

Teco Image Systems Co., Ltd and Subsidiaries
Consolidated Statements of Comprehensive Income
For the year ended Dec. 31,2014 and 2013

In Thousands of New Taiwan Dollars, Except Earnings Per Share

| | 2014 | % | 2013 | % |
|---|-------------|----------|-------------|----------|
| <i>TOTAL SALES REVENUE, NET</i> | 2,555,822 | 100 | 3,090,177 | 100 |
| <i>TOTAL COST OF SALES</i> | (1,950,672) | (76) | (2,504,230) | (81) |
| <i>GROSS PROFIT</i> | 605,150 | 24 | 585,947 | 19 |
| <i>OPERATING EXPENSES</i> | | | | |
| <i>Selling expenses</i> | (78,718) | (3) | (100,540) | (3) |
| <i>General and administrative expenses</i> | (203,667) | (8) | (195,288) | (7) |
| <i>R&D expenses</i> | (224,827) | (9) | (286,088) | (9) |
| <i>Total operating expenses</i> | (507,212) | (20) | (581,916) | (19) |
| <i>OPERATING PROFIT (LOSS)</i> | 97,938 | 4 | 4,031 | - |
| <i>NON-OPERATING REVENUE AND EXPENSES</i> | | | | |
| <i>Other income</i> | 92,242 | 4 | 61,829 | 2 |
| <i>Other gains and losses</i> | 5,088 | - | 20,391 | - |
| <i>Finance costs</i> | (1,291) | - | (2,443) | - |
| <i>Total non-operating revenue and expenses</i> | 96,039 | 4 | 79,777 | 2 |
| <i>PROFIT BEFORE INCOME TAX</i> | 193,977 | 8 | 83,808 | 2 |
| <i>Income tax expenses</i> | (55,225) | (2) | (38,747) | (1) |
| <i>NET INCOME</i> | 138,752 | 6 | 45,061 | 1 |
| <i>OTHER COMPREHENSIVE INCOME (LOSS)</i> | | | | |
| <i>Financial statements translation differences of foreign operations</i> | 9,972 | - | 3,853 | - |
| <i>Unrealized gain (loss) on valuation of available-for-sale financial assets</i> | (59,126) | (2) | 393,368 | 13 |
| <i>Actuarial gain (loss) on defined benefit pension plans</i> | 1,555 | - | (313) | - |
| <i>Income tax benefit (expense) related to components of other comprehensive income</i> | (264) | - | 53 | - |
| <i>Total comprehensive income for the year</i> | 90,889 | 4 | 442,022 | 14 |
| <i>NET INCOME (LOSS) ATTRIBUTABLE TO:</i> | | | | |
| <i>Shareholders of the parent</i> | 144,951 | 6 | 69,666 | 2 |
| <i>Noncontrolling interests</i> | (6,199) | - | (24,605) | (1) |
| <i>TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:</i> | | | | |
| <i>Shareholders of the parent</i> | 91,996 | 4 | 466,482 | 15 |
| <i>Noncontrolling interests</i> | (1,107) | - | (24,460) | (1) |
| <i>EARNINGS PER SHARE</i> | | | | |
| <i>Basic earnings per share</i> | 1.29 | | 0.62 | |
| <i>Diluted earnings per share</i> | 1.29 | | 0.62 | |

Teco Image Systems Co., Ltd and Subsidiaries
Consolidated Balance Sheets
Dec 31, 2014 and 2013

In Thousands of New Taiwan Dollars

| | <u>2014.12.31</u> | <u>%</u> | <u>2013.12.31</u> | <u>%</u> | | <u>2014.12.31</u> | <u>%</u> | <u>2013.12.31</u> | <u>%</u> |
|---|-------------------------|-------------------|-------------------------|-------------------|---|-------------------------|-------------------|-------------------------|-------------------|
| <u>ASSETS</u> | | | | | <u>LIABILITIES AND SHAREHOLDERS EQUITY</u> | | | | |
| <u>CURRENT ASSETS</u> | | | | | <u>CURRENT LIABILITIES</u> | | | | |
| Total cash and cash equivalents | 493,330 | 18 | 681,813 | 23 | Total short-term borrowings | - | - | 12,810 | 1 |
| Total current financial assets at fair value through profit or loss | 546,954 | 19 | 189,757 | 6 | Total notes payable | - | - | 4,786 | - |
| Notes receivable, net | 1,162 | - | 1,047 | - | Total accounts payable | 410,808 | 15 | 534,071 | 18 |
| Accounts receivable, net | 435,711 | 16 | 574,438 | 20 | Total accounts payable to related parties | 1,749 | - | 6,700 | - |
| Accounts receivable from related parties, net | 1,266 | - | - | - | Total other payables | 222,874 | 8 | 214,659 | 7 |
| Other receivables, net | 48,257 | 2 | 26,850 | 1 | Current tax liabilities | 13,433 | - | 6,825 | - |
| Total current tax assets | 15,199 | - | 7,524 | - | Total current provisions | 26,433 | 1 | 21,465 | 1 |
| Total Inventories | 154,943 | 5 | 301,798 | 10 | Total other current liabilities | 99,167 | 4 | 155,750 | 5 |
| Total prepayments | 30,791 | 1 | 39,489 | 1 | | | | | |
| Total other current assets | 22,649 | 1 | 15,100 | 1 | | | | | |
| Total current assets | <u>1,750,262</u> | <u>62</u> | <u>1,837,816</u> | <u>62</u> | Total current liabilities | <u>774,464</u> | <u>28</u> | <u>957,066</u> | <u>32</u> |
| | | | | | <u>NON-CURRENT LIABILITIES</u> | | | | |
| | | | | | Total deferred income tax liabilities | 4,165 | - | 577 | - |
| | | | | | Total other non-current liabilities | 82,824 | 3 | 84,992 | 3 |
| | | | | | Total non-current liabilities | <u>86,989</u> | <u>3</u> | <u>85,569</u> | <u>3</u> |
| | | | | | Total liabilities | <u>861,453</u> | <u>31</u> | <u>1,042,635</u> | <u>35</u> |
| | | | | | <u>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT</u> | | | | |
| | | | | | Share capital | | | | |
| | | | | | Share capital - common stock | 1,125,365 | 40 | 1,125,365 | 38 |
| | | | | | Retained earnings | | | | |
| | | | | | Legal reserve | 283,600 | 10 | 282,280 | 10 |
| | | | | | Special reserve | - | - | 143,590 | 5 |
| | | | | | Unappropriated retained earnings (accumulated deficit) | 234,187 | 9 | 13,197 | - |
| | | | | | Other equity | | | | |
| | | | | | Other equity | 232,257 | 8 | 286,503 | 10 |
| | | | | | Total equity attributable to shareholders of the parent | <u>1,875,409</u> | <u>67</u> | <u>1,850,935</u> | <u>63</u> |
| | | | | | <u>NONCONTROLLING INTERESTS</u> | | | | |
| | | | | | | 63,825 | 2 | 64,932 | 2 |
| | | | | | Total equity | <u>1,939,234</u> | <u>69</u> | <u>1,915,867</u> | <u>65</u> |
| <u>TOTAL ASSETS</u> | <u><u>2,800,687</u></u> | <u><u>100</u></u> | <u><u>2,958,502</u></u> | <u><u>100</u></u> | <u>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</u> | <u><u>2,800,687</u></u> | <u><u>100</u></u> | <u><u>2,958,502</u></u> | <u><u>100</u></u> |