

**SILERGY CORP.**  
(Incorporated in the Cayman Islands)  
**AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEETS**  
(In Thousands of New Taiwan Dollars)

|  | June 30, 2017<br>(Reviewed) |            | December 31, 2016<br>(Audited) |            | June 30, 2016<br>(Reviewed) |            |
|--|-----------------------------|------------|--------------------------------|------------|-----------------------------|------------|
|  | Amount                      | %          | Amount                         | %          | Amount                      | %          |
| <b>ASSETS</b>  |                             |            |                                |            |                             |            |
| <b>CURRENT ASSETS</b>  |                             |            |                                |            |                             |            |
| Cash and cash equivalents  | \$ 2,916,985                | 26         | \$ 2,679,526                   | 25         | \$ 1,273,962                | 14         |
| Financial assets at fair value through profit or loss - current      | 1,068                       | -          | -                              | -          | -                           | -          |
| Debt investments with no active market - current                     | 500,502                     | 4          | 667,849                        | 6          | 258,743                     | 3          |
| Accounts receivable, net   | 664,227                     | 6          | 582,472                        | 5          | 780,576                     | 8          |
| Other receivables  | 56,906                      | -          | 35,972                         | -          | 384,580                     | 4          |
| Inventories  | 1,569,543                   | 14         | 1,312,193                      | 12         | 1,095,904                   | 12         |
| Prepayments  | 58,603                      | 1          | 53,398                         | 1          | 36,742                      | -          |
| Total current assets   | <u>5,767,834</u>            | <u>51</u>  | <u>5,331,410</u>               | <u>49</u>  | <u>3,830,507</u>            | <u>41</u>  |
| <b>NON-CURRENT ASSETS</b>  |                             |            |                                |            |                             |            |
| Financial assets measured at cost - non-current                      | 156,756                     | 1          | 131,259                        | 1          | 134,442                     | 2          |
| Debt investment with no active market - non-current                  | 30,420                      | -          | 32,250                         | -          | -                           | -          |
| Investments accounted for using equity method                        | 615,700                     | 6          | 629,921                        | 6          | 659,804                     | 7          |
| Property, plant and equipment  | 511,310                     | 5          | 387,356                        | 4          | 279,402                     | 3          |
| Goodwill   | 2,442,556                   | 22         | 2,546,052                      | 24         | 2,598,123                   | 28         |
| Other intangible assets  | 1,429,038                   | 13         | 1,598,323                      | 15         | 1,585,837                   | 17         |
| Deferred tax assets  | 38,168                      | -          | 38,697                         | -          | 37,290                      | 1          |
| Refundable deposits  | 27,502                      | -          | 28,006                         | -          | 25,281                      | -          |
| Net defined benefit assets - non-current                             | 887                         | -          | 829                            | -          | 771                         | -          |
| Long-term prepayments  | 245,759                     | 2          | 103,972                        | 1          | 106,039                     | 1          |
| Total non-current assets   | <u>5,498,096</u>            | <u>49</u>  | <u>5,496,665</u>               | <u>51</u>  | <u>5,426,989</u>            | <u>59</u>  |
| <b>TOTAL</b>   | <u>\$ 11,265,930</u>        | <u>100</u> | <u>\$ 10,828,075</u>           | <u>100</u> | <u>\$ 9,257,496</u>         | <u>100</u> |
| <b>LIABILITIES AND EQUITY</b>  |                             |            |                                |            |                             |            |
| <b>CURRENT LIABILITIES</b>   |                             |            |                                |            |                             |            |
| Short-term borrowings  | \$ -                        | -          | \$ -                           | -          | \$ 3,388,875                | 37         |
| Financial liabilities at fair value through profit or loss - current | -                           | -          | 10,170                         | -          | -                           | -          |
| Accounts payable   | 481,440                     | 4          | 460,318                        | 4          | 445,323                     | 5          |
| Other payables   | 623,997                     | 6          | 317,232                        | 3          | 396,350                     | 4          |
| Current tax liabilities  | 17,319                      | -          | 5                              | -          | 10,196                      | -          |
| Other current liabilities  | 6,478                       | -          | 5,209                          | -          | 5,820                       | -          |
| Total current liabilities  | <u>1,129,234</u>            | <u>10</u>  | <u>792,934</u>                 | <u>7</u>   | <u>4,246,564</u>            | <u>46</u>  |
| <b>NON-CURRENT LIABILITIES</b>                                       |                             |            |                                |            |                             |            |
| Bonds payable  | 988,349                     | 9          | 1,758,758                      | 16         | -                           | -          |
| Deferred tax liabilities   | 59                          | -          | 59                             | -          | 63                          | -          |
| Guarantee deposits   | -                           | -          | 9,001                          | -          | 9,423                       | -          |
| Other payables - non-current   | 59,319                      | -          | 72,563                         | 1          | -                           | -          |
| Total non-current liabilities  | <u>1,047,727</u>            | <u>9</u>   | <u>1,840,381</u>               | <u>17</u>  | <u>9,486</u>                | <u>-</u>   |
| Total liabilities  | <u>2,176,961</u>            | <u>19</u>  | <u>2,633,315</u>               | <u>24</u>  | <u>4,256,050</u>            | <u>46</u>  |
| <b>EQUITY</b>  |                             |            |                                |            |                             |            |
| Common shares  | 861,402                     | 8          | 840,232                        | 8          | 783,995                     | 8          |
| Capital surplus  |                             |            |                                |            |                             |            |
| Paid-in capital  | 4,122,001                   | 36         | 3,285,208                      | 30         | 1,213,998                   | 13         |
| Employee share options   | 201,958                     | 2          | 139,405                        | 1          | 88,167                      | 1          |
| Share options  | 87,292                      | 1          | 147,974                        | 2          | -                           | -          |
| Restricted shares for employees                                      | 109,602                     | 1          | 191,155                        | 2          | 130,489                     | 2          |
| Total capital surplus  | <u>4,520,853</u>            | <u>40</u>  | <u>3,763,742</u>               | <u>35</u>  | <u>1,432,654</u>            | <u>16</u>  |
| Retained earnings  |                             |            |                                |            |                             |            |
| Legal reserve  | 400,194                     | 4          | 253,228                        | 2          | 253,228                     | 3          |
| Unappropriated earnings  | 3,631,907                   | 32         | 3,332,282                      | 31         | 2,443,706                   | 26         |
| Total retained earnings  | <u>4,032,101</u>            | <u>36</u>  | <u>3,585,510</u>               | <u>33</u>  | <u>2,696,934</u>            | <u>29</u>  |
| Other equity   |                             |            |                                |            |                             |            |
| Exchange differences on translating foreign operations               | (279,471)                   | (3)        | 91,948                         | 1          | 154,455                     | 2          |
| Unearned employee benefits   | (45,916)                    | -          | (86,672)                       | (1)        | (66,592)                    | (1)        |
| Total other equity   | <u>(325,387)</u>            | <u>(3)</u> | <u>5,276</u>                   | <u>-</u>   | <u>87,863</u>               | <u>1</u>   |
| Total equity   | <u>9,088,969</u>            | <u>81</u>  | <u>8,194,760</u>               | <u>76</u>  | <u>5,001,446</u>            | <u>54</u>  |
| <b>TOTAL</b>   | <u>\$ 11,265,930</u>        | <u>100</u> | <u>\$ 10,828,075</u>           | <u>100</u> | <u>\$ 9,257,496</u>         | <u>100</u> |

**SILERGY CORP.**  
(Incorporated in the Cayman Islands)  
**AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)  
(Reviewed, Not Audited)

|   | For the Three Months Ended June 30 |            |                |            | For the Six Months Ended June 30 |           |                  |            |
|---|------------------------------------|------------|----------------|------------|----------------------------------|-----------|------------------|------------|
|   | 2017                               |            | 2016           |            | 2017                             |           | 2016             |            |
|   | Amount                             | %          | Amount         | %          | Amount                           | %         | Amount           | %          |
| OPERATING REVENUE, NET  | \$ 2,184,607                       | 100        | \$ 1,798,697   | 100        | \$ 4,015,173                     | 100       | \$ 3,116,044     | 100        |
| OPERATING COSTS   | <u>1,124,583</u>                   | <u>51</u>  | <u>953,531</u> | <u>53</u>  | <u>2,073,959</u>                 | <u>51</u> | <u>1,673,304</u> | <u>54</u>  |
| GROSS PROFIT  | <u>1,060,024</u>                   | <u>49</u>  | <u>845,166</u> | <u>47</u>  | <u>1,941,214</u>                 | <u>49</u> | <u>1,442,740</u> | <u>46</u>  |
| OPERATING EXPENSES  |                                    |            |                |            |                                  |           |                  |            |
| Selling and marketing expenses                                      | 146,234                            | 7          | 98,825         | 5          | 288,761                          | 7         | 197,030          | 6          |
| General and administrative expenses                                 | 98,802                             | 4          | 141,283        | 8          | 222,759                          | 6         | 222,843          | 7          |
| Research and development expenses                                   | <u>302,415</u>                     | <u>14</u>  | <u>249,487</u> | <u>14</u>  | <u>560,597</u>                   | <u>14</u> | <u>437,699</u>   | <u>14</u>  |
| Total operating expenses  | <u>547,451</u>                     | <u>25</u>  | <u>489,595</u> | <u>27</u>  | <u>1,072,117</u>                 | <u>27</u> | <u>857,572</u>   | <u>27</u>  |
| OTHER OPERATING INCOME AND EXPENSES, NET                            | <u>4,262</u>                       | <u>-</u>   | <u>4,763</u>   | <u>-</u>   | <u>8,621</u>                     | <u>-</u>  | <u>9,666</u>     | <u>-</u>   |
| OPERATING INCOME  | <u>516,835</u>                     | <u>24</u>  | <u>360,334</u> | <u>20</u>  | <u>877,718</u>                   | <u>22</u> | <u>594,834</u>   | <u>19</u>  |
| NONOPERATING INCOME AND EXPENSES                                    |                                    |            |                |            |                                  |           |                  |            |
| Interest income   | 6,258                              | -          | 2,115          | -          | 12,082                           | -         | 5,793            | -          |
| Other income  | 6,533                              | -          | 9,918          | -          | 16,942                           | -         | 28,565           | 1          |
| Foreign exchange gain (loss), net                                   | (3,718)                            | -          | 6,388          | -          | (4,393)                          | -         | 7,840            | -          |
| Interest expenses   | (4,856)                            | -          | (23,816)       | (1)        | (12,683)                         | -         | (27,788)         | (1)        |
| Gains on financial instruments at fair value through profit or loss | 743                                | -          | -              | -          | 10,361                           | -         | -                | -          |
| Share of gain (loss) of associates                                  | 847                                | -          | (3,772)        | -          | (1,405)                          | -         | (8,061)          | -          |
| Miscellaneous expenses  | <u>(5,066)</u>                     | <u>-</u>   | <u>(819)</u>   | <u>-</u>   | <u>(5,460)</u>                   | <u>-</u>  | <u>(1,693)</u>   | <u>-</u>   |
| Total nonoperating income and expenses                              | <u>741</u>                         | <u>-</u>   | <u>(9,986)</u> | <u>(1)</u> | <u>15,444</u>                    | <u>-</u>  | <u>4,656</u>     | <u>-</u>   |
| PROFIT BEFORE INCOME TAX  | 517,576                            | 24         | 350,348        | 19         | 893,162                          | 22        | 599,490          | 19         |
| INCOME TAX EXPENSE  | <u>(14,755)</u>                    | <u>(1)</u> | <u>(7,833)</u> | <u>-</u>   | <u>(26,455)</u>                  | <u>-</u>  | <u>(18,427)</u>  | <u>(1)</u> |
| NET PROFIT FOR THE PERIOD   | <u>502,821</u>                     | <u>23</u>  | <u>342,515</u> | <u>19</u>  | <u>866,707</u>                   | <u>22</u> | <u>581,063</u>   | <u>18</u>  |
| OTHER COMPREHENSIVE INCOME (LOSS)                                   |                                    |            |                |            |                                  |           |                  |            |
| Items that will not be reclassified subsequently to profit or loss: |                                    |            |                |            |                                  |           |                  |            |

(Continued)

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(Incorporated in the Cayman Islands)  
**AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)  
(Reviewed, Not Audited)

|  | For the Three Months Ended June 30 |           |                   |            | For the Six Months Ended June 30 |            |                   |            |
|--|------------------------------------|-----------|-------------------|------------|----------------------------------|------------|-------------------|------------|
|  | 2017                               |           | 2016              |            | 2017                             |            | 2016              |            |
|  | Amount                             | %         | Amount            | %          | Amount                           | %          | Amount            | %          |
| Exchange differences arising from translation to the presentation currency                   | 49,733                             | 2         | 9,166             | -          | (448,693)                        | (11)       | (82,396)          | (3)        |
| Items that may be reclassified subsequently to profit or loss:                               |                                    |           |                   |            |                                  |            |                   |            |
| Exchange differences on translating foreign operations                                       | 43,005                             | 2         | (41,148)          | (2)        | 62,790                           | 2          | (36,973)          | (1)        |
| Share of the other comprehensive gain (loss) of associates accounted for using equity method | <u>11,169</u>                      | <u>1</u>  | <u>(17,660)</u>   | <u>(1)</u> | <u>14,484</u>                    | <u>-</u>   | <u>(14,193)</u>   | <u>-</u>   |
| Other comprehensive income (loss) for the period, net of income tax                          | <u>103,907</u>                     | <u>5</u>  | <u>(49,642)</u>   | <u>(3)</u> | <u>(371,419)</u>                 | <u>(9)</u> | <u>(133,562)</u>  | <u>(4)</u> |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>   | <u>\$ 606,728</u>                  | <u>28</u> | <u>\$ 292,873</u> | <u>16</u>  | <u>\$ 495,288</u>                | <u>13</u>  | <u>\$ 447,501</u> | <u>14</u>  |
| <b>EARNINGS PER SHARE</b>  |                                    |           |                   |            |                                  |            |                   |            |
| Basic  | <u>\$ 5.90</u>                     |           | <u>\$ 4.43</u>    |            | <u>\$ 10.26</u>                  |            | <u>\$ 7.52</u>    |            |
| Diluted  | <u>\$ 5.57</u>                     |           | <u>\$ 4.25</u>    |            | <u>\$ 9.64</u>                   |            | <u>\$ 7.21</u>    |            |

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**SILERGY CORP.**  
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**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY IN EQUITY**  
(In Thousands of New Taiwan Dollars)  
(Reviewed, Not Audited)

|   | Equity Attributable to Owners of the Company |                   |                     |                        |                  |                                 |                     |                   |                         |  | Other Equity               |                    |                     | Total Equity        |
|---|--|-------------------|---------------------|------------------------|------------------|---------------------------------|---------------------|-------------------|-------------------------|--|----------------------------|--------------------|---------------------|---------------------|
|   | Common Shares                                |                   | Capital Surplus     |                        |                  |                                 | Retained Earnings   |                   |                         | Exchange Differences on Translating Foreign Operations | Unearned Employee Benefits | Total              |                     |                     |
|   | Shares                                       | Amount            | Paid-in Capital     | Employee Share Options | Share Options    | Restricted Shares for Employees | Total               | Legal Reserve     | Unappropriated Earnings |  |                            |                    | Total               |                     |
| BALANCE AT JANUARY 1, 2016  | 78,221                                       | \$ 782,206        | \$ 1,162,098        | \$ 38,186              | \$ -             | \$ 156,206                      | \$ 1,356,490        | \$ 133,103        | \$ 2,139,278            | \$ 2,272,381   | \$ 288,017                 | \$ (91,242)        | \$ 196,775          | \$ 4,607,852        |
| Appropriation of the 2015 earnings  |  |                   |                     |                        |                  |                                 |                     |                   |                         |  |                            |                    |                     |                     |
| Legal reserve   | -  | -                 | -                   | -                      | -                | -                               | -                   | 120,125           | (120,125)               | -  | -                          | -                  | -                   | -                   |
| Cash dividends distributed by Silergy Corp.   | -  | -                 | -                   | -                      | -                | -                               | -                   | -                 | (156,510)               | (156,510)  | -                          | -                  | -                   | (156,510)           |
| Recognition of employee share options by Silergy Corp.                                      | -  | -                 | -                   | 50,459                 | -                | -                               | 50,459              | -                 | -                       | -  | -                          | -                  | -                   | 50,459              |
| Net profit for the six months ended June 30, 2016   | -  | -                 | -                   | -                      | -                | -                               | -                   | -                 | 581,063                 | 581,063  | -                          | -                  | -                   | 581,063             |
| Other comprehensive income (loss) for the six months ended June 30, 2016, net of income tax | -  | -                 | -                   | -                      | -                | -                               | -                   | -                 | -                       | -  | (133,562)                  | -                  | (133,562)           | (133,562)           |
| Total comprehensive income (loss) for the six months ended June 30, 2016                    | -  | -                 | -                   | -                      | -                | -                               | -                   | -                 | 581,063                 | 581,063  | (133,562)                  | -                  | (133,562)           | 447,501             |
| Issue of common shares under employee share options   | 117  | 1,170             | 1,134               | (478)                  | -                | -                               | 656                 | -                 | -                       | -  | -                          | -                  | -                   | 1,826               |
| Recognition of restricted employee shares issued by Silergy Corp.                           | 62   | 619               | 50,766              | -                      | -                | (25,717)                        | 25,049              | -                 | -                       | -  | -                          | 24,650             | 24,650              | 50,318              |
| BALANCE AT JUNE 30, 2016  | <u>78,400</u>                                | <u>\$ 783,995</u> | <u>\$ 1,213,998</u> | <u>\$ 88,167</u>       | <u>\$ -</u>      | <u>\$ 130,489</u>               | <u>\$ 1,432,654</u> | <u>\$ 253,228</u> | <u>\$ 2,443,706</u>     | <u>\$ 2,696,934</u>                                    | <u>\$ 154,455</u>          | <u>\$ (66,592)</u> | <u>\$ 87,863</u>    | <u>\$ 5,001,446</u> |
| BALANCE AT JANUARY 1, 2017  | 84,023                                       | \$ 840,232        | \$ 3,285,208        | \$ 139,405             | \$ 147,974       | \$ 191,155                      | \$ 3,763,742        | \$ 253,228        | \$ 3,332,282            | \$ 3,585,510   | \$ 91,948                  | \$ (86,672)        | \$ 5,276            | \$ 8,194,760        |
| Appropriation of the 2016 earnings  |  |                   |                     |                        |                  |                                 |                     |                   |                         |  |                            |                    |                     |                     |
| Legal reserve   | -  | -                 | -                   | -                      | -                | -                               | -                   | 146,966           | (146,966)               | -  | -                          | -                  | -                   | -                   |
| Cash dividends distributed by Silergy Corp.   | -  | -                 | -                   | -                      | -                | -                               | -                   | -                 | (420,116)               | (420,116)  | -                          | -                  | -                   | (420,116)           |
| Recognition of employee share options by Silergy Corp.                                      | -  | -                 | -                   | 63,943                 | -                | -                               | 63,943              | -                 | -                       | -  | -                          | -                  | -                   | 63,943              |
| Convertible bonds converted to common shares  | 1,863  | 18,628            | 726,308             | -                      | (60,682)         | -                               | 665,626             | -                 | -                       | -  | -                          | -                  | -                   | 684,254             |
| Net profit for the six months ended June 30, 2017   | -  | -                 | -                   | -                      | -                | -                               | -                   | -                 | 866,707                 | 866,707  | -                          | -                  | -                   | 866,707             |
| Other comprehensive income (loss) for the six months ended June 30, 2017, net of income tax | -  | -                 | -                   | -                      | -                | -                               | -                   | -                 | -                       | -  | (371,419)                  | -                  | (371,419)           | (371,419)           |
| Total comprehensive income (loss) for the six months ended June 30, 2017                    | -  | -                 | -                   | -                      | -                | -                               | -                   | -                 | 866,707                 | 866,707  | (371,419)                  | -                  | (371,419)           | 495,288             |
| Issue of common shares under employee share options   | 206  | 2,059             | 4,087               | (1,390)                | -                | -                               | 2,697               | -                 | -                       | -  | -                          | -                  | -                   | 4,756               |
| Recognition of restricted employee shares issued by Silergy Corp.                           | 48   | 483               | 106,398             | -                      | -                | (81,553)                        | 24,845              | -                 | -                       | -  | -                          | 40,756             | 40,756              | 66,084              |
| BALANCE AT JUNE 30, 2017  | <u>86,140</u>                                | <u>\$ 861,402</u> | <u>\$ 4,122,001</u> | <u>\$ 201,958</u>      | <u>\$ 87,292</u> | <u>\$ 109,602</u>               | <u>\$ 4,520,853</u> | <u>\$ 400,194</u> | <u>\$ 3,631,907</u>     | <u>\$ 4,032,101</u>                                    | <u>\$ (279,471)</u>        | <u>\$ (45,916)</u> | <u>\$ (325,387)</u> | <u>\$ 9,088,969</u> |

**SILERGY CORP.**  
**(Incorporated in the Cayman Islands)**  
**AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(In Thousands of New Taiwan Dollars)**  
**(Reviewed, Not Audited)**

|   | <b>For the Six Months Ended</b> |                |
|---|---------------------------------|----------------|
|   | <b>June 30</b>                  |                |
|   | <b>2017</b>                     | <b>2016</b>    |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                       |                                 |                |
| Income before income tax  | \$ 893,162                      | \$ 599,490     |
| Adjustments for:  |                                 |                |
| Impairment loss recognized on accounts receivable                                 | 1,334                           | 1,745          |
| Net gain on financial assets and liabilities at fair value through profit or loss | (10,361)                        | -              |
| Depreciation expenses   | 16,433                          | 12,144         |
| Amortization expenses   | 109,410                         | 78,945         |
| Interest income   | (12,082)                        | (5,793)        |
| Interest expenses   | 12,683                          | 27,788         |
| Compensation cost of employee share options                                       | 63,943                          | 50,459         |
| Compensation cost of restricted employee shares                                   | 66,084                          | 50,318         |
| Share of loss of associates   | 1,405                           | 8,061          |
| Loss on disposal of property, plant and equipment                                 | 4                               | 32             |
| Property, plant and equipment transferred to expenses                             | 23                              | 317            |
| Gains on disposal of intangible assets  | (8,625)                         | (9,698)        |
| Write-down of inventories   | 32,292                          | 34,660         |
| Unrealized loss (gain) on foreign currency exchange                               | 1,280                           | (1,436)        |
| Changes in operating assets and liabilities                                       |                                 |                |
| Increase in accounts receivable   | (84,365)                        | (452,409)      |
| Decrease in other receivables   | 10,075                          | 7,233          |
| Decrease (increase) in inventories  | (273,659)                       | 41,055         |
| Increase in prepayments   | (5,205)                         | (4,383)        |
| Increase in defined benefit assets - non-current                                  | (58)                            | (116)          |
| Increase in accounts payable  | 21,209                          | 89,109         |
| Decrease in other payables  | (101,957)                       | (47,897)       |
| Increase (decrease) in other current liabilities                                  | 1,269                           | (345)          |
| Cash generated from operations  | 734,294                         | 479,279        |
| Interest received   | 11,717                          | 10,363         |
| Interest paid   | -                               | (24,157)       |
| Income tax paid   | (40,590)                        | (87,797)       |
| Net cash generated from operating activities                                      | <u>705,421</u>                  | <u>377,688</u> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                       |                                 |                |
| Proceeds from sale of debt investments with no active market                      | 167,347                         | 674,469        |
| Purchase of financial assets measured at cost                                     | (13,695)                        | -              |
| Net cash outflow on business combinations   | (40,952)                        | (4,048,362)    |
| Acquisition of property, plant and equipment                                      | (152,338)                       | (153,454)      |
| Decrease (increase) in long-term prepayments                                      | (147,120)                       | 509            |

(Continued)

**SILERGY CORP.**  
**(Incorporated in the Cayman Islands)**  
**AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(In Thousands of New Taiwan Dollars)**  
**(Reviewed, Not Audited)**

|   | <b>For the Six Months Ended</b> |                     |
|---|---------------------------------|---------------------|
|   | <b>June 30</b>                  |                     |
|   | <b>2017</b>                     | <b>2016</b>         |
| Payments for intangible assets                            | (38,471)                        | (13,271)            |
| Decrease in other financial assets                        | -                               | 36,108              |
| Decrease in refundable deposits                           | 504                             | 780                 |
| Increase (decrease) in guarantee deposits                 | <u>(9,001)</u>                  | <u>9,423</u>        |
| Net cash used in investing activities                     | <u>(233,726)</u>                | <u>(3,493,798)</u>  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>               |                                 |                     |
| Increase in short-term borrowings                         | -                               | 3,379,425           |
| Cash dividends paid                                       | (10,296)                        | (1,368)             |
| Proceeds from exercise of employee share options          | 4,756                           | 1,826               |
| Increase in other receivables                             | <u>-</u>                        | <u>(337,943)</u>    |
| Net cash generated from (used in) financing activities    | <u>(5,540)</u>                  | <u>3,041,940</u>    |
| <b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF</b> |                                 |                     |
| <b>CASH HELD IN FOREIGN CURRENCIES</b>                    | <u>(228,696)</u>                | <u>(72,553)</u>     |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH</b>           |                                 |                     |
| <b>EQUIVALENTS</b>  | 237,459                         | (146,723)           |
| <b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE</b>  |                                 |                     |
| <b>PERIOD</b>   | <u>2,679,526</u>                | <u>1,420,685</u>    |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b> | <u>\$ 2,916,985</u>             | <u>\$ 1,273,962</u> |

(Concluded)