553)	-	(3,035,553)
Approriation of employee bonues		49,519	310,481	-	-	-	-	-	-	-	360,000	-	360,000
Profit for the period		-	-	-	-	2,717,737	-	-	-	-	2,717,737	609,644	3,327,381
Other comprehensive loss for the period	6(22)	-	-	-	-	-	(960,203)	(311,968)	-	-	(1,272,171)	(346,350)	(1,618,521)
Cash dividends paid to the subsidiaries		-	157,218	-	-	-	-	-	-	-	157,218	-	157,218
Difference between proceeds from addition and disposal of subsidiary and book value		-	7	-	-	-	-	-	-	-	7	(7)	-
Change in ownership interests in subsidiaries		-	111,114	-	-	-	-	-	-	-	111,114	349,065	460,179
Change in equity of associates and joint ventures accounted for under equity method		-	71,760	-	-	-	-	-	-	-	71,760	-	71,760
Cash dividends distributed by subsidiaries		-	-	-	-	-	-	-	-	-	-	(570,579)	(570,579)
Minority interest adjustment		-	-	-	-	-	-	-	-	-	-	(4,669)	(4,669)
Balance at September 30, 2017		$ 7,206,051	$ 5,279,732	$ 4,215,046	$433,524	$ 7,860,442	($ 905,192)	($1,691,598)	$1,388,279	($517,165)	$ 23,269,119	$ 4,403,030	$ 27,672,149

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

CHICONY ELECTRONICS CO., LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	Nine months ended September 31, 2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 4,055,940	$ 2,795,502
Adjustments to reconcile profit before tax to net cash provided by operating activities			
Income and expenses having no effect on cash flows			
Depreciation	6(9)(26)	1,458,083	1,521,505
Amortization	6(11)(26)	52,540	56,965
Other non-current assets amortization	6(26)	43,169	72,183
Long-term lease amortization	6(12)(26)	6,190	6,095
Provision for allowance for doubtful accounts		4,304	8,330
Interest expense	6(28)	75,130	66,173
Share-based payments	6(18)	52,130	99,412
Interest income	6(24)	(25,122)	(29,696)
Dividend income	6(24)	(183,109)	(190,681)
Net loss on financial assets or liabilities at fair value through profit or loss	6(2)(25)	833,377	980,624
Investment loss recognized under the equity method	6(8)	110,031	112,938
Gain on disposal of property, plant and equipment	6(25)	(23,435)	(9,857)
Loss on disposal of intangible assets		-	1,385
Gain on investments	6(25)	(611,158)	(676,997)
Impairment loss of financial assets	6(25)	-	1,467,762
Impairment loss of non-financial assets	6(11)(25)	96	-
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets and liabilities at fair value through profit or loss - current		(508,068)	56,557
Notes receivable		(176,832)	(37,587)
Accounts receivable		(1,981,283)	(1,459,851)
Accounts receivable - related parties		160,071	65,156
Other receivables		25,625	102,320
Inventories		(1,303,760)	(455,917)
Prepayments		(182,414)	(163,241)
Other current assets		127,868	(6,323)
Changes in operating liabilities			
Notes payable		(3,998)	1,714
Accounts payable		631,286	1,302,660
Accounts payable - related parties		(88,923)	(19,827)
Other payables		459,765	(191,856)
Other current liabilities		38,044	(21,926)
Other non-current liabilities		(8,204)	990
Cash inflow generated from operations		3,037,343	5,454,512
Interest received		25,874	29,664
Dividend received		182,098	183,030
Interest paid		(71,047)	(66,720)
Income tax paid		(751,322)	(654,657)
Net cash flows from operating activities		2,422,946	4,945,829

(Continued)

CHICONY ELECTRONICS CO., LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)
(UNAUDITED)

	Notes	Nine months ended September 31, 2017	2016
CASH FLOWS FROM INVESTING ACTIVITIES			
Acqusition of government grants		$ -	$ 5,000
Increase in other current assets		-	(397)
Increase in available-for-sale financial assets		(2,861,930)	(2,609,051)
Proceeds from disposal of available-for-sale financial assets		2,357,228	2,862,584
Increase in financial assets carried at cost		(426,652)	(165,616)
Proceeds from disposal of financial assets carried at cost		53,211	7,263
Acqusition of investment recognized under the equity method		(279,814)	-
Proceeds from disposal of investment recognized under the equity method		120,454	-
Acquisition of property, plant and equipment	6(31)	(1,682,798)	(1,855,562)
Proceeds from disposal of property, plant and equipment		150,285	108,402
Acquisition of investment property	6(10)	(588)	-
Acquisition of intangible assets	6(11)	(51,303)	(49,261)
Increase in other non-current assets		(567,303)	(237,132)
(Increase) decrease in refundable deposits		(95,353)	182,637
Net cash flows used in investing activities		(3,284,563)	(1,751,133)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term borrowings		4,763,164	1,254,543
Increase in short-term notes and bills payable		-	250,000
Increase in long-term borrowings		-	107,782
Decrease in long-term borrowings		(460,000)	(160,000)
Treasury stock sold to employees		141,171	-
Changes in non-controlling interests		(4,669)	7,330
Cash dividends distributed by subsidiaries		(570,579)	(438,376)
Payment of cash dividends		(2,878,335)	(2,868,107)
Net cash flows from (used in) financing activities		990,752	(1,846,828)
Effect of exchange rate changes on cash and cash equivalents		(534,157)	(660,060)
Net (decrease) increase in cash and cash equivalents		(405,022)	687,808
Cash and cash equivalents at beginning of period	6(1)	3,076,607	2,349,599
Cash and cash equivalents at end of period	6(1)	$ 2,671,585	$ 3,037,407

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