

**Lite-On Technology Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Nine Months Ended September 30, 2015 and 2014 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Shareholders
Lite-On Technology Corporation

We have reviewed the accompanying consolidated balance sheets of Lite-On Technology Corporation ("Parent Company") and its subsidiaries (collectively referred to as the "Group") as of September 30, 2015, December 31, 2014, September 30, 2014 and January 1, 2014 and the related consolidated statements of comprehensive income for the three months and nine months ended September 30, 2015 and 2014 and changes in equity and cash flows for the nine months ended September 30, 2015 and 2014. These consolidated financial statements are the responsibility of the Parent Company's management. Our responsibility is to issue a report on these consolidated financial statements based on our reviews.

Except as stated in the following paragraph, we conducted our reviews in accordance with Statement of Auditing Standards No. 36 "Review of Financial Statements" issued by the Auditing Standards Committee of the Accounting Research and Development Foundation of the Republic of China. A review consists principally of applying analytical procedures to financial data and of making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of China, the objective of which is the expression of an opinion regarding the consolidated financial statements taken as a whole. Accordingly, we do not express such an opinion.

As disclosed in Note 14 to the consolidated financial statements, we did not review the financial statements as of and for the nine months ended September 30, 2015 and 2014 of some consolidated subsidiaries. The assets of these subsidiaries were 32.12% (NT\$68,304,091 thousand) and 21.74% (NT\$45,949,024 thousand) of the consolidated total assets as of September 30, 2015 and 2014, respectively. The liabilities of these subsidiaries were 24.23% (NT\$32,464,729 thousand) and 16.86% (NT\$22,831,599 thousand) of the consolidated total liabilities as of September 30, 2015 and 2014, respectively. The comprehensive incomes of these subsidiaries were 27.20% (NT\$1,100,754 thousand) and 15.40% (NT\$263,960 thousand), 31.87% (NT\$1,641,338 thousand) and 20.56% (NT\$897,057 thousand) of the total comprehensive income in the three months ended and the nine months ended September 30, 2015 and 2014, respectively. Also, as disclosed in Note 15 to the financial statements, the Group had other investments accounted for by the equity method. The carrying values of these investments of NT\$2,068,521 thousand and NT\$1,950,242 thousand as of September 30, 2015 and 2014, respectively, the share of the profit of associates and joint ventures of NT\$28,948 thousand, NT\$42,957 thousand, NT\$72,626 thousand and NT\$22,855 thousand in the three months ended and the nine months ended September 30, 2015 and 2014, respectively, and related investment amounts as well as additional disclosures in Note 38 were based on these investees' financial statements for the same reporting periods as those of the Group, many of which had been unreviewed.

Based on our reviews, except for the adjustments that might have been determined to be necessary had the subsidiaries' and other equity-method investees' financial statements mentioned in the preceding paragraph and the information disclosed in Note 38 been reviewed, we are not aware of any material modifications that should be made to the consolidated financial statements of Lite-On Technology Corporation and its subsidiaries referred to above for them to be in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Accounting Standard 34 "Interim Financial Reporting" endorsed by the Financial Supervisory Commission (FSC) of the Republic of China.

As disclosed in Note 3 to the consolidated financial statements, Lite-On Technology Corporation and its subsidiaries have applied the 2013 version of IFRS, IAS, IFRIC and SIC (collectively, the "IFRSs") endorsed by the FSC and the related amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers since January 1, 2015 and have disclosed the effects of the retrospective application of the IFRSs and the financial statement restatement resulting from the retrospective IFRS application.

Deloitte & Touche

November 12, 2015

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail.

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

	September 30, 2015 (Reviewed)		December 31, 2014 (Audited after Restated)		September 30, 2014 (Reviewed)		January 1, 2014 (Audited after Restated)	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
CURRENT ASSETS								
Cash and cash equivalents (Note 6)	\$ 61,746,562	29	\$ 66,483,356	31	\$ 60,480,618	29	\$ 66,056,220	31
Financial assets at fair value through profit or loss (Note 7)	79,273	-	13,111	-	61,073	-	14,867	-
Available-for-sale financial assets - current (Note 8)	-	-	-	-	13	-	13	-
Debt investments with no active market - current (Notes 10 and 35)	271,179	-	78,170	-	1,209,373	1	22,390	-
Notes receivable, net	196,613	-	311,666	-	271,342	-	175,756	-
Notes receivable from related parties (Note 34)	-	-	-	-	2	-	-	-
Trade receivables, net (Note 11)	51,920,141	25	51,134,012	23	49,471,245	23	49,500,169	23
Trade receivables from related parties (Note 34)	70,069	-	73,069	-	108,063	-	81,554	-
Other receivables	970,784	1	1,420,019	1	1,065,483	-	2,319,810	1
Other receivables from related parties (Note 34)	10,750	-	3,053	-	1,152	-	18,951	-
Inventories, net (Note 12)	30,568,987	14	29,513,791	14	32,005,264	15	27,203,523	13
Non-current assets classified as held for sale (Note 13)	-	-	129,505	-	-	-	-	-
Other current assets (Note 19)	4,878,852	2	4,561,144	2	5,367,126	3	5,037,428	3
Total current assets	150,713,210	71	153,720,896	71	150,040,754	71	150,430,691	71
NON-CURRENT ASSETS								
Available-for-sale financial assets - non-current (Note 8)	762,241	-	1,326,255	1	1,486,718	1	2,143,990	1
Debt investments with no active market - non-current (Notes 10 and 35)	-	-	518	-	912	-	14,100	-
Investments accounted for using the equity method (Note 15)	4,141,399	2	4,055,902	2	4,299,711	2	3,531,425	2
Property, plant and equipment, net (Note 16)	35,674,387	17	36,107,216	17	34,995,478	17	37,001,382	17
Investment properties, net (Note 17)	518,683	-	537,030	-	-	-	-	-
Intangible assets, net (Note 18)	16,031,241	8	16,298,963	8	16,352,619	8	15,716,262	7
Deferred tax assets	3,355,922	2	3,105,466	1	2,701,806	1	2,204,470	1
Refundable deposits	544,892	-	492,255	-	562,277	-	390,443	-
Other non-current assets (Note 19)	925,140	-	889,328	-	909,536	-	925,989	1
Total non-current assets	61,953,905	29	62,812,933	29	61,309,057	29	61,928,061	29
TOTAL	\$ 212,667,115	100	\$ 216,533,829	100	\$ 211,349,811	100	\$ 212,358,752	100
LIABILITIES AND EQUITY								
CURRENT LIABILITIES								
Short-term borrowings (Note 20)	\$ 21,193,227	10	\$ 22,911,114	11	\$ 24,126,225	11	\$ 15,576,780	7
Financial liabilities at fair value through profit or loss (Note 7)	15,259	-	38,408	-	7,356	-	27,836	-
Derivative financial instruments for hedging - current (Note 9)	-	-	-	-	17,505	-	-	-
Notes payable	183,272	-	122,947	-	122,083	-	191,488	-
Trade payables	58,751,278	28	61,920,859	29	59,221,204	28	60,307,826	29
Trade payables to related parties (Note 34)	902,621	-	953,666	-	915,731	-	568,624	-
Other payables	21,220,128	10	19,693,248	9	20,866,776	10	21,352,914	10
Other payables to related parties (Note 34)	5,728	-	6,741	-	5,745	-	11,699	-
Current tax liabilities	1,891,566	1	2,272,036	1	1,886,138	1	2,102,971	1
Provisions - current (Note 22)	1,098,284	1	1,080,628	-	966,891	1	874,502	1
Advance receipts	3,146,222	1	2,832,769	1	1,874,959	1	1,401,939	1
Current portion of long-term borrowings (Note 20)	5,615,869	3	8,358,989	4	8,445,195	4	8,867,669	4
Finance lease payables - current (Note 21)	93,835	-	85,232	-	79,906	-	72,735	-
Total current liabilities	114,117,289	54	120,288,626	55	118,535,714	56	111,356,983	53
NON-CURRENT LIABILITIES								
Derivative financial instruments for hedging - non-current (Note 9)	-	-	-	-	-	-	46,969	-
Long-term borrowings (Note 20)	15,825,345	7	13,564,160	6	13,609,322	7	18,508,496	9
Deferred tax liabilities	3,830,997	2	3,229,792	2	2,879,889	1	2,721,656	1
Finance lease payables, net of current portion - non-current (Note 21)	31,384	-	101,721	-	119,172	-	172,948	-
Net defined benefit liabilities - non-current	79,996	-	96,021	-	239,124	-	219,709	-
Guarantee deposits	93,106	-	80,871	-	74,340	-	81,608	-
Credit balance of investments accounted for using the equity method (Note 15)	534	-	-	-	-	-	-	-
Total non-current liabilities	19,861,362	9	17,072,565	8	16,921,847	8	21,751,386	10
Total liabilities	133,978,651	63	137,361,191	63	135,457,561	64	133,108,369	63
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY								
Share capital								
Ordinary shares	23,577,153	11	23,416,737	11	23,416,737	11	23,246,552	11
Advance receipts for common stock	-	-	-	-	-	-	29,705	-
Total share capital	23,577,153	11	23,416,737	11	23,416,737	11	23,276,257	11
Capital surplus								
Additional paid-in capital from share issuance in excess of par value	9,341,891	4	9,238,931	4	9,238,931	4	9,096,489	4
Bond conversion	7,534,962	4	7,534,962	4	7,534,962	4	7,540,388	4
Treasury stock transactions	493,473	-	445,694	-	445,694	-	430,851	-
Difference between consideration and carrying amounts adjusted arising from changes in percentage of ownership of subsidiaries	40,209	-	30,960	-	29,879	-	-	-
Arising from share of changes in capital surplus of associates	254,517	-	231,446	-	221,907	-	15,487	-
Merger	10,112,934	5	10,112,934	5	10,112,934	5	10,120,217	5
Employee stock options	-	-	-	-	-	-	8,587	-
Total capital surplus	27,777,986	13	27,594,927	13	27,584,307	13	27,212,019	13
Retained earnings								
Legal reserve	10,123,042	5	9,476,876	5	9,476,876	4	8,601,391	4
Special reserve	232,213	-	49,669	-	49,669	-	689,913	-
Unappropriated earnings	10,588,474	5	11,432,541	5	9,982,107	5	12,176,414	6
Total retained earnings	20,943,729	10	20,959,086	10	19,508,652	9	21,467,718	10
Other equity								
Exchange differences on translating foreign operations	4,736,785	2	4,125,097	2	2,437,203	1	2,383,040	1
Unrealized gain (loss) on available-for-sale financial assets	(180,298)	-	139,072	-	130,132	-	83,231	-
Unrealized loss on cash flow hedging	-	-	(11,989)	-	(17,506)	-	(46,969)	-
Total other equity	4,556,487	2	4,252,180	2	2,549,829	1	2,419,302	1
Treasury shares	(1,955,401)	(1)	(1,248,722)	(1)	-	-	(1,334,660)	(1)
Total equity attributable to owners of the Company	74,899,954	35	74,974,208	35	71,810,803	34	73,040,636	34
NON-CONTROLLING INTERESTS	3,788,510	2	4,198,430	2	4,081,447	2	6,209,747	3
Total equity	78,688,464	37	79,172,638	37	75,892,250	36	79,250,383	37
TOTAL	\$ 212,667,115	100	\$ 216,533,829	100	\$ 211,349,811	100	\$ 212,358,752	100

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

(With Deloitte & Touche review report dated November 12, 2015)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2015		2014		2015		2014	
	(Reviewed)		(Reviewed after Restated)		(Reviewed)		(Reviewed after Restated)	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE								
(Notes 25 and 34)								
Sales	\$ 57,371,106	102	\$ 62,603,528	103	\$ 163,660,748	103	\$ 175,108,172	103
Less: Sales allowance	1,103,616	2	1,079,720	2	3,207,116	2	2,564,412	2
Sales returns	271,010	-	916,094	1	1,270,261	1	1,959,765	1
Total operating revenue	55,996,480	100	60,607,714	100	159,183,371	100	170,583,995	100
OPERATING COSTS								
Cost of goods sold								
(Notes 12, 28 and 34)	48,773,827	87	53,170,700	88	139,036,066	87	148,857,798	87
GROSS PROFIT	7,222,653	13	7,437,014	12	20,147,305	13	21,726,197	13
OPERATING EXPENSES								
(Notes 28 and 34)								
Selling and marketing expenses	1,883,750	3	2,399,532	4	5,699,600	3	6,677,707	4
General and administrative expenses	1,435,099	2	1,524,387	2	4,261,997	3	4,583,740	2
Research and development expenses	1,472,314	3	1,616,963	3	4,449,581	3	4,804,237	3
Total operating expenses	4,791,163	8	5,540,882	9	14,411,178	9	16,065,684	9
OPERATING INCOME	2,431,490	5	1,896,132	3	5,736,127	4	5,660,513	4
NONOPERATING INCOME AND EXPENSES								
Share of profit of associates and joint ventures	12,444	-	83,236	-	133,053	-	69,509	-
Interest income	287,471	1	324,422	1	881,154	-	1,033,214	1
Dividend income	50,815	-	17,619	-	64,063	-	39,789	-
Other income (Notes 30 and 34)	193,119	-	261,939	-	790,929	-	931,095	1
Gain (loss) on disposal of investments	(104,166)	-	357,459	1	(80,923)	-	400,013	-
Net gain (loss) on foreign currency exchange	70,839	-	(42,286)	-	53,890	-	(41,013)	-
Valuation gain on financial instruments (Note 7)	106,335	-	132,822	-	293,856	-	184,537	-
Finance costs	(145,282)	-	(165,168)	-	(434,222)	-	(495,761)	-
Other expenses	(360,011)	(1)	(570,408)	(1)	(673,745)	-	(989,306)	(1)
Net gain (loss) on disposal of property, plant and equipment	21,985	-	4,768	-	(36,912)	-	(18,103)	-
Impairment loss (Notes 8 and 16)	(27,544)	-	(981,642)	(2)	(176,948)	-	(1,057,188)	(1)
Total nonoperating income and expenses	106,005	-	(577,239)	(1)	814,195	-	56,786	-
PROFIT BEFORE INCOME TAX	2,537,495	5	1,318,893	2	6,550,322	4	5,717,299	4
INCOME TAX EXPENSE								
(Note 26)	875,671	2	570,979	1	1,707,397	1	1,523,060	1
NET PROFIT FOR THE PERIOD	1,661,824	3	747,914	1	4,842,925	3	4,194,239	3

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LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2015		2014		2015		2014	
	(Reviewed)		(Reviewed after Restated)		(Reviewed)		(Reviewed after Restated)	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (Notes 24 and 26)								
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations	\$ 2,865,004	5	\$ 1,438,304	2	\$ 726,082	-	\$ 157,984	-
Unrealized gain (loss) on available-for-sale financial assets	(154,138)	-	(229,620)	-	(309,838)	-	38,679	-
Cash flow hedges	3,074	-	9,053	-	11,989	-	29,463	-
Share of other comprehensive profit of associates and joint ventures	86,385	-	42,080	-	10,699	-	39,367	-
Income tax relating to items that may be reclassified subsequently to profit or loss	(415,879)	(1)	(293,717)	-	(132,349)	-	(96,396)	-
Other comprehensive income for the period, net of income tax	2,384,446	4	966,100	2	306,583	-	169,097	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	\$ 4,046,270	7	\$ 1,714,014	3	\$ 5,149,508	3	\$ 4,363,336	3
NET PROFIT								
ATTRIBUTABLE TO:								
Owners of the Company	\$ 1,638,553	3	\$ 1,549,811	2	\$ 4,714,824	3	\$ 5,008,663	3
Non-controlling interests	23,271	-	(801,897)	(1)	128,101	-	(814,424)	(1)
	\$ 1,661,824	3	\$ 747,914	1	\$ 4,842,925	3	\$ 4,194,239	2
TOTAL COMPREHENSIVE INCOME								
ATTRIBUTABLE TO:								
Owners of the Company	\$ 3,882,226	7	\$ 2,270,111	4	\$ 5,019,131	3	\$ 5,153,979	3
Non-controlling interests	164,044	-	(556,097)	(1)	130,377	-	(790,643)	-
	\$ 4,046,270	7	\$ 1,714,014	3	\$ 5,149,508	3	\$ 4,363,336	3
EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Note 27)								
Basic	\$ 0.71		\$ 0.67		\$ 2.03		\$ 2.16	
Diluted	\$ 0.70		\$ 0.66		\$ 2.00		\$ 2.14	

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

(With Deloitte & Touche review report dated November 12, 2015)

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CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

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

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2015 (Reviewed)	2014 (Reviewed after Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 6,550,322	\$ 5,717,299
Adjustments for:		
Depreciation expenses	4,955,263	5,474,230
Amortization expenses	416,535	426,527
Impairment loss (reversal of impairment loss) recognized on trade receivables	(60,852)	44,897
Net gain on fair value change of financial assets held for trading	(293,856)	(184,537)
Finance costs	434,222	495,761
Interest income	(881,154)	(1,033,214)
Dividend income	(64,063)	(39,789)
Share of profit of associates accounted for using equity method	(133,053)	(69,509)
Loss on disposal of property, plant and equipment	36,912	18,103
Loss on disposal of intangible assets	26	-
Gain on deconsolidation of subsidiaries (Note 30)	-	(8,348)
Net loss (gain) on disposal of available-for-sale financial assets	88,624	(391,993)
Gain on disposal of associates	(7,701)	(8,020)
Impairment loss recognized on financial assets	54,801	31,561
Impairment loss recognized on non-financial assets	205,377	1,530,306
Reversal of impairment loss on non-financial assets	(349,156)	-
Unrealized net loss (gain) on foreign currency exchange	133,688	(242,954)
Recognition of provisions	208,620	124,116
Changes in operating assets and liabilities		
Financial assets held for trading	204,545	117,851
Notes receivable	115,053	(95,586)
Notes receivable from related parties	-	(2)
Trade receivables	(470,976)	286,524
Trade receivables from related parties	3,000	(26,509)
Other receivables	477,170	1,267,284
Other receivables from related parties	(7,697)	17,799
Inventories	(619,598)	(4,996,058)
Other current assets	(292,000)	(354,682)
Notes payable	60,325	(69,405)
Trade payables	(3,376,164)	(1,174,938)
Trade payables to related parties	(51,045)	347,107
Other payable	1,306,209	(248,024)
Other payable to related parties	(1,013)	(5,954)
Provisions	(184,145)	(36,338)
Advance receipts	303,170	441,723
Net defined benefit liabilities	(16,025)	19,415
Cash generated from operations	8,745,364	7,374,643
Interest received	858,361	1,028,538

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LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2015 (Reviewed)	2014 (Reviewed after Restated)
Dividend received	\$ 64,063	\$ 39,789
Interest paid	(425,321)	(491,960)
Income tax paid	(1,869,468)	(2,066,203)
Net cash generated from operating activities	<u>7,372,999</u>	<u>5,884,807</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of available-for-sale financial assets	(5,375)	(9,298)
Proceeds on sales of available-for-sale financial assets	154,810	706,198
Acquisition of debt investments with no active market	(192,491)	(1,170,556)
Net cash inflow on disposal of associates	15,432	19,967
Net cash outflow on acquisition of subsidiaries (Note 29)	-	(788,588)
Net cash outflow on deconsolidation of a subsidiary (Note 30)	-	(902,385)
Proceeds from disposal of non-current assets held for sale	129,505	-
Payments for property, plant and equipment	(5,238,804)	(5,471,678)
Proceeds of the disposal of property, plant and equipment	822,187	423,875
Increase in refundable deposits	(52,637)	(169,814)
Payments for intangible assets	(200,050)	(324,645)
Proceeds of the disposal of intangible assets	23,480	6,718
Increase in other non-current assets	(30,670)	-
Decrease in other non-current assets	-	22,944
Dividend received from associates	<u>76,884</u>	<u>40,417</u>
Net cash used in investing activities	<u>(4,497,729)</u>	<u>(7,616,845)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	-	8,455,741
Repayment of short-term borrowings	(1,800,152)	-
Repayment of long-term borrowings	(564,200)	(5,445,160)
Proceeds (refund) of guarantee deposits received	12,235	(7,268)
Decrease in finance lease payables	(61,734)	(46,747)
Cash dividends	(4,565,318)	(6,242,436)
Payments for buy-back of ordinary shares	(706,679)	-
Partial acquisition of interests in subsidiaries (Note 31)	-	(1,013,168)
Change in non-controlling interests	<u>(540,297)</u>	<u>(127,371)</u>
Net cash used in financing activities	<u>(8,226,145)</u>	<u>(4,426,409)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	<u>614,081</u>	<u>582,845</u>

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LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Nine Months Ended September 30	
	2015 (Reviewed)	2014 (Reviewed after Restated)
NET DECREASE IN CASH AND CASH EQUIVALENTS	\$ (4,736,794)	\$ (5,575,602)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>66,483,356</u>	<u>66,056,220</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 61,746,562</u>	<u>\$ 60,480,618</u>

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

(With Deloitte & Touche review report dated November 12, 2015)

(Concluded)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise) (Reviewed, Not Audited)

1. GENERAL INFORMATION

Lite-On Technology Corporation (the "Parent Company") was established in March 1989. The Parent Company's shares have been listed on the Taiwan Stock Exchange. The Parent Company manufactures and markets (1) computer software, hardware, peripherals and components, (2) monitors, multifunction and all-in-one printers, cameras and Internet systems and image-processing equipment; (3) information storage and process equipment, electronic components and office equipment; (4) electronic coils, transformers, power suppliers and electronic hardware parts; (5) light-emitting diode (LED) products; (6) electronic car products; and (7) optical lens modules and optoelectronic components.

The Parent Company merged with Lite-On Electronics, Inc., Silitek Corp. and GVC Corp., with the Parent Company as the survivor entity. The merger took effect on November 4, 2002, and the Parent Company thus assumed all rights and obligations of the three merged companies on that date. The Parent Company merged with its subsidiary, Lite-On Enclosure Inc., with the Parent Company as the survivor entity. The merger took effect on April 1, 2004, and the Parent Company thus assumed all rights and obligations of its former subsidiary on that date.

The Parent Company separately merged with Li Shin International Enterprise Corp., Lite-On Clean Energy Technology Corp., Lite-On Automotive Corp., Leotek Electronics Corp., Lite-On IT Corporation and LarView Technologies Corp., with the Parent Company as the survivor entity. The merger separately took effect on March 22, 2014, April 15, 2014, June 1, 2014, June 29, 2014, June 30, 2014 and September 1, 2014, and the Parent Company thus assumed all rights and obligations of the six merged companies on those date.

The consolidated financial statements are presented in the Parent Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the board of directors on November 12, 2015.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the 2013 version of the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) endorsed by the FSC.

Rule No. 1030029342 and Rule No. 1030010325 issued by the FSC, stipulated that the Company and entities controlled by the Company (collectively, the "Group") should apply the 2013 version of IFRS, IAS, IFRIC and SIC (collectively, the "IFRSs") endorsed by the FSC and the related amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers starting January 1, 2015.

Except for the following, whenever applied, the initial application of the amendments to the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the 2013 IFRSs version would not have any material impact on the Group's accounting policies:

1) IFRS 10 "Consolidated Financial Statements"

IFRS 10 replaces IAS 27 "Consolidated and Separate Financial Statements" and SIC 12 "Consolidation - Special Purpose Entities". The Group considers whether it has control over other entities for consolidation. The Group has control over an investee if and only if it has i) power over the investee; ii) exposure, or rights, to variable returns from its involvement with the investee and iii) the ability to use its power over the investee to affect the amount of its returns. Additional guidance has been included in IFRS 10 to explain when an investor has control over an investee.

2) IFRS 12 "Disclosure of Interests in Other Entities"

IFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. In general, the disclosure requirements in IFRS 12 are more extensive than in the current standards.

3) IFRS 13 "Fair Value Measurement"

IFRS 13 establishes a single source of guidance for fair value measurements. It defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The disclosure requirements in IFRS 13 are more extensive than those required in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only will be extended by IFRS 13 to cover all assets and liabilities within its scope.

The fair value measurements under IFRS 13 will be applied prospectively from January 1, 2015.

Refer to Note 33 for related disclosures.

4) Amendment to IAS 1 "Presentation of Items of Other Comprehensive Income"

The amendment to IAS 1 requires items of other comprehensive income to be grouped into those items that (1) will not be reclassified subsequently to profit or loss; and (2) may be reclassified subsequently to profit or loss. Income taxes on related items of other comprehensive income are grouped on the same basis. Under current IAS 1, there were no such requirements.

The Group will retrospectively apply the above amendments starting from 2015. Items not expected to be reclassified to profit or loss are remeasurements of the defined benefit plans. Items expected to be reclassified to profit or loss are the exchange differences on translating foreign operations, unrealized gains (loss) on available-for-sale financial assets, cash flow hedges, and share of the other comprehensive income (except the share of the remeasurements of the defined benefit plans) of subsidiaries and associates accounted for using the equity method. However, the application of the above amendments will not result in any impact on the net profit for the period, other comprehensive income for the period (net of income tax), and total comprehensive income for the period.

5) Revision to IAS 19 "Employee Benefits"

Revised IAS 19 requires the recognition of changes in defined benefit obligations and in the fair value of plan assets when they occur, and hence eliminates the "corridor approach" permitted under current IAS 19 and accelerate the recognition of past service costs. The revision requires all remeasurements of the defined benefit plans to be recognized immediately through other comprehensive income in order for the net pension asset or liability to reflect the full value of the plan deficit or surplus. Remeasurement of the defined benefit plans is presented separately as other equity.

Furthermore, the interest cost and expected return on plan assets used in current IAS 19 are replaced with a "net interest" amount, which is calculated by applying the discount rate to the net defined benefit liability or asset. In addition, the revised IAS 19 introduces certain changes in the presentation of the defined benefit cost, and also includes more extensive disclosures.

On initial application of the revised IAS 19 in 2015, the changes in cumulative employee benefit costs as of December 31, 2013 resulting from the retrospective application are adjusted to net defined benefit liabilities, deferred tax assets, other equity and retained earnings; the carrying amounts of inventories are not adjusted. In addition, in preparing the consolidated financial statements for the year ended December 31, 2015, the Group would elect not to present 2014 comparative information about the sensitivity of the defined benefit obligation.

The impact on the current period is set out below:

	September 30, 2015
Impact on Assets, Liabilities and Equity	
Decrease in deferred tax assets	<u>\$ (2,006)</u>
Decrease in net defined benefit liabilities	<u>\$ (11,640)</u>
Increase in retained earnings	\$ 3,325
Increase in non-controlling interests	<u>6,309</u>
Total effect on equity	<u>\$ 9,634</u>

	For the Three Months Ended September 30, 2015	For the Nine Months Ended September 30, 2015
Impact on Total Comprehensive Income		
Increase in operating cost	\$ (109)	\$ (303)
Increase in operating expense	(300)	(907)
Decrease in income tax expense	<u>65</u>	<u>197</u>
Decrease in net profit for the period	<u>\$ (344)</u>	<u>\$ (1,013)</u>
Decrease in total comprehensive income for the period	<u>\$ (344)</u>	<u>\$ (1,013)</u>
Decrease in net profit attributable to:		
Owners of the Company	\$ (119)	\$ (350)
Non-controlling interests	<u>(225)</u>	<u>(663)</u>
	<u>\$ (344)</u>	<u>\$ (1,013)</u>

(Continued)

Impact on Total Comprehensive Income

	For the Three Months Ended September 30, 2015	For the Nine Months Ended September 30, 2015
Decrease in total comprehensive income attributable to:		
Owners of the Company	\$ (119)	\$ (350)
Non-controlling interests	<u>(225)</u>	<u>(663)</u>
	<u>\$ (344)</u>	<u>\$ (1,013)</u> (Concluded)

The impact on the prior reporting period is set out below:

Impact on Assets, Liabilities and Equity	As Originally Stated	Adjustments Arising from Initial Application	Restated
<u>December 31, 2014</u>			
Deferred tax assets	\$ 3,107,672	\$ (2,206)	\$ 3,105,466
Accrued pension liabilities	\$ 108,874	\$ (108,874)	\$ -
Net defined benefit liabilities	\$ -	\$ 96,021	\$ 96,021
Retained earnings	\$ 20,955,605	\$ 3,481	\$ 20,959,086
Non-controlling interests	\$ 4,191,264	\$ 7,166	\$ 4,198,430
<u>September 30, 2014</u>			
Deferred tax assets	\$ 2,704,343	\$ (2,537)	\$ 2,701,806
Accrued pension liabilities	\$ 253,937	\$ (253,937)	\$ -
Net defined benefit liabilities	\$ -	\$ 239,124	\$ 239,124
Retained earnings	\$ 19,504,631	\$ 4,021	\$ 19,508,652
Non-controlling interests	\$ 4,073,192	\$ 8,255	\$ 4,081,447
<u>January 1, 2014</u>			
Deferred tax assets	\$ 2,207,204	\$ (2,734)	\$ 2,204,470
Accrued pension liabilities	\$ 235,671	\$ (235,671)	\$ -
Net defined benefit liabilities	\$ -	\$ 219,709	\$ 219,709
Retained earnings	\$ 21,463,386	\$ 4,332	\$ 21,467,718
Non-controlling interests	\$ 6,200,851	\$ 8,896	\$ 6,209,747

Impact on Total Comprehensive Income	As Originally Stated	Adjustments Arising from Initial Application	Restated
<u>For the three months ended September 30, 2014</u>			
Operating cost	\$ 53,170,597	\$ 103	\$ 53,170,700
Operating expense	\$ 5,540,600	\$ 282	\$ 5,540,882
Income tax expense	\$ 571,045	\$ (66)	\$ 570,979
			(Continued)

Impact on Total Comprehensive Income	As Originally Stated	Adjustments Arising from Initial Application	Restated
Total effect on net profit for the period	\$ 748,233	\$ (319)	\$ 747,914
Total effect on total comprehensive income for the period	\$ 1,714,333	\$ (319)	\$ 1,714,014
Impact on net profit attributable to:			
Owners of the Company	\$ 1,549,915	\$ (104)	\$ 1,549,811
Non-controlling interests	(801,682)	(215)	(801,897)
	\$ 748,233	\$ (319)	\$ 747,914
Impact on total comprehensive income attributable to:			
Owners of the Company	\$ 2,270,215	\$ (104)	\$ 2,270,111
Non-controlling interests	(555,882)	(215)	(556,097)
	\$ 1,714,333	\$ (319)	\$ 1,714,014
Impact on earnings per share:			
For the three months ended <u>September 30, 2014</u>			
Basic	\$ 0.67	\$ -	\$ 0.67
Diluted	\$ 0.66	\$ -	\$ 0.66
For the nine months ended <u>September 30, 2014</u>			
Operating cost	\$ 148,857,488	\$ 310	\$ 148,857,798
Operating expense	\$ 16,064,845	\$ 839	\$ 16,065,684
Income tax expense	\$ 1,523,257	\$ (197)	\$ 1,523,060
Total effect on net profit for the period	\$ 4,195,191	\$ (952)	\$ 4,194,239
Total effect on total comprehensive income for the period	\$ 4,364,288	\$ (952)	\$ 4,363,336
Impact on net profit attributable to:			
Owners of the Company	\$ 5,008,974	\$ (311)	\$ 5,008,663
Non-controlling interests	(813,783)	(641)	(814,424)
	\$ 4,195,191	\$ (952)	\$ 4,194,239
Impact on total comprehensive income attributable to:			
Owners of the Company	\$ 5,154,290	\$ (311)	\$ 5,153,979
Non-controlling interests	(790,002)	(641)	(790,643)
	\$ 4,364,288	\$ (952)	\$ 4,363,336

(Continued)

Impact on Total Comprehensive Income	As Originally Stated	Adjustments Arising from Initial Application	Restated
Impact on earnings per share:			
For the nine months ended <u>September 30, 2014</u>			
Basic	\$ 2.16	\$ -	\$ 2.16
Diluted	\$ 2.14	\$ -	\$ 2.14
			(Concluded)

b. New IFRSs in issue but not yet endorsed by FSC

The Group has not applied the following New IFRSs issued by the IASB but not yet endorsed by the FSC. As of the date the consolidated financial statements were authorized for issue, the FSC has not announced their effective dates.

New IFRSs	Effective Date Announced by IASB (Note 1)
Annual Improvements to IFRSs 2010-2012 Cycle	July 1, 2014 (Note 2)
Annual Improvements to IFRSs 2011-2013 Cycle	July 1, 2014
Annual Improvements to IFRSs 2012-2014 Cycle	January 1, 2016 (Note 4)
IFRS 9 "Financial Instruments"	January 1, 2018
Amendments to IFRS 9 and IFRS 7 "Mandatory Effective Date of IFRS 9 and Transition Disclosures"	January 1, 2018
Amendments to IFRS 10 and IAS 28 "Sales or Contribution of Assets between an Investor and its Associate or Joint Venture"	January 1, 2016 (Note 3)
Amendments to IFRS 10, IFRS 12 and IAS 28 "Investment Entities: Applying the Consolidation Exception"	January 1, 2016
Amendment to IFRS 11 "Accounting for Acquisitions of Interests in Joint Operations"	January 1, 2016
IFRS 14 "Regulatory Deferral Accounts"	January 1, 2016
IFRS 15 "Revenue from Contracts with Customers"	January 1, 2018
Amendment to IAS 1 "Disclosure Initiative"	January 1, 2016
Amendments to IAS 16 and IAS 38 "Clarification of Acceptable Methods of Depreciation and Amortization"	January 1, 2016
Amendments to IAS 16 and IAS 41 "Agriculture: Bearer Plants"	January 1, 2016
Amendment to IAS 19 "Defined Benefit Plans: Employee Contributions"	July 1, 2014
Amendment to IAS 36 "Impairment of Assets: Recoverable Amount Disclosures for Non-financial Assets"	January 1, 2014
Amendment to IAS 39 "Novation of Derivatives and Continuation of Hedge Accounting"	January 1, 2014
IFRIC 21 "Leases"	January 1, 2014

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual periods beginning on or after their respective effective dates.

Note 2: The amendment to IFRS 2 applies to share-based payment transactions with grant date on or after July 1, 2014; the amendment to IFRS 3 applies to business combinations with acquisition date on or after July 1, 2014; the amendment to IFRS 13 is effective immediately; the remaining amendments are effective for annual periods beginning on or after July 1, 2014.

Note 3: Prospectively applicable to transactions occurring in annual periods beginning on or after January 1, 2016.

Note 4: The amendment to IFRS 5 is applied prospectively to changes in a method of disposal that occur in annual periods beginning on or after January 1, 2016; the remaining amendments are effective for annual periods beginning on or after January 1, 2016.

The initial application of the above New IFRSs, whenever applied, would not have any material impact on the Group's accounting policies, except for the following:

1) IFRS 9 "Financial Instruments"

Recognition and measurement of financial assets

With regards to financial assets, all recognized financial assets that are within the scope of IAS 39 "Financial Instruments: Recognition and Measurement" are subsequently measured at amortized cost or fair value. Under IFRS 9, the requirement for the classification of financial assets is stated below.

For the Group's debt instruments that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, their classification and measurement are as follows:

- a) For debt instruments, if they are held within a business model whose objective is to collect the contractual cash flows, the financial assets are measured at amortized cost and are assessed for impairment continuously with impairment loss recognized in profit or loss, if any. Interest revenue is recognized in profit or loss by using the effective interest method.
- b) For debt instruments, if they are held within a business model whose objective is achieved by both the collecting of contractual cash flows and the selling of financial assets, the financial assets are measured at fair value through other comprehensive income (FVTOCI) and are assessed for impairment. Interest revenue is recognized in profit or loss by using the effective interest method, and other gain or loss shall be recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses. When the debt instruments are derecognized or reclassified, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss.

Except for above, all other financial assets are measured at fair value through profit or loss. However, the Group may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognized in profit or loss. No subsequent impairment assessment is required, and the cumulative gain or loss previously recognized in other comprehensive income cannot be reclassified from equity to profit or loss.

The impairment of financial assets

IFRS 9 requires that impairment loss on financial assets is recognized by using the “Expected Credit Losses Model”. The credit loss allowance is required for financial assets measured at amortized cost, financial assets mandatorily measured at FVTOCI, lease receivables, contract assets arising from IFRS 15 “Revenue from Contracts with Customers”, certain written loan commitments and financial guarantee contracts. A loss allowance for the 12-month expected credit losses is required for a financial asset if its credit risk has not increased significantly since initial recognition. A loss allowance for full lifetime expected credit losses is required for a financial asset if its credit risk has increased significantly since initial recognition and is not low. However, a loss allowance for full lifetime expected credit losses is required for trade receivables that do not constitute a financing transaction.

For purchased or originated credit-impaired financial assets, the Group takes into account the expected credit losses on initial recognition in calculating the credit-adjusted effective interest rate. Subsequently, any changes in expected losses are recognized as a loss allowance with a corresponding gain or loss recognized in profit or loss.

Hedge accounting

The main changes in hedge accounting amended the application requirements for hedge accounting to better reflect the entity’s risk management activities. Compared with IAS 39, the main changes include: (1) enhancing types of transactions eligible for hedge accounting, specifically broadening the risk eligible for hedge accounting of non-financial items; (2) changing the way hedging derivative instruments are accounted for to reduce profit or loss volatility; and (3) replacing retrospective effectiveness assessment with the principle of economic relationship between the hedging instrument and the hedged item.

2) Amendment to IAS 36 “Recoverable Amount Disclosures for Non-financial Assets”

In issuing IFRS 13 “Fair Value Measurement”, the IASB made consequential amendment to the disclosure requirements in IAS 36 “Impairment of Assets”, introducing a requirement to disclose in every reporting period the recoverable amount of an asset or each cash-generating unit. The amendment clarifies that such disclosure of recoverable amounts is required only when an impairment loss has been recognized or reversed during the period. Furthermore, the Group is required to disclose the discount rate used in measurements of the recoverable amount based on fair value less costs of disposal measured using a present value technique.

3) Annual Improvements to IFRSs: 2010-2012 Cycle

Several standards including IFRS 2 “Share-based Payment”, IFRS 3 “Business Combinations” and IFRS 8 “Operating Segments” were amended in this annual improvement.

IFRS 3 was amended to clarify that contingent consideration should be measured at fair value, irrespective of whether the contingent consideration is a financial instrument within the scope of IFRS 9 or IAS 39. Changes in fair value should be recognized in profit or loss.

The amended IFRS 8 requires an entity to disclose the judgments made by management in applying the aggregation criteria to operating segments, including a description of the operating segments aggregated and the economic indicators assessed in determining whether the operating segments have “similar economic characteristics”. The amendment also clarifies that a reconciliation of the total of the reportable segments’ assets to the entity’s assets should only be provided if the segments’ assets are regularly provided to the chief operating decision-maker.

IFRS 13 was amended to clarify that the issuance of IFRS 13 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting, if the effect of not discounting is immaterial.

IAS 24 was amended to clarify that a management entity providing key management personnel services to the Group is a related party of the Group. Consequently, the Group is required to disclose as related party transactions the amounts incurred for the service paid or payable to the management entity for the provision of key management personnel services. However, disclosure of the components of such compensation is not required.

4) Annual Improvements to IFRSs: 2011-2013 Cycle

Several standards including IFRS 3 “Business Combinations” and IFRS 13 “Fair Value Measurement” were amended in this annual improvement.

IFRS 3 was amended to clarify that IFRS 3 does not apply to the accounting for the formation of all types of joint arrangements in the financial statements of the joint arrangement itself.

The scope in IFRS 13 of the portfolio exception for measuring the fair value of a group of financial assets and financial liabilities on a net basis was amended to clarify that it includes all contracts that are within the scope of, and accounted for in accordance with, IAS 39 or IFRS 9, even if those contracts do not meet the definitions of financial assets or financial liabilities within IAS 32.

5) IFRS 15 “Revenue from Contracts with Customers”

IFRS 15 establishes principles for recognizing revenue that apply to all contracts with customers, and will supersede IAS 18 “Revenue”, IAS 11 “Construction Contracts” and a number of revenue-related interpretations.

When applying IFRS 15, an entity shall recognize revenue by applying the following steps:

- Identify the contract with the customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contracts; and
- Recognize revenue when the entity satisfies a performance obligation.

When IFRS 15 is effective, an entity may elect to apply this Standard either retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initially applying this Standard recognized at the date of initial application.

6) Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”

The amendments stipulate that, when an entity sells or contributes to an associate assets that constitute a business as defined in IFRS 3 “Business Combination”, or when an entity loses control of a subsidiary that contains a business but retains significant influence or joint control, the gain or loss resulting from the transaction is recognized in full.

Also, when an entity loses control of a subsidiary that does not contain a business as defined in IFRS 3 but retains significant influence or joint control in an associate or a joint venture, the gain or loss resulting from the asset sale or contribution is recognized only to the extent of the unrelated investors’ interest in the associate or joint venture, and the entity’s share of the gain or loss is eliminated.

7) Annual Improvements to IFRSs: 2012-2014 Cycle

Several standards including IFRS 5 “Non-current assets held for sale and discontinued operations”, IFRS 7 and IAS 34 were amended in this annual improvement.

IFRS 5 was amended to clarify that reclassification between non-current assets (or disposal group) “held for sale” and non-current assets “held for distribution to owners” does not constitute a change to a plan of sale or distribution. Therefore, previous accounting treatment is not reversed. The amendment also explains that assets that no longer meet the criteria for “held for distribution to owners” and do not meet the criteria for “held for sale” should be treated in the same way as assets that cease to be classified as held for sale.

The amendments to IFRS 7 provide additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset. In addition, the amendments clarify that the offsetting disclosures are not explicitly required for all interim periods; however, the disclosures may need to be included in condensed interim financial statements to comply with IAS 34 under specific conditions.

IAS 34 was amended to clarify that other disclosure information required by IAS 34 should be included in interim financial statements. If the Group includes the information in other statements (such as management commentary or risk report) issued at the same time, it is not required to repeat the disclosure in the interim financial statements. However, it is required to include a cross-reference from the interim financial statements to that issued statements that is available to users on the same terms and at the same time as the interim financial statements.

8) Amendment to IAS 1 “Disclosure Initiative”

The amendment clarifies that the consolidated financial statements should be prepared for the purpose of disclosing material information. To improve the understandability of its consolidated financial statements, the Group should disaggregate the disclosure of material items into their different natures or functions, and disaggregate material information from immaterial information.

The amendment further clarifies that the Group should consider the understandability and comparability of its consolidated financial statements to determine a systematic order in presenting its footnotes.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group’s financial position and financial performance, and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed by the FSC. Disclosure information included in the consolidated financial statements is less than those required in a complete set of annual financial statements.

b. Basis of consolidation

For the information on subsidiaries, showing the name, principal business activities and ownership percentage, please refer to Note 14.

c. Other significant accounting policies

The same accounting policies of these consolidated financial statements have been followed as were applied in the preparation of the Group's consolidated financial statements for the year ended December 31, 2014, except for those described below.

1) Retirement benefit costs

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-time events.

2) Income taxes

Income tax expense is the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The same critical accounting judgments and key sources of estimation uncertainty of consolidated financial statements have been followed in these consolidated financial statements as were applied in the preparation of the consolidated financial statements for the year ended December 31, 2014.

6. CASH AND CASH EQUIVALENTS

	September 30, 2015	December 31, 2014	September 30, 2014
Cash on hand	\$ 13,255	\$ 124,912	\$ 91,847
Checking accounts	1,061,891	1,923,505	1,233,300
Demand deposits	17,855,753	35,292,046	23,328,502
Time deposits	<u>42,815,663</u>	<u>29,142,893</u>	<u>35,826,969</u>
	<u>\$ 61,746,562</u>	<u>\$ 66,483,356</u>	<u>\$ 60,480,618</u>

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	September 30, 2015	December 31, 2014	September 30, 2014
<u>Financial assets held for trading</u>			
Derivative financial assets (not under hedge accounting)			
Foreign exchange forward contracts	\$ 79,273	\$ 12,222	\$ 55,721
Currency swap contracts	<u>-</u>	<u>889</u>	<u>5,352</u>
	<u>\$ 79,273</u>	<u>\$ 13,111</u>	<u>\$ 61,073</u>

(Continued)

	September 30, 2015	December 31, 2014	September 30, 2014
Current	\$ 79,273	\$ 13,111	\$ 61,073
Non-current	-	-	-
	<u>\$ 79,273</u>	<u>\$ 13,111</u>	<u>\$ 61,073</u>
<u>Financial liabilities held for trading</u>			
Derivative financial liabilities (not under hedge accounting)			
Foreign exchange forward contracts	\$ 15,259	\$ 38,206	\$ 7,356
Currency swap contracts	-	202	-
	<u>\$ 15,259</u>	<u>\$ 38,408</u>	<u>\$ 7,356</u>
Current	\$ 15,259	\$ 38,408	\$ 7,356
Non-current	-	-	-
	<u>\$ 15,259</u>	<u>\$ 38,408</u>	<u>\$ 7,356</u>
			(Concluded)

At the end of the reporting period, outstanding forward exchange contracts and cross-currency swap contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
<u>September 30, 2015</u>			
Lite-On Singapore Pte. Ltd.			
Forward exchange contracts	USD/BRL	2015.10.21	USD2,000/BRL7,868
Forward exchange contracts	TWD/USD	2015.10.26	TWD1,646,150/USD50,000
Forward exchange contracts	USD/EUR	2015.11.05	USD11,186/EUR10,000
Lite-On Overseas Trading Co., Ltd.			
Forward exchange contracts	CNY/USD	2015.12.08	CNY110,611/USD17,000
Lite-On Electronics (Thailand) Co., Ltd.			
Forward exchange contracts	THB/USD	2015.12.02	THB71,902/USD2,000
Philip & Lite-On Digital Solutions Corp.			
Forward exchange contracts	USD/EUR	2015.11.05	USD4,470/EUR4,000
Lite-On Mobile Pte. Ltd.			
Forward exchange contracts	EUR/USD	2015.10.19	EUR5,500/USD6,227
Forward exchange contracts	CNY/USD	2015.10.20	CNY324,250/USD50,000
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.			
Forward exchange contracts	CNY/USD	2015.10.23	CNY50,888/USD8,000
Silitech Technology Corp.			
Forward exchange contracts	USD/MYR	2015.10.20- 2015.11.19	USD1,100/MYR4,666
Forward exchange contracts	EUR/MYR	2015.10.28- 2015.11.25	EUR100/MYR448

(Continued)

	Currency	Maturity Date	Notional Amount (In Thousands)
<u>December 31, 2014</u>			
Lite-On Overseas Trading Co., Ltd.			
Forward exchange contracts	CNY/USD	2015.01.12	CNY277,020/USD45,000
Currency swap contracts	CNY/USD	2015.01.22	CNY93,435/USD15,000
Lite-On Singapore Pte. Ltd.			
Forward exchange contracts	CNY/USD	2015.01.12	CNY402,870/USD65,000
Forward exchange contracts	USD/EUR	2015.01.30	USD8,047/EUR6,600
Lite-On Electronics (Thailand) Co., Ltd.			
Forward exchange contracts	THB/USD	2015.04.07	THB66,086/USD2,000
DongGuan G-Pro Computer Co., Ltd.			
Currency swap contracts	CNY/USD	2015.01.05	CNY38,058/USD6,104
LET (HK) Ltd.			
Forward exchange contracts	USD/EUR	2015.01.29	USD10,972/EUR9,000
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.			
Forward exchange contracts	CNY/USD	2015.01.05	CNY43,173/USD7,000
Forward exchange contracts	CNY/EUR	2015.01.05	CNY2,307/EUR300
Zhuhai Lite-On Mobile Telecommunication Co., Ltd.			
Forward exchange contracts	CNY/USD	2015.01.05	CNY18,503/USD3,000
Lite-On Mobile Pte. Ltd.			
Forward exchange contracts	CNY/USD	2015.01.12	CNY204,072/USD33,000
Forward exchange contracts	USD/EUR	2015.01.12	USD1,230/EUR1,000
Forward exchange contracts	JPY/USD	2015.01.26	JPY144,114/USD1,200
Forward exchange contracts	USD/BRL	2015.01.15	USD2,500/BRL6,626
Forward exchange contracts	INR/USD	2015.01.15	INR93,759/USD1,500
Silitech Technology Corp.			
Forward exchange contracts	USD/MYR	2015.01.06- 2015.03.06	USD1,670/MYR5,737
<u>September 30, 2014</u>			
Lite-On Overseas Trading Co., Ltd.			
Forward exchange contracts	CNY/USD	2014.10.08	CNY277,196/USD45,000
Lite-On Singapore Pte. Ltd.			
Forward exchange contracts	USD/TWD	2014.12.09	USD10,000/TWD298,200
Forward exchange contracts	USD/EUR	2014.10.30	USD6,901/EUR5,400
Forward exchange contracts	CNY/USD	2014.10.08	CNY123,190/USD20,000
Lite-On Electronics (Guangzhou) Co., Ltd.			
Forward exchange contracts	CNY/USD	2014.10.08	CNY30,826/USD5,000
Lite-On Electronics (Thailand) Co., Ltd.			
Forward exchange contracts	THB/USD	2014.12.02	THB63,910/USD2,000
Lite-On IT Singapore Pte. Ltd.			
Currency swap contracts	CNY/USD	2014.10.14	CNY122,960/USD20,000
Forward exchange contracts	USD/EUR	2014.10.24	USD5,143/EUR4,000
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.			
Forward exchange contracts	CNY/USD	2014.10.08	CNY49,290/USD8,000

(Continued)

	Currency	Maturity Date	Notional Amount (In Thousands)
Beijing Lite-On Mobile Electronic and Telecommunication Components Co., Ltd.			
Forward exchange contracts	CNY/USD	2014.10.08	CNY36,982/USD6,000
Lite-On Mobile Pte. Ltd.			
Forward exchange contracts	CNY/USD	2014.10.20	CNY179,351/USD29,000
Forward exchange contracts	USD/EUR	2014.10.08	USD1,971/EUR1,500
Forward exchange contracts	JPY/USD	2014.10.02	JPY1,225,800/USD11,247
Forward exchange contracts	USD/BRL	2014.10.14	USD2,000/BRL4,605
Forward exchange contracts	INR/USD	2014.11.14	INR91,497/USD1,500
Silitech Technology Corp.			
Forward exchange contracts	USD/MYR	2014.10.07- 2014.12.08	USD1,700/MYR5,470
			(Concluded)

The subsidiaries entered into derivative contracts during the nine months ended September 30, 2015 and 2014 to manage exposures due to fluctuations of foreign exchange rates. The derivative contracts entered into by the subsidiaries did not meet the criteria for hedge accounting. Thus, the derivative contracts classified as financial assets or financial liabilities at fair value through profit or loss. The financial risk management objectives of the subsidiaries were to minimize risks due to changes in fair value or cash flows.

On financial instruments with fair value through profit or loss (FVTPL), the Group had (a) net gains of \$106,335 thousand and \$132,822 thousand for the three months ended September 30, 2015 and 2014, respectively, and (b) net gains of \$293,856 thousand and \$184,537 thousand for the nine months ended September 30, 2015 and 2014, respectively.

8. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	September 30, 2015	December 31, 2014	September 30, 2014
<u>Domestic investments</u>			
Quoted shares	\$ 298,430	\$ 626,191	\$ 619,411
Emerging market shares	178,716	178,716	178,716
Unquoted shares	144,617	144,617	193,780
<u>Foreign investments</u>			
Unquoted shares	75,848	221,811	347,676
Mutual funds	53,251	143,434	138,432
Quoted shares	<u>11,379</u>	<u>11,486</u>	<u>8,716</u>
	<u>\$ 762,241</u>	<u>\$ 1,326,255</u>	<u>\$ 1,486,731</u>
Current	\$ -	\$ -	\$ 13
Non-current	<u>762,241</u>	<u>1,326,255</u>	<u>1,486,718</u>
	<u>\$ 762,241</u>	<u>\$ 1,326,255</u>	<u>\$ 1,486,731</u>

Refer to Note 33 for information relating to the fair values of on available-for-sale financial assets determined.

There was objective evidence that the fair values of some financial assets were below their carrying costs and will permanently decline. As a result, the Group recognized impairment losses of \$9,730 thousand and \$0 thousand for the three months ended September 30, 2015 and 2014, respectively, and \$54,801 thousand and \$31,561 thousand for the nine months ended September 30, 2015 and 2014, respectively, in the consolidated statements of comprehensive income for the nine months ended September 30, 2015 and 2014.

9. DERIVATIVE FINANCIAL INSTRUMENTS FOR HEDGING

	September 30, 2015	December 31, 2014	September 30, 2014
Derivative financial liabilities under <u>hedge accounting</u>			
Cash flow hedges - interest rate swaps	\$ -	\$ 11,989	\$ 17,505
Current	\$ -	\$ 11,989	\$ 17,505
Non-current	-	-	-
	\$ -	\$ 11,989	\$ 17,505

The Parent Company's liabilities with floating interest rate might be affected by changes in the market rate. Thus, future cash flows on those liabilities might fluctuate, exposing the Parent Company to cash flow risk. To hedge against this risk, the Parent Company entered into an interest rate swap contract with a bank to change the floating rate of its liabilities to fixed rate. The cash flow hedge transactions are deemed sufficient.

The outstanding interest rate swap contracts of the Parent Company at the end of the reporting period were as follows:

Notional Amount (In Thousands)	Maturity Date	Range of Interest Rates Paid	Range of Interest Rates Received
<u>September 30, 2015:</u> None			
<u>December 31, 2014</u>			
NT\$2,400,000	2015.09.23	1.895%	0.888%
<u>September 30, 2014</u>			
NT\$2,400,000	2015.09.23	1.895%	0.885%

10. DEBT INVESTMENTS WITH NO ACTIVE MARKET

	September 30, 2015	December 31, 2014	September 30, 2014
Pledged deposits	\$ 271,179	\$ 78,688	\$ 1,210,285
Current	\$ 271,179	\$ 78,170	\$ 1,209,373
Non-current	-	518	912
	<u>\$ 271,179</u>	<u>\$ 78,688</u>	<u>\$ 1,210,285</u>

Refer to Note 35 for information on bond investments with no active market pledged as security.

11. TRADE RECEIVABLES, NET

	September 30, 2015	December 31, 2014	September 30, 2014
Trade receivables	\$ 52,226,354	\$ 51,509,351	\$ 49,727,129
Allowance for impairment loss	(236,555)	(298,871)	(236,333)
Unrealized interest revenues	<u>(69,658)</u>	<u>(76,468)</u>	<u>(19,551)</u>
	<u>\$ 51,920,141</u>	<u>\$ 51,134,012</u>	<u>\$ 49,471,245</u>

The average credit period on sales of goods was 90 days. In determining the recoverability of a trade receivable, the Group considered any change in the credit quality of the trade receivable since the date credit was initially granted to the end of the reporting period. The Group recognized an allowance for impairment loss of 100% against all receivables over 240 days because historical experience had been that receivables that are past due beyond 240 days were not recoverable. Allowance for impairment loss were recognized against trade receivables between 1 days and 240 days based on estimated irrecoverable amounts determined by reference to past default experience of the counterparties and an analysis of their current financial position.

The aging of receivables was as follows:

	September 30, 2015	December 31, 2014	September 30, 2014
Not overdue	\$ 51,335,945	\$ 50,205,142	\$ 48,105,533
Overdue			
1-60 days	637,681	1,069,101	1,355,906
61-210 days	125,813	109,378	142,644
211-240 days	7,374	4,743	1,189
Over 241 days	<u>119,541</u>	<u>120,987</u>	<u>121,857</u>
	<u>890,409</u>	<u>1,304,209</u>	<u>1,621,596</u>
	<u>\$ 52,226,354</u>	<u>\$ 51,509,351</u>	<u>\$ 49,727,129</u>

The above aging schedule was based on the past due date.

As of September 30, 2015, December 31, 2014 and September 30, 2014, the Group did not have the age of the trade receivables that were past due but not impaired.

At the end of the reporting period, trade receivables from sales on installments by the Group were as follows:

	September 30, 2015	December 31, 2014	September 30, 2014
Trade receivables	\$ 1,119,660	\$ 941,026	\$ 104,209
Unrealized interests revenue	<u>(69,658)</u>	<u>(76,468)</u>	<u>(19,551)</u>
	<u>\$ 1,050,002</u>	<u>\$ 864,558</u>	<u>\$ 84,658</u>

Movements in the allowance for impairment loss recognized on notes receivable and trade receivables were as follow:

	For the Nine Months Ended September 30	
	2015	2014
Balance at January 1	\$ 298,871	\$ 215,850
Allowance for impairment loss (reversal of impairment loss)	(60,852)	44,897
Uncollectible amounts written off during the period as uncollectible	(486)	(151)
Foreign exchange translation	379	(2,203)
Reclassification	(1,357)	-
Effect of business combination	<u>-</u>	<u>(22,060)</u>
Balance at September 30	<u>\$ 236,555</u>	<u>\$ 236,333</u>

12. INVENTORIES, NET

	September 30, 2015	December 31, 2014	September 30, 2014
Finished goods	\$ 18,457,619	\$ 15,623,878	\$ 15,579,002
Raw materials	7,520,986	7,413,962	8,289,631
Work in progress	3,932,921	3,834,591	5,524,661
Merchandise	358,285	304,471	260,709
Inventory in transit	<u>299,176</u>	<u>2,336,889</u>	<u>2,351,261</u>
	<u>\$ 30,568,987</u>	<u>\$ 29,513,791</u>	<u>\$ 32,005,264</u>

The costs of inventories recognized as cost of goods sold for the three months ended September 30, 2015 and 2014 were \$48,773,827 thousand and \$53,170,700 thousand, respectively, and for the nine months ended September 30, 2015 and 2014, \$139,036,066 thousand and \$148,857,798 thousand, respectively.

The cost of inventories recognized as cost of goods sold in the three months and nine months ended September 30, 2015 included inventory write-downs of \$83,230 thousand, which resulted from write-downs of inventory to net realizable value and a reversal amounting to \$265,926 thousand of inventory write-downs due to inventory write-off. The cost of inventories recognized as cost of goods sold in the three months and nine months ended September 30, 2014 included inventory write-downs of \$200,197 thousand and \$504,679 thousand, respectively, which resulted from write-downs of inventory to net realizable value.

13. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Silitech Technology (SuZhou) Co., Ltd., a subsidiary of the Parent Company, entered into an agreement to sell idle equipment in the fourth quarter of 2014. This sale was mainly based on centralized management and production strategy considerations. The sales proceeds substantially exceeded the carrying amount of the related net assets; thus, no impairment losses were recognized on the assets reclassified to held for sale and the sale was completed in January 2015.

14. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

a. Subsidiaries included in consolidated financial statements

Investor	Investee	Main Business	% of Ownership			Remark
			September 30, 2015	December 31, 2014	September 30, 2014	
The Parent Company	Silitech Technology Corp.	Manufacture and sale of modules and plastic products	33.87	32.08	32.08	-
	Lite-On Integrated Service Inc.	Information outsourcing and system integrate	100.00	100.00	100.00	1)
	Lite-On Capital Corp.	Investment activities	100.00	100.00	100.00	1)
	Lite-On Electronics H.K. Ltd.	Sale of LED optical products	100.00	100.00	100.00	1)
	Lite-On Electronics (Thailand) Co., Ltd.	Manufacture and sale of LED optical products	100.00	100.00	100.00	1)
	Lite-On Japan Ltd.	Sale of LED optical products and power supplies	49.49	49.49	49.49	1)
	Lite-On International Holding Co., Ltd.	Investment activities	100.00	100.00	100.00	1)
	LTC Group Ltd.	Investment activities	100.00	100.00	100.00	1)
	Lite-On Technology USA, Inc.	Investment activities	100.00	100.00	100.00	1)
	Lite-On Electronics (Europe) Ltd.	Manufacture and sale of power supplies	100.00	100.00	100.00	1)
	Lite-On Technology (Europe) B.V.	Market research and after-sales service	54.00	54.00	54.00	1)
	Lite-On Overseas Trading Co., Ltd.	Merchandising business	100.00	100.00	100.00	-
	Lite-On Singapore Pte. Ltd.	Manufacture and supply computer peripheral products	100.00	100.00	100.00	-
	Lite-On Vietnam Co., Ltd.	Electronic contract manufacturing	100.00	100.00	100.00	1)
	Li Shin International Enterprise Corp.	Manufacture and sale of computer and appliance components	100.00	100.00	100.00	1)
	Eagle Rock Investment Ltd.	Import and export business and investment activities	100.00	100.00	100.00	1)
	LarView Technologies Corporation (Samoa)	Investment activities	100.00	100.00	100.00	1)
	Lite-On Mobile Pte. Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	-
	High Yield Group Co., Ltd.	Holding company	100.00	100.00	100.00	1)
	Lite-On IT Singapore Pte. Ltd.	Sale of optical disc drives	-	100.00	100.00	1), 2)
	Lite-On Information Technology B.V.	Market research and customer service	100.00	100.00	100.00	1)
	Philip & Lite-On Digital Solutions Corp.	Sale of optical disc drives	49.00	49.00	49.00	-
	LET (HK) Ltd.	Sale of optical disc drives	100.00	100.00	100.00	1)
	Leotek Electronics Holding Limited	Holding company	100.00	100.00	100.00	1)
	Lite-On Automotive Electronics (Europe) BV	Sale of automotive parts and other electronic products	100.00	100.00	100.00	1)
	Lite-On Automotive North America Inc.	Sale of automotive parts and other electronic products	-	100.00	100.00	1), 3)
	Lite-On Automotive Service USA Inc.	Sale of automotive parts and other electronic products	100.00	100.00	100.00	1)
	Lite-On Automotive International (Cayman) Co., Ltd.	Investment activities	100.00	100.00	100.00	1)
	Lite-On Automotive Electronics Mexico, S.A. DE C.V.	Production, manufacture, sale, import and export of photovoltaic device, key electronic components, telecommunications equipment, information technology equipment, semiconductor applications, general lighting, automotive electronics, renewable energy products and systems and maintenance of automotive industry	99.00	-	-	1), 4)
Lite-On Capital Corp.	Silitech Technology Corp.	Manufacture and sale of modules and plastic products	0.64	0.61	0.61	-
	Lite-On Green Technologies Inc.	Manufacture and wholesale of electronic components and energy technology services	100.00	100.00	100.00	1)
	Lite-On Green Energy (HK) Limited	Investment activities	100.00	100.00	100.00	1)
	Lite-On Technology (Europe) B.V.	Market research and after-sales services	46.00	46.00	46.00	1)
	Lite-On Green Energy (Singapore) Pte. Ltd.	Investment activities	100.00	100.00	100.00	1)
	Five Dimension Co., Ltd.	Development, manufacture and sale of cell phone and camera lens modules	69.94	69.94	-	1), 5)
Five Dimension Co., Ltd.	FiDi Optical Co., Ltd.	Wholesale of precision modules	-	40.00	-	1), 6)
Lite-On Green Technologies Inc.	Lite-On Green Technologies B.V.	Solar energy engineering	100.00	100.00	100.00	1)
	Lite-On Green Technologies (HK) Limited	Solar energy engineering	100.00	100.00	100.00	1)

(Continued)

Investor	Investee	Main Business	% of Ownership			Remark
			September 30, 2015	December 31, 2014	September 30, 2014	
Lar View Technologies Corporation (Samoa)	LarView Technologies Corp. (Shenzhen)	Camera lens modules	-	100.00	100.00	1), 7)
Lite-On Green Energy (Singapore) Pte. Ltd.	Lite-On Green Energy B.V.	Investment activities	100.00	100.00	100.00	1)
	Lite-On Green Energy Kaiserslautern GmbH	Solar energy engineering	-	100.00	100.00	1), 8)
Lite-On Green Technologies (HK) Limited	Lite-On Green Technologies (Nanjing) Corporation	Solar energy engineering	100.00	100.00	100.00	1)
Lite-On Green Energy B.V.	Romeo Tetti PVI S.R.L.	Solar energy engineering	100.00	100.00	100.00	1)
	Lite-On Green Energy S.R.L.	Solar energy engineering	100.00	100.00	100.00	1)
Lite-On Electronics H.K. Ltd.	Lite-On Electronics (Tianjin) Co., Ltd.	ODM services	100.00	100.00	100.00	1)
	Lite-On Network Communication (Dongguan) Limited	Manufacture and sale of IT products	100.00	100.00	100.00	1)
	Lite-On Power Technology (Chang Zhou) Co., Ltd.	Manufacture and sale of new-type electronic components and peripheral materials	100.00	100.00	100.00	1)
	China Bridge (China) Co., Ltd.	Investment, sales agent	100.00	100.00	100.00	1)
	Lite-On Electronics (Dongguan) Co., Ltd.	Manufacture of electronic components	100.00	100.00	100.00	1)
	Silitek Elec. (Dongguan) Co., Ltd.	Manufacture and sale of keyboards	100.00	100.00	100.00	1)
	Lite-On Computer Tech (Dongguan) Co., Ltd.	Manufacture and sale of display device	100.00	100.00	100.00	1)
	Dong Guan G-Tech Computers Co., Ltd.	Manufacture and sale of computer case	100.00	100.00	100.00	1)
	DongGuan G-Pro Computer Co., Ltd.	Manufacture and sale of system products	79.29	79.29	79.29	1)
	Lite-On Digital Electronics (Dongguan) Co., Ltd.	Manufacture and sale of computer peripheral products	100.00	100.00	100.00	1)
Lite-On Network Communication (Dongguan) Limited	DongGuan G-Pro Computer Co., Ltd.	Manufacture and sale of system products	20.71	20.71	20.71	1)
China Bridge (China) Co., Ltd.	Lite-On Opto Technology (Changzhou) Co., Ltd.	Development, manufacture of new-type electronic components and provide technology consulting services, maintenance equipment and after-sales services	12.59	12.59	12.59	-
	China Bridge Express (Wuxi) Co., Ltd.	Express and sale of power supplies, printers, display devices and scanners	100.00	100.00	100.00	1)
Lite-On Electronics Co., Ltd.	Lite-On Communications (Guangzhou) Co., Ltd.	Manufacture and sale of mobile terminal equipment	100.00	100.00	100.00	-
	Lite-On Electronics (Guangzhou) Co., Ltd.	Manufacture and sale of printers and scanners	100.00	100.00	100.00	-
	Lite-On (Guangzhou) Infotech Co., Ltd.	Information outsourcing	100.00	100.00	100.00	1)
	Lite-On Elec and Wire (Guangzhou) Co., Ltd.	Manufacture and sale of mobile terminal equipment	100.00	100.00	100.00	-
	Lite-On (Guangzhou) Precision Tooling Co., Ltd.	Manufacture and sale of modules	67.03	67.03	67.03	-
	Lite-On Tech (Guangzhou) Co., Ltd.	Manufacture and sale of computer cases	100.00	100.00	100.00	-
	Lite-On Electronics (Jiangsu) Co., Ltd.	Development, manufacture, sale and installation of power supplies and transformers and provision of technology consulting services, maintenance equipment and precision instruments	100.00	100.00	100.00	1)
	Lite-On Technology (Guangzhou) Investment Co., Ltd.	Investment activities	100.00	100.00	100.00	1)
	Lite-On Power Technology (Dongguan) Co., Ltd.	Development, manufacture and sale of electronic components, power supplies and provision technology consulting services	100.00	100.00	100.00	1)
Lite-On Technology (Guangzhou) Investment Co., Ltd.	Lite-On (Guangzhou) Precision Tooling Co., Ltd.	Manufacture and sale of modules	32.97	32.97	32.97	-
	Zuhai Lite-On Mobile Technology Co., Ltd.	Mobile phone mold, assembly line design, manufacture and sale activities.	100.00	100.00	100.00	1), 9)
Lite-On Electronics (Jiangsu) Co., Ltd.	Lite-On Technology (Changzhou) Co., Ltd.	Development, manufacture, sale and installation of power supplies and transformers and provision technology consulting services, maintenance equipment and after-sales services	100.00	100.00	100.00	-
	Lite-On Opto Technology (Changzhou) Co., Ltd.	Development, manufacture and sale of new-type electronic components and LED and provision technology consulting services, maintenance equipment and after-sales services	87.41	87.41	87.41	-
	Lite-On Medical Device (Changzhou) Ltd.	Manufacture and sale of medical equipment	100.00	100.00	-	1), 10)
	Changzhou Leotek New Energy Trade Limited	Wholesale, import and export and installation of street lights, signal lights, scenery lights and new-type electronic components	100.00	100.00	100.00	1), 11)
Yet Foundate Ltd.	Dongguan Lite-On Computer Co., Ltd.	Manufacture and sale of computer hosts and components	100.00	100.00	100.00	1)
Fordgood Electronic Ltd.	Lite-On Li Shin Technology (Ganzhou) Co., Ltd.	Manufacture and sale of electronic components	100.00	100.00	100.00	1)
Lite-On Technology USA, Inc.	Lite-On, Inc.	Sales data processing business of optoelectronic products and power supplies	100.00	100.00	100.00	1)
	Lite-On Trading USA, Inc.	Sale of optical products	100.00	100.00	100.00	1)
	Lite-On Service USA, Inc.	After-sales service of optical products	100.00	100.00	100.00	1)
	Leotek Electronics USA LLC	Sale of LED products	100.00	100.00	100.00	1)
	Power Innovations International, Inc.	Development, design and manufacture of power control and energy management	95.25	95.25	95.25	1), 12)
	Lite-On Sales & Distribution Inc.	Sale of optical disc drives	100.00	100.00	100.00	1), 13)
	Lite-On Technology Service, Inc.	After-sales service of optical products	100.00	-	-	1), 14)

(Continued)

Investor	Investee	Main Business	% of Ownership			Remark
			September 30, 2015	December 31, 2014	September 30, 2014	
Lite-On International Holding Co., Ltd.	Ze Poly Pte. Ltd.	Manufacture and sale of thin-film solar cell	-	48.13	48.13	1), 15)
Ze Poly Pte. Ltd.	Lite-On China Holding Co., Ltd.	Manufacture and sale of computer cases	100.00	100.00	100.00	-
Lite-On Singapore Pte. Ltd.	Ze Poly Tomsk Ltd.	Solar energy industry	-	-	100.00	1), 16)
	Lite-On Technology (Ying Tan) Co., Ltd.	Manufacture and sale of electronic components	100.00	100.00	100.00	1)
	Lite-On Technology (Xianging) Co., Ltd.	Manufacture and sale of electronic components	100.00	100.00	100.00	1)
	Lite-On Technology (Shanghai) Ltd.	Manufacture and sale of energy saving equipment	100.00	100.00	-	1), 10)
	Lite-On Automotive Electronics Mexico, S.A. DE C.V.	Production, manufacture, sale, import and export of photovoltaic device, key electronic components, telecommunications equipment, information technology equipment, semiconductor applications, general lighting, automotive electronics, renewable energy products and systems and maintenance of automotive industry	1.00	-	-	1), 4)
LTC Group Ltd.	Titanic Capital Services Ltd.	Investment activities	100.00	100.00	100.00	1)
	LTC International Ltd.	Manufacture and sale of system products	100.00	100.00	100.00	1)
Lite-On Technology (Europe) B.V.	Lite-On (Finland) Oy	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	1)
Lite-On (Finland) Oy	Lite-On Mobile Oyj (formerly: Perlos Oyj)	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	1)
Lite-On China Holding Co., Ltd.	Lite-On Electronics Co., Ltd.	Investment activities	100.00	100.00	100.00	1)
	Yet Foundate Ltd.	Manufacture of plastic and computer peripheral products	100.00	100.00	100.00	1)
	I-Solutions Limited	Original equipment manufacturer of electronic products	100.00	100.00	100.00	1)
	Fordgood Electronic Ltd.	Import and export and real estate business	100.00	100.00	100.00	1)
G&W Technology (BVI) Ltd.	G&W Technology (BVI) Ltd.	Real estate management	50.00	50.00	50.00	1)
Eagle Rock Investment Ltd.	G&W Technology Limited	Leasing business	100.00	100.00	100.00	1)
	Huizhou Li Shin Electronic Co., Ltd.	Manufacture of computer peripheral products	100.00	100.00	100.00	1)
	Huizhou Fu Tai Electronic Co., Ltd.	Manufacture of computer peripheral products	100.00	100.00	100.00	1)
	Li Shin Technology (Huizhou) Ltd.	Manufacture and sale of new-type electronic components and peripheral materials	100.00	100.00	100.00	1)
High Yield Group Co., Ltd.	Lite-On IT International (HK) Ltd.	Sale of optical disc drives	100.00	100.00	100.00	1)
Lite-On IT International (HK) Ltd.	Lite-On Opto Technology (Guangzhou) Co., Ltd.	Manufacture and sale of optical disc drives	100.00	100.00	100.00	1)
	Lite-On Auto Electric Technology (Guangzhou) Ltd.	Manufacture and sale of optical disc drives	100.00	100.00	100.00	1)
	Lite-On IT Opto Tech (BH) Co., Ltd.	Manufacture and sale of optical disc drives	100.00	100.00	100.00	1)
Lite-On Information Technology B.V.	Lite-On Information Technology GmbH	Sale of optical disc drives	100.00	100.00	100.00	1)
Philip & Lite-On Digital Solutions Corp.	Philips & Lite-On Digital Solutions Germany GmbH	Development and sale of modules of automotive recorders	100.00	100.00	100.00	-
	Philips & Lite-On Digital Solutions USA Inc.	Sale of optical disc drives	100.00	100.00	100.00	-
	Philips & Lite-On Digital Solutions Korea Ltd.	Sale of optical disc drives	100.00	100.00	100.00	-
	Philips & Lite-On Digital Solutions Netherlands B.V.	Sale and design of optical disc drives	100.00	100.00	100.00	-
	Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd.	Sale of optical disc drives	100.00	100.00	100.00	-
Silitech Technology Corp.	Silitech (BVI) Holding Ltd.	Investment activities	100.00	100.00	100.00	-
	Lite-On Japan Ltd.	Sale of LED optical products and power supplies	7.87	7.87	7.87	1)
Silitech (BVI) Holding Ltd.	Silitech (Bermuda) Holding Ltd.	Investment activities	100.00	100.00	100.00	-
Silitech (Bermuda) Holding Ltd.	Silitech Technology Corp. Ltd.	Manufacture of plastic and computer peripheral products	100.00	100.00	100.00	-
	Silitech Technology Corp. Sdn. Bhd.	Manufacture of computer peripheral products	100.00	100.00	100.00	1)
	Silitech Technology (Europe) Ltd.	Sale of modules and keyboards	-	-	100.00	1), 17)
	Silitech (Hong Kong) Holding Ltd.	Investment activities	100.00	100.00	100.00	-
	Silitech International (India) Private Limited	Development, manufacture and sale of automotive parts	100.00	100.00	100.00	1)
Silitech (Hong Kong) Holding Ltd.	Silitech Technology (SuZhou) Co., Ltd.	Manufacture and sale of automotive parts	100.00	100.00	100.00	-
Silitech Technology Corp. Ltd.	Xurong Electronic (Shenzhen) Co., Ltd.	Manufacture of automotive parts, touch panels and plastic and rubber assembly	100.00	100.00	100.00	-
	SuZhou Xulong Mold Producing Co., Ltd.	Development, manufacture and sale of precision modules and new-type electronic components (chip components, testing elements, hybrid integrated circuits)	60.00	60.00	60.00	1)
Lite-On Automotive International (Cayman) Co., Ltd.	Lite-On Automotive Holdings (Hong Kong) Co., Ltd.	Investment activities	100.00	100.00	100.00	1)
Lite-On Automotive Holdings (Hong Kong) Co., Ltd.	Lite-On Automotive (Wuxi) Co., Ltd.	Manufacture, sale and processing of electronic products	100.00	100.00	100.00	1)
	Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	Manufacture, sale and processing of electronic products	100.00	100.00	100.00	1)
Lite-On Japan Ltd.	Lite-On Japan (S) Pte. Ltd.	Import and export business of electronic components	100.00	100.00	100.00	1)
	L&K Industries Philippines, Inc.	Import and export business of electronic components	100.00	100.00	100.00	1)
	Lite-On Japan (H.K.) Limited	Import and export business of electronic components	100.00	100.00	100.00	1)

(Continued)

Investor	Investee	Main Business	% of Ownership			Remark
			September 30, 2015	December 31, 2014	September 30, 2014	
	Lite-On Japan (Korea) Co., Ltd.	Import and export business of electronic components	100.00	100.00	100.00	1)
	Lite-On Japan (Thailand) Co., Ltd.	Import and export business of electronic components	100.00	100.00	100.00	1), 18)
Lite-On Japan (H.K.) Limited	NL (Shanghai) Co., Ltd.	Import and export business of electronic components	100.00	100.00	100.00	1)
Lite-On Mobile Oyj (formerly: Perlos Oyj)	Lite-On Mobile Sweden AB	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	1)
Lite-On Mobile Pte. Ltd.	Lite-On Mobile Indústria e Comércio de Plásticos Ltda.	Manufacture and sale of mobile phone modules and design for assembly line	3.22	3.53	3.59	1)
	Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	-
	Guangzhou Lite-On Mobile Engineering Plastics Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	1)
	Beijing Lite-On Mobile Electronic and Telecommunication Components Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	-
	Shenzhen Lite-On Mobile Precision Molds Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	1)
	Lite-On Mobile Indústria e Comércio de Plásticos Ltda.	Manufacture and sale of mobile phone modules and design for assembly line	96.78	96.47	96.41	1)
	Perlos Precision Plastics Moulding Limited Liability Company	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	1)
	Lite-On Mobile India Private Limited.	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	1)
	Lite-On Young Fast Pte. Ltd.	Investment activities	100.00	100.00	100.00	1)
	Yantai Lite-On Mobile Electronic Components Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	100.00	100.00	100.00	1)
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.						
Lite-On Young Fast Pte. Ltd.	Lite-On Young Fast (Huizhou) Co., Ltd.	Modules of touch panels	100.00	100.00	100.00	1)

(Concluded)

Remark:

- 1) This is an immaterial subsidiary for which the consolidated financial statements are not reviewed by the Company's independent accountants.
- 2) Lite-On IT Singapore Pte. Ltd. was dissolved after merging with Lite-On Singapore Pte. Ltd. on January 1, 2015.
- 3) Lite-On Automotive North America Inc. was dissolved after liquidation on May 26, 2015.
- 4) Established in January 2015.
- 5) In November 2014, the Group acquired power to cast the majority of the equity; thus, this investee was included in the consolidated financial statement effective that month.
- 6) In November 2014, the Group acquired power to cast the majority of the equity; thus, this investee was included in the consolidated financial statement effective that month. The company was dissolved after liquidation on April 19, 2015.
- 7) Accomplished the liquidation in July 2015.
- 8) Accomplished the liquidation in September 2015.
- 9) The Group reorganized its structure on March 5, 2015, and Lite-On Technology (Guangzhou) Investment Co., Ltd. acquired the entire equity of Zhuhai Lite-On Mobile Technology Co., Ltd., from its subsidiary, Lite-On Mobile Pte. Ltd. and Guangzhou Lite-On Mobile Electronic Components Co., Ltd.
- 10) Established in October 2014.
- 11) The Group reorganized its structure on August 26, 2015, and Lite-On Electronics (Jiangsu) Co., Ltd. acquired the entire equity of Changzhou Leotek New Energy Trade Limited, from its subsidiary, Leotek Electronics Holding Ltd.

- 12) The Group acquired power to cast the majority of the equity of Power Innovations International Inc. in April 2014; thus, this company was included in the consolidated financial statement effective that month. Please refer to Note 29.
- 13) The Group reorganized its structure on January 1, 2015, and Lite-On Sales & Distribution Inc. became directly held by Lite-On Technology USA, Inc.
- 14) Established in August 2015.
- 15) Accomplished the liquidation in September 2015.
- 16) Accomplished the liquidation in December 2014.
- 17) Accomplished the liquidation in November 2014.
- 18) The Group reorganized its structure on July 30, 2015, and Lite-On Japan Ltd. acquired the entire equity of Lite-On Japan (Thailand) Co., Ltd., from its subsidiary, Lite-On Japan (S) Pte. Ltd.

b. Subsidiaries excluded from consolidated financial statements: None.

15. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	September 30, 2015	December 31, 2014	September 30, 2014
Investments in associates	\$ 4,141,399	\$ 4,055,902	\$ 4,298,633
Investments in joint ventures	<u>-</u>	<u>-</u>	<u>1,078</u>
	<u>\$ 4,141,399</u>	<u>\$ 4,055,902</u>	<u>\$ 4,299,711</u>

a. Investments in associates

	September 30, 2015	December 31, 2014	September 30, 2014
Material associates			
Lite-On Semiconductor Corp.	\$ 1,771,323	\$ 1,698,507	\$ 1,902,349
Dragonjet Corporation	1,052,422	1,060,414	1,046,471
Logah Technology Corp.	<u>301,555</u>	<u>352,473</u>	<u>447,120</u>
	3,125,300	3,111,394	3,395,940
Associates that are not individually material	1,015,565	944,508	903,771
Credit balance on the carrying value of investments accounted for using equity method	<u>534</u>	<u>-</u>	<u>-</u>
	<u>\$ 4,141,399</u>	<u>\$ 4,055,902</u>	<u>\$ 4,299,711</u>

Material associates:

Name of Associate	Proportion of Ownership and Voting Rights		
	September 30, 2015	December 31, 2014	September 30, 2014
Lite-On Semiconductor Corp.	20.55%	20.23%	20.23%
Dragonjet Corporation	29.62%	29.62%	29.62%
Logah Technology Corp.	31.77%	32.53%	38.58%

Refer to Table 7 “names, locations, and related information of investees over which the company exercises significant influence” and Table 8 “information on investment in Mainland China” for the nature of activities, principal place of business and country of incorporation of the associates.

Starting from March 28, 2014, the Group has no power to govern the financial and operating policies of Logah Technology Corp. The Group used the fair value measurement for its investments after it lost control of Logah Technology Corp. (please refer to Note 30). The Group still has significant influence on Logah Technology Corp.; thus, the Group accounted for this investment by the equity method.

The equity-method investees’ financial statements, which had been used to determine the carrying amount of the Group’s investments share of profit and other comprehensive income of associates, had not been reviewed, except for the financial statements as of and for the nine months ended September 30, 2015 and 2014 of Lite-On Semiconductor Corp. and Logah Technology Corp.

Fair value (Level 1) of investments in associates with available published price quotation are summarized as follows:

Name of Associate	September 30, 2015	December 31, 2014	September 30, 2014
Lite-On Semiconductor Corp.	<u>\$ 1,372,518</u>	<u>\$ 1,429,838</u>	<u>\$ 1,926,719</u>
Logah Technology Corp.	<u>\$ 286,595</u>	<u>\$ 599,741</u>	<u>\$ 739,490</u>

The Group’s investments of the above mentioned associates are measured by equity method.

b. Investments in joint ventures

	September 30, 2015	December 31, 2014	September 30, 2014
Joint ventures that are not individually material	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,078</u>

Financial statements, which had been used to determine the carrying amounts of the Group’s investments and its share of profits and other comprehensive income of associates, had not been reviewed.

16. PROPERTY, PLANT AND EQUIPMENT, NET

	September 30, 2015	December 31, 2014	September 30, 2014
<u>Carrying amounts of each class of</u>			
Freehold land	\$ 2,338,652	\$ 2,335,867	\$ 2,337,394
Buildings	11,781,883	12,424,092	13,116,733
Machinery equipment	15,301,480	16,012,090	15,244,523
Tooling equipment	188,799	140,111	247,546
Transportation equipment	20,825	21,681	15,193
Office equipment	444,186	465,815	480,549
Equipment held under finance lease	193,460	267,468	264,658
Other equipment	<u>5,405,102</u>	<u>4,440,092</u>	<u>3,288,882</u>
	<u>\$ 35,674,387</u>	<u>\$ 36,107,216</u>	<u>\$ 34,995,478</u>

For the Nine Months Ended September 30, 2015

Cost	January 1, 2015	Additions	Disposals	Effect of Business Combination	Reclassification	Effect of Foreign Currency Exchange Differences	September 30, 2015
Freehold land	\$ 2,335,867	\$ -	\$ 53	\$ -	\$ -	\$ 2,838	\$ 2,338,652
Buildings	20,591,355	13,537	56,578	-	80,126	111,961	20,740,401
Machinery equipment	42,733,143	3,174,392	2,499,881	-	336,446	199,308	43,943,408
Tooling equipment	3,884,972	98,429	280,987	-	234,079	17,765	3,954,258
Transportation equipment	83,156	5,210	3,451	-	(9,336)	(305)	75,274
Office equipment	2,730,452	181,461	214,076	-	(244,052)	15,060	2,468,845
Equipment held under finance lease	1,411,445	1,224	551	-	(11,741)	6,699	1,407,076
Other equipment	9,077,902	2,040,348	349,987	-	(1,161,533)	76,514	9,683,244
	<u>82,848,292</u>	<u>\$ 5,514,601</u>	<u>\$ 3,405,564</u>	<u>\$ -</u>	<u>\$ (776,011)</u>	<u>\$ 429,840</u>	<u>84,611,158</u>
<u>Accumulated depreciation</u>							
Buildings	7,821,429	\$ 577,636	\$ 37,546	\$ -	\$ 161,321	\$ 53,015	8,575,855
Machinery equipment	25,607,321	3,542,956	1,533,363	-	(193,080)	114,213	27,538,047
Tooling equipment	3,704,341	152,041	261,439	-	107,787	17,358	3,720,088
Transportation equipment	60,551	6,012	3,273	-	(9,267)	(336)	53,687
Office equipment	2,254,755	185,274	194,582	-	(242,833)	12,807	2,015,421
Equipment held under finance lease	1,101,485	79,851	280	-	(15,471)	5,002	1,170,587
Other equipment	4,534,639	386,969	341,327	-	(506,073)	27,111	4,101,319
	<u>45,084,521</u>	<u>\$ 4,930,739</u>	<u>\$ 2,371,810</u>	<u>\$ -</u>	<u>\$ (697,616)</u>	<u>\$ 229,170</u>	<u>47,175,004</u>
<u>Accumulated impairment</u>							
Freehold land	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
Buildings	345,834	(139)	-	-	2,287	34,681	382,663
Machinery equipment	1,113,732	65,459	148,093	-	44,817	27,966	1,103,881
Tooling equipment	40,520	-	-	-	908	3,943	45,371
Transportation equipment	924	-	169	-	-	7	762
Office equipment	9,882	-	740	-	-	96	9,238
Equipment held under finance lease	42,492	-	-	-	-	537	43,029
Other equipment	103,171	56,827	25,653	-	41,487	991	176,823
	<u>1,656,555</u>	<u>\$ 122,147</u>	<u>\$ 174,655</u>	<u>\$ -</u>	<u>\$ 89,499</u>	<u>\$ 68,221</u>	<u>1,761,767</u>
	<u>\$ 36,107,216</u>						<u>\$ 35,674,387</u>

For the Nine Months Ended September 30, 2014

Cost	January 1, 2014	Additions	Disposals	Effect of Business Combination	Reclassification	Effect of Foreign Currency Exchange Differences	September 30, 2014
Freehold land	\$ 2,398,990	\$ -	\$ -	\$ (56,368)	\$ -	\$ (5,228)	\$ 2,337,394
Buildings	20,283,203	92,947	7,151	(135,706)	675,464	41,334	20,950,091
Machinery equipment	40,610,971	3,754,635	2,417,457	(141,208)	(165,490)	(505,201)	41,136,250
Tooling equipment	4,114,144	88,907	132,763	-	9,974	(96,313)	3,983,949
Transportation equipment	89,042	97	6,957	(1,600)	(72)	(205)	80,305
Office equipment	2,757,887	129,372	119,797	803	(83,563)	(12,510)	2,672,192
Equipment held under finance lease	1,420,378	47,545	8,556	(68,222)	(21,609)	(15,257)	1,354,279
Other equipment	6,784,900	1,221,917	139,345	(31,642)	(484,004)	372,845	7,724,671
	<u>78,459,515</u>	<u>\$ 5,335,420</u>	<u>\$ 2,832,026</u>	<u>\$ (433,943)</u>	<u>\$ (69,300)</u>	<u>\$ (220,535)</u>	<u>80,239,131</u>
<u>Accumulated depreciation</u>							
Buildings	6,947,394	\$ 700,077	\$ 5,596	\$ (11,582)	\$ 27,998	\$ (4,797)	7,653,494
Machinery equipment	22,822,096	3,648,872	1,476,865	(185,703)	(300,663)	86,696	24,594,433
Tooling equipment	3,611,874	329,369	233,682	-	2,572	5,270	3,715,403
Transportation equipment	64,939	6,592	6,219	(1,301)	(63)	157	64,105
Office equipment	2,016,021	212,597	57,038	(20,156)	26,657	3,839	2,181,920
Equipment held under finance lease	1,026,069	42,547	8,093	(24,858)	(9,004)	26,892	1,053,553
Other equipment	3,725,652	534,176	136,490	(22,620)	294,758	(52,553)	4,342,923
	<u>40,214,045</u>	<u>\$ 5,474,230</u>	<u>\$ 1,923,983</u>	<u>\$ (266,220)</u>	<u>\$ 42,255</u>	<u>\$ 65,504</u>	<u>43,605,831</u>
<u>Accumulated impairment</u>							
Freehold land	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
Buildings	168,211	21,832	181	-	-	(9,998)	179,864
Machinery equipment	998,389	890,867	463,519	(79,978)	(7,133)	(41,332)	1,297,294
Tooling equipment	22,877	-	1,908	-	-	31	21,000
Transportation equipment	301	994	-	(299)	-	11	1,007
Office equipment	4,431	7,778	439	(2,133)	-	86	9,723
Equipment held under finance lease	14,338	35,620	-	(14,241)	-	351	36,068
Other equipment	35,541	68,536	18	(3,902)	-	(7,291)	92,866
	<u>1,244,088</u>	<u>\$ 1,025,627</u>	<u>\$ 466,065</u>	<u>\$ (100,553)</u>	<u>\$ (7,133)</u>	<u>\$ (58,142)</u>	<u>1,637,822</u>
	<u>\$ 37,001,382</u>						<u>\$ 34,995,478</u>

For the three months and nine months ended September 30, 2015 as the result of the declining sale of some of the products in the market, the estimated future cash flows expected to arise from the related equipment was decreased and recognized impairment loss \$17,814 thousand and \$122,147 thousand. The Group carried out a review of the recoverable amount of that related equipment and determined that the carrying amount exceeded the recoverable amount. For the three months and nine months ended September 30, 2014 as the result of the declining sale of some of the products in the market, the estimated future cash flows expected to arise from the related equipment was decreased and recognized impairment loss \$981,642 thousand and \$1,025,627 thousand. The impairment loss had been recognized in the consolidated statements of comprehensive income.

The above items of property, plant and equipment were depreciated on a straight-line basis at the following rates per annum:

Buildings	5-60 years
Machinery equipment	2-10 years
Tooling equipment	2-10 years
Transportation equipment	3-10 years
Office equipment	2-10 years
Equipment held under finance lease	3-40 years
Other equipment	2-10 years

17. INVESTMENT PROPERTIES, NET

	September 30, 2015	December 31, 2014	September 30, 2014
Completed investment properties	\$ <u>518,683</u>	\$ <u>537,030</u>	\$ <u>-</u>

The investment properties held by the Group were depreciated using the straight-line method over their estimated useful lives of 20 years.

For the nine months ended September 30, 2015, the investment properties held by the Group had no significant increases, disposal and impairment, but depreciation expenses were recognized for these properties.

The fair value of the investment properties as of December 31, 2014 was \$613,771 thousand. The Group's management estimated no significant differences between this fair value and that for the nine months ended September 30, 2015. For the investment properties valued by an independent appraiser, the Group's management determined their fair value by reference to the appraiser's market evidence of the transaction price of real estate. The discount rate used was 6.5%.

18. OTHER INTANGIBLE ASSETS, NET

	September 30, 2015	December 31, 2014	September 30, 2014
Goodwill	\$ 15,010,659	\$ 14,953,187	\$ 14,902,016
Patents	7,826	12,188	14,236
Patents use rights	617,805	786,297	842,462
Software	251,234	286,304	276,129
Other intangible assets	<u>143,717</u>	<u>260,987</u>	<u>317,776</u>
	\$ <u>16,031,241</u>	\$ <u>16,298,963</u>	\$ <u>16,352,619</u>

For the Nine Months Ended September 30, 2015

	January 1, 2015	Additions	Disposals	Effect of Business Combination	Reclassification	Effect of Foreign Currency Exchange Differences	September 30, 2015
<u>Cost</u>							
Goodwill	\$ 15,483,954	\$ 92,647	\$ -	\$ -	\$ -	\$ (35,175)	\$ 15,541,426
Patents	39,481	-	-	-	(1,566)	(142)	37,773
Patents use rights	2,695,878	-	-	-	-	-	2,695,878
Client relationships	163,819	-	-	-	-	-	163,819
Software	563,576	92,797	36,300	-	3,981	1,729	625,783
Other intangible assets	<u>3,859,575</u>	<u>14,606</u>	<u>1,002,643</u>	<u>-</u>	<u>(827,166)</u>	<u>(6,159)</u>	<u>2,038,213</u>
	<u>22,806,283</u>	<u>\$ 200,050</u>	<u>\$ 1,038,943</u>	<u>\$ -</u>	<u>\$ (824,751)</u>	<u>\$ (39,747)</u>	<u>21,102,892</u>
<u>Accumulated amortization</u>							
Goodwill	77,234	\$ -	\$ -	\$ -	\$ -	\$ -	77,234
Patents	27,293	3,944	-	-	(1,178)	(112)	29,947
Patents use rights	1,909,581	168,492	-	-	-	-	2,078,073
Client relationships	163,819	-	-	-	-	-	163,819
Software	277,272	116,568	25,300	-	4,669	1,340	374,549
Other intangible assets	<u>3,598,588</u>	<u>127,531</u>	<u>990,137</u>	<u>-</u>	<u>(839,013)</u>	<u>(2,473)</u>	<u>1,894,496</u>
	<u>6,053,787</u>	<u>\$ 416,535</u>	<u>\$ 1,015,437</u>	<u>\$ -</u>	<u>\$ (835,522)</u>	<u>\$ (1,245)</u>	<u>4,618,118</u>
<u>Accumulated impairment</u>							
Goodwill	453,533	\$ -	\$ -	\$ -	\$ -	\$ -	453,533
Patents	-	-	-	-	-	-	-
Patents use rights	-	-	-	-	-	-	-
Software	-	-	-	-	-	-	-
Other intangible assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>453,533</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>453,533</u>
	<u>\$ 16,298,963</u>						<u>\$ 16,031,241</u>

For the Nine Months Ended September 30, 2014

	January 1, 2014	Additions	Disposals	Effect of Business Combination	Reclassification	Effect of Foreign Currency Exchange Differences	September 30, 2014
<u>Cost</u>							
Goodwill	\$ 14,792,433	\$ 646,599	\$ -	\$ (5,043)	\$ -	\$ (1,206)	\$ 15,432,783
Patents	37,328	952	5,126	130	7,187	(113)	40,358
Patents use rights	2,695,878	-	-	-	-	-	2,695,878
Client relationships	163,819	-	-	-	-	-	163,819
Software	265,373	279,991	7,875	10,511	(21,182)	(1,462)	525,356
Other intangible assets	<u>3,427,496</u>	<u>43,702</u>	<u>34,728</u>	<u>1,836</u>	<u>438,102</u>	<u>(6,525)</u>	<u>3,869,883</u>
	<u>21,382,327</u>	<u>\$ 971,244</u>	<u>\$ 47,729</u>	<u>\$ 7,434</u>	<u>\$ 424,107</u>	<u>\$ (9,306)</u>	<u>22,728,077</u>
<u>Accumulated amortization</u>							
Goodwill	77,234	\$ -	\$ -	\$ -	\$ -	\$ -	77,234
Patents	25,927	6,581	3,077	-	(3,251)	(58)	26,122
Patents use rights	1,684,924	168,492	-	-	-	-	1,853,416
Client relationships	163,819	-	-	-	-	-	163,819
Software	203,832	75,641	6,371	3,799	(26,655)	(1,019)	249,227
Other intangible assets	<u>3,056,796</u>	<u>175,813</u>	<u>31,563</u>	<u>879</u>	<u>354,880</u>	<u>(4,698)</u>	<u>3,552,107</u>
	<u>5,212,532</u>	<u>\$ 426,527</u>	<u>\$ 41,011</u>	<u>\$ 4,678</u>	<u>\$ 324,974</u>	<u>\$ (5,775)</u>	<u>5,921,925</u>
<u>Accumulated impairment</u>							
Goodwill	\$ 453,533	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 453,533
Patents	-	-	-	-	-	-	-
Patents use rights	-	-	-	-	-	-	-
Software	-	-	-	-	-	-	-
Other intangible assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>453,533</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>453,533</u>
	<u>\$ 15,716,262</u>						<u>\$ 16,352,619</u>

- a. The above items of other intangible assets were depreciated on a straight-line basis at the following rates per annum:

Patents	6 years
Patents use rights	12 years
Client relationships	4 years
Software	2-14 years
Other intangible assets	1-10 years

b. The amounts of cash-generating unit used in amortizing the Group's goodwill are listed as follows:

	September 30, 2015	December 31, 2014	September 30, 2014
Lite-On Mobile Pte. Ltd.	\$ 8,577,661	\$ 8,638,905	\$ 8,638,905
The Parent Company	5,953,801	5,926,156	5,926,156
Power Innovations International Inc.	367,042	278,137	278,137
Five Dimension Co., Ltd.	53,337	51,171	-
Others	<u>58,818</u>	<u>58,818</u>	<u>58,818</u>
	<u>\$ 15,010,659</u>	<u>\$ 14,953,187</u>	<u>\$ 14,902,016</u>

- 1) The Group reorganized its structure on June 2014, and the Parent Company acquired the entire equity of Lite-On Mobile Pte. Ltd. from its subsidiary, Lite-On Mobile Oyj (formerly Perlos Oyj). This acquisition resulted in changes to the smallest identifiable group of cash-generating units. Thus, the original goodwill allocated to the cash-generating units of Lite-On Mobile Oyj (formerly Perlos Oyj) were reallocated to the subsidiary Lite-On Mobile Pte. Ltd.
- 2) To integrate its overall resources and enhance the efficiency of operations, the Parent Company had short-form mergers - in accordance with Article 19 of the Business Mergers and Acquisitions Act - with Li Shin International Enterprise Corp., Lite-On Automotive Corp., Leotek Electronics Corp., Lite-On IT Corp. and LarView Technologies Corp. on March 22, 2014, June 1, 2014, June 29, 2014, June 30, 2014 and September 1, 2014, respectively, under the board of directors' approval. The Parent Company was the survivor entity in all of these mergers. The investment premium from Li Shin International Enterprise Corp., Lite-On Automotive Corp., Leotek Electronics Corp., Lite-On IT Corp., and LarView Technologies Corp. were \$1,708,258 thousand, \$277,840 thousand, \$220,170 thousand, \$2,806,508 thousand, and \$368,462 thousand, respectively. The total amount of \$5,381,238 thousand was transferred to the Parent Company and recorded as intangible assets - goodwill.

The Parent Company acquired an asset group from SEEnergy Corp. in September 2015. IFRS 3 "Business Combinations" and IAS 38 "Intangible Assets" define recognized goodwill as the sum of the acquisition cost plus other direct transaction costs minus the fair value of the identifiable net assets acquired. Thus, goodwill was calculated as follows:

Acquisition price		\$ 30,476
Fair value of acquired identifiable net assets:		
Inventories	\$ 2,420	
Property, plant and equipment	340	
Software	<u>71</u>	<u>2,831</u>
Goodwill		<u>\$ 27,645</u>

The goodwill arising from the Parent Company's acquisition of Lite-On Enclosure Inc. in 2004 was \$210,220 thousand and was amortized for about five years. However, under the Guidelines Governing the Preparation of Financial Reports, effective January 1, 2006, goodwill need no longer be amortized. As of September 30, 2015, December 31, 2014 and September 30, 2014, the carrying value of goodwill were all \$132,986 thousand.

The Parent Company completed the purchase of some assets of the IrDA Department of Avago Technologies Limited. Statement of IFRS 3 - "Business Combinations" and IAS 38 - "Intangible Assets" define recognized goodwill as the sum of the acquisition cost plus other direct transaction costs minus the fair value of the identifiable net assets acquired. Thus, the calculation of goodwill generated was \$411,932 thousand as of December 31, 2009.

- 3). As of the goodwill resulting from the acquisition of Power Innovations International Inc. and Five Dimension Co., Ltd. in 2014, refer to Note 29.
- 4) Goodwill is allocated to the Group's recoverable amount of cash-generating units. The recoverable amount of all cash-generating units has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by the management covering the future five-year period. As of September 30, 2015, December 31, 2014 and September 30, 2014, the recoverable amount of all cash-generating units calculated using the value-in-use exceeded their carrying amount, so goodwill was not impaired. The key assumptions used for value-in-use calculations are gross margin, growth rate and discount rate.

Management determined gross margin based on past performance and future profits. The growth rate used is consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant cash-generating units.

19. OTHER ASSETS

	September 30, 2015	December 31, 2014	September 30, 2014
Prepayments	\$ 3,163,950	\$ 2,689,934	\$ 2,760,266
Offset against business tax payable	1,382,048	1,530,386	2,135,159
Prepayments for lease	779,375	775,063	790,231
Prepayment for equipment	866	93,450	92,186
Others	<u>477,753</u>	<u>361,639</u>	<u>498,820</u>
	<u>\$ 5,803,992</u>	<u>\$ 5,450,472</u>	<u>\$ 6,276,662</u>
Current	\$ 4,878,852	\$ 4,561,144	\$ 5,367,126
Non-current	<u>925,140</u>	<u>889,328</u>	<u>909,536</u>
	<u>\$ 5,803,992</u>	<u>\$ 5,450,472</u>	<u>\$ 6,276,662</u>

Prepayments for lease with carrying amounts of \$628,937 thousand, \$630,003 thousand and \$612,310 thousand as of September 30, 2015, December 31, 2014 and September 30, 2014, respectively, referred to land use rights located in Mainland China.

20. BORROWINGS

a. Short-term borrowings

	September 30, 2015	December 31, 2014	September 30, 2014
<u>Unsecured borrowings</u>			
Line of credit borrowings	<u>\$ 21,193,227</u>	<u>\$ 22,911,114</u>	<u>\$ 24,126,225</u>

Market interest rates for short-term borrowings were as follows:

	September 30, 2015	December 31, 2014	September 30, 2014
Short-term borrowings	0.75%-4.55%	0.82%-4.1%	0.82%-3.6%

b. Long-term borrowings

	September 30, 2015	December 31, 2014	September 30, 2014
<u>Unsecured borrowings</u>			
The Parent Company	\$ 12,500,000	\$ 12,925,000	\$ 13,137,500
Lite-On Mobile Pte. Ltd.	6,564,000	6,319,993	6,039,874
Silitech Technology Corp.	1,440,000	1,440,000	1,440,000
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	787,685	1,011,199	1,208,702
Lite-On Japan Ltd.	118,006	193,630	223,958
Five Dimension Co., Ltd.	27,758	28,977	-
	21,437,449	21,918,799	22,050,034
Current portion	(5,614,825)	(8,358,016)	(8,444,274)
Unsecured borrowings: Non-current	<u>15,822,624</u>	<u>13,560,783</u>	<u>13,605,760</u>
<u>Secured borrowings</u>			
Power Innovations International Inc.	3,765	4,350	4,483
Current portion	(1,044)	(973)	(921)
Secured borrowings: Non-current	<u>2,721</u>	<u>3,377</u>	<u>3,562</u>
Long-term borrowings: Non-current	<u>\$ 15,825,345</u>	<u>\$ 13,564,160</u>	<u>\$ 13,609,322</u>

- 1) As of September 30, 2015, December 31, 2014 and September 30, 2014, the Parent Company had 3, 4 and 4 long-term bank loans respectively with contract terms between September 23, 2008 and September 23, 2018. The floating interest rates are (1.579% to 1.681%, 1.520% to 1.703%, and 1.488% to 1.677% and as of September 30, 2015, December 31, 2014 and September 30, 2014, respectively) payable monthly or quarterly. These loans should be repaid in 5 or 8 installments or at lump sum on loan maturity.

On September 23, 2008, the Parent Company signed a contract for a five-year syndicated loan with Citibank and 14 other financial institutions, and on May 16, 2011 changed the contract period to seven years from 2008. The repayment period is between September 23, 2008 and September 22, 2015. The credit line is \$15 billion, consisting of (a) \$12 billion and (b) \$3 billion of the credit line of the above syndicated loan.

On September 12, 2013, the Parent Company signed another contract for a five-year syndicated loan with Citibank and 16 other financial institutions. The credit line was \$15 billion, which was for Company to repay the former syndicated loan with Citibank signed on September 23, 2008. This syndicated loan was for the Parent Company to repay the former syndicated loan with Citibank under a contract signed on September 23, 2008. It should be used as a medium-term loan but may not be used on a revolving basis. Subsequently, (b) \$3 billion of the credit line of the above syndicated loan signed on September 23 was cancelled.

The principal of this syndication loan should be repaid in five semiannual installments from September 23, 2013, and the interest rate is the 90-day Taipei Interbank Offered Rate plus 61 points.

Under the syndicated loan agreement, the Parent Company should maintain certain financial ratios based on the most recent semiannual or annual consolidated financial statements.

As of September 30, 2015, December 31, 2014 and September 30, 2014, the Parent Company all used \$12 billion of the credit line of the above syndicated loan.

- 2) Lite-On Mobile Pte. Ltd., a subsidiary of the Parent Company, had a long-term, syndicated-bank loan. As of September 30, 2015, December 31, 2014 and September 30, 2014, the floating interest rates were 0.886% to 1.394%, 0.925% to 1.395% and 0.905% to 1.52%, respectively. The principal is repayable from April 29, 2014 in five semiannual installments.

On April 29, 2011, Lite-On Mobile Pte. Ltd. signed a loan contract with Citibank and 13 other financial institutions (the endorsements and guarantees were provided by the Parent Company). This contract is on a five-year syndicated loan of US\$200 million. As of September 30, 2015, December 31, 2014 and September 30, 2014, Lite-On Mobile Pte. Ltd. had used US\$80 million, US\$120 million and US\$160 million, respectively, of the syndicated loan.

On March 31, 2014, Lite-On Mobile Pte. Ltd. signed with Citibank and 12 other financial institutions (the endorsements and guarantees were provided by the Parent Company). This contract is on a five-year syndicated loan of US\$200 million. This syndicated loan was for Lite-On Mobile Pte. Ltd. to prepay the syndicated loan with Citibank under a contract signed on April 29, 2011. As of September 30, 2015, December 31, 2014 and September 30, 2014, Lite-On Mobile Pte. Ltd. had used US\$120 million, US\$80 million and US\$40 million, respectively, of the syndicated loan.

- 3) Silitech Technology Co., Ltd., a subsidiary of the Parent Company, entered into a \$2.4 billion syndicated loan contract, with the Land Bank of Taiwan as lead bank and a contract term from February 18, 2013 to February 18, 2018. This loan was obtained for the purposes of supporting working capital and capital expenditure. As of September 30, 2015, December 31, 2014 and September 30, 2014, Silitech had all used \$1.44 billion of the syndicated loan, with an interest rate of 1.6635% to 1.6657%, 1.6786% and 1.667%, respectively.

The first repayment of NT\$480 million should be made on August 18, 2017. The remaining principal of NT\$960 million is repayable by February 18, 2018.

- 4) Guangzhou Lite-On Mobile Electronic Components Co., Ltd., a subsidiary of the Parent Company, had a syndicated loan with Citibank. As of September 30, 2015, December 31, 2014 and September 30, 2014, the floating interest rates were 0.9261% to 0.9265%, 0.880% and 0.925% to 1.05%. The principal is repayable from December 28, 2014 in five semiannual installments.

This contract is a five-year syndicated loan of US\$50 million and was signed with Citibank and 10 other financial institutions (the endorsements and guarantees were provided by the Parent Company). As of September 30, 2015, December 31, 2014 and September 30, 2014, Guangzhou Lite-On Mobile Electronic Components Co., Ltd. had used US\$24 million, US\$32 million and US\$40 million of the credit line of the syndicated loan.

- 5) As of September 30, 2015, Lite-On Japan Ltd., a subsidiary of the Parent Company, had 7 long-term bank loans, with contract terms from March 2011 to October 2018, with interest rate of 0.975% to 1.35% and principal repayable in trimestral installments.

As of December 31, 2014, Lite-On Japan Ltd., a subsidiary of the Parent Company, had 11 long-term bank loans, with contract terms from March 2011 to October 2018, with interest rate of 0.935% to 1.35% and principal repayable in trimestral installments.

As of September 30, 2014, Lite-On Japan Ltd., a subsidiary of the Parent Company, had 11 long-term bank loans, with contract terms from March 2011 to October 2018, with interest rate of 0.935% to 1.35% and principal repayable in trimestral installments.

- 6) As of September 30, 2015 and December 31, 2014, Five Dimension Co., Ltd., a subsidiary of the Parent Company, had both 3 long-term bank loans, with contract terms from March 28, 2012 to March 20, 2027, with interest rate of 0.4% to 2.375% and principal repayable monthly installments or at lump sum on loan maturity.

- 7) As of September 30, 2015, December 31, 2014 and September 30, 2014, Power Innovations International Inc., a subsidiary of the Parent Company, had a long-term secured borrowing of machinery, with contract terms from March 28, 2013 to February 28, 2019, with interest rate of 4.4%.

21. FINANCE LEASE PAYABLES

	September 30, 2015	December 31, 2014	September 30, 2014
<u>Minimum lease payments</u>			
Not later than one year	\$ 98,702	\$ 93,485	\$ 89,047
Later than one year and not later than five years	31,472	104,988	123,218
Later than five years	-	-	701
	<u>130,174</u>	<u>198,473</u>	<u>212,966</u>
Future finance charges	<u>(4,955)</u>	<u>(11,520)</u>	<u>(13,888)</u>
Present value of minimum lease payments	<u>\$ 125,219</u>	<u>\$ 186,953</u>	<u>\$ 199,078</u>
<u>Present value of minimum lease payments</u>			
Not later than one year	\$ 93,835	\$ 85,232	\$ 79,906
Later than one year and not later than five years	31,384	101,721	118,481
Later than five years	-	-	691
	<u>\$ 125,219</u>	<u>\$ 186,953</u>	<u>\$ 199,078</u>
Current	\$ 93,835	\$ 85,232	\$ 79,906
Non-current	<u>31,384</u>	<u>101,721</u>	<u>119,172</u>
	<u>\$ 125,219</u>	<u>\$ 186,953</u>	<u>\$ 199,078</u>
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	\$ 117,261	\$ 177,962	\$ 189,810
Power Innovations International Inc.	7,412	8,244	8,385
Lite-On Mobile Sweden AB	546	700	821
Lite-On Mobile Oyj (formerly Perlos Oyj)	-	47	62
	<u>125,219</u>	<u>186,953</u>	<u>199,078</u>
Current portion of long-term capital lease liabilities	<u>(93,835)</u>	<u>(85,232)</u>	<u>(79,906)</u>
	<u>\$ 31,384</u>	<u>\$ 101,721</u>	<u>\$ 119,172</u>

- a. Guangzhou Lite-On Mobile Electronic Components Co., Ltd. leased buildings, machinery and equipment under capital leases valid from January 1, 2007 to December 31, 2016. The terms of these leases were 10 years, with 7.11% interest rate.
- b. Power Innovations International Inc. leased machinery and equipment under capital leases valid from March 28, 2013 to March 31, 2020. The terms of these leases were between five and seven years, with 3.49% to 4.75% interest rate. The machinery and equipment can be bought at bargain purchase prices at the end of the lease terms.

- c. Lite-On Mobile Sweden AB leased machinery and equipment under capital leases valid from January 9, 2013 to January 31, 2016. The terms of these leases were three years, with 2.36% interest rate.
- d. Lite-On Mobile Oyj (formerly Perlos Oyj) leased machinery and equipment under capital leases valid from October 1, 2011 to September 30, 2015. The terms of these leases were four years, with 5.00% interest rate.

22. PROVISIONS

	September 30, 2015	December 31, 2014	September 30, 2014
Warranties	<u>\$ 1,098,284</u>	<u>\$ 1,080,628</u>	<u>\$ 966,891</u>

Movements in the provisions were as follow:

	For the Nine Months Ended September 30	
	2015	2014
Balance at January 1	\$ 1,080,628	\$ 874,502
Recognition of provisions	208,620	124,116
Usage	(196,672)	(36,338)
Effect of foreign currency exchange differences	<u>5,708</u>	<u>4,611</u>
Balance at September 30	<u>\$ 1,098,284</u>	<u>\$ 966,891</u>

Based on the local legislation for the sale of goods, provision for warranty claims is the present value of management's best estimate of the future outflow of economic benefits that will be required under the Company's obligations for warranties. The estimate had been made on the basis of historical warranty trends and may vary as a result of the entry of new materials, altered manufacturing processes or other events affecting product quality.

23. RETIREMENT BENEFIT PLANS

The Group's retirement benefit plans include defined contribution and defined benefit plans. For defined benefit plans, employee benefit expenses were calculated using the actuarially determined pension cost discount rate as of December 31, 2014 and 2013, and recognized in their respective periods.

Employee benefit expenses were included in the following line items by nature and function:

	For the Nine Months Ended September 30	
	2015	2014
Post-employment benefits		
Defined contribution plans	\$ 553,368	\$ 464,130
Defined benefit plans	<u>31,337</u>	<u>25,981</u>
	<u>\$ 584,705</u>	<u>\$ 490,111</u>

24. EQUITY

a. Share capital

1) Common shares

	September 30, 2015	December 31, 2014	September 30, 2014
Number of shares authorized (in thousands)	<u>3,500,000</u>	<u>3,500,000</u>	<u>3,500,000</u>
Amount of shares authorized	<u>\$ 35,000,000</u>	<u>\$ 35,000,000</u>	<u>\$ 35,000,000</u>
Number of shares issued and fully paid (in thousands)	<u>2,357,715</u>	<u>2,341,674</u>	<u>2,341,674</u>
Amount of shares issued	<u>\$ 23,577,153</u>	<u>\$ 23,416,737</u>	<u>\$ 23,416,737</u>

Fully paid common shares, which have a par value of \$10, carry one right to vote and carry a right to dividends per share.

Of the Parent Company's authorized shares, 100,000 thousand shares had been reserved for the issuance of employee share options.

2) Issued global depositary receipts

On September 25, 1996, the Parent Company issued 4,900 thousand units of global depositary receipts (GDRs) on the London Stock Exchange. These GDRs represented 49,000 thousand common shares of the Parent Company.

On April 3, 1995, GVC Corp. issued 5,000 thousand units of GDRs on the London Stock Exchange. These GDRs represented 25,000 thousand common shares of GVC Corp., which later issued more shares. As of November 4, 2002, the outstanding GDRs were 7,627 thousand units, or 38,136 thousand common shares of GVC Corp. For merger purposes, these GDRs were exchanged for the Parent Company's 1,478 thousand marketable equity securities, which represented the Parent Company's 14,781 thousand common shares.

As of September 30, 2015, December 31, 2014 and September 30, 2014, the outstanding marketable equity securities were 5,217 thousand units, 5,213 thousand units and 5,213 thousand units, representing 52,168 thousand common share, 52,127 thousand common shares and 52,127 thousand common shares of the Parent Company, respectively. The rights and obligation of security holders are the same as those of common shareholders, except for voting rights. As of September 30, 2015, December 31, 2014 and September 30, 2014, the unredeemed GDRs amounted to 816 thousand units, 994 thousand units and 1,270 thousand units.

b. Capital surplus

The premium from shares issued in excess of par (including share premium from issuance of common shares, conversion of bonds and merger) may be used to offset a deficit; in addition, when the Parent Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to capital (limited to a certain percentage of the Parent Company's capital surplus and once a year).

The capital surplus from share of changes in equities of subsidiaries, treasury share transactions from dividends according to the Parent Company's shares holding by subsidiaries and employee share options may only be used to offset a deficit. But the capital surplus arising from changes in equities of associates and joint ventures accounted for by the equity method may not be used for any purpose.

c. Retained earnings and dividend policy

To ensure the availability of cash for the Parent Company's present and future expansion plans and to meet shareholders' cash flow requirements, the Parent Company prefers to distribute more stock dividends. In principle, cash dividends are limited to 10% of total dividends distributed.

The Parent Company's Articles of Incorporation provide that the annual net income, less any deficit, and 10% legal reserve as well as special reserve equal to the debit balances of the shareholders' equity accounts, together with the distributable unappropriated earnings of prior years, can be retained partially on the basis of operating requirements. The remainder should be distributed as follows:

- 1) Bonus to employees: At least 1%.
- 2) Bonus to directors: 1.5% or less.
- 3) Others, as dividends.

If the bonus to employees is in the form of shares, it may be distributed to the employees' subsidiaries. The requirements and the method of distribution of these share bonuses are based on resolutions passed by the board of directors.

In accordance with the amendments to the Company Act in May 2015, the recipients of dividends and bonuses are limited to shareholders and do not include employees. The Parent Company expects to make consequential amendments to the Company's Articles of Incorporation to be approved during the 2016 annual shareholders' meeting. For information about the accrual basis of the employee remuneration and remuneration to directors and supervisors for the three months and the nine months ended September 30, 2015 and 2014, and the actual appropriations for the years ended December 31, 2014 and 2013, please refer to Note 28,d on employee benefit expense.

Under Rule No. 1010012865 and Rule No. 1010047490 issued by the FSC and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs", the Parent Company should appropriate or reverse a special reserve. Any special reserve appropriated may be reversed to the extent that the net debit balance reverses and thereafter distributed.

Appropriation of earnings to legal reserve shall be made until the legal reserve equals the Parent Company's paid-in capital. Legal reserve may be used to offset deficit. If the Parent Company has no deficit and the legal reserve has exceeded 25% of the Parent Company's paid-in capital, the excess may be transferred to capital or distributed in cash.

Except for non-ROC resident shareholders, all shareholders receiving the dividends are allowed a tax credit equal to their proportionate share of the income tax paid by the Parent Company.

The appropriations of earnings for 2014 proposed by the shareholders' meeting on June 24, 2015, and the amounts for 2013 approved in the shareholders' meeting on June 19, 2014, were as follows:

	Appropriation of Earnings		Dividends Per Share	
	2014	2013	(NT\$)	
			2014	2013
Legal reserve	\$ 646,166	\$ 875,485		
Legal special reserve	182,544	-		
Reversal of special reserve	-	640,244		
Share dividends	117,084	116,381	\$ 0.05	\$ 0.05
Cash dividends	4,613,097	6,307,866	1.97	2.71

The above proposed appropriations of earnings for 2014 was reported to and approved by Securities and Futures Bureau, Financial Supervisory Commission, R.O.C. The parent company's board of directors had set the dividend distribution date to be August 16, 2015 and had registered such update with the Department of Commerce, Ministry of Economic Affairs.

d. Other equity items

Movements in other equity items were as follows:

For the Nine Months Ended September 30, 2015				
	Foreign Currency Translation Reserve	Unrealized Gain (Loss) from Available-for- sale Financial Assets	Cash Flow Hedges Reserve	Total
Balance at January 1	\$ 4,125,097	\$ 139,072	\$ (11,989)	\$ 4,252,180
Exchange differences arising on translating the financial statements of foreign operations	720,711	-	-	720,711
Loss arising on changes in the fair value of available-for-sale financial assets	-	(398,613)	-	(398,613)
Reclassification to income from disposal of available-for-sale financial assets	-	88,624	-	88,624
Gain arising on changes in the fair value of hedging instruments	-	-	11,989	11,989
Share of other comprehensive income of associates	20,080	(9,381)	-	10,699
Income tax effect	<u>(129,103)</u>	<u>-</u>	<u>-</u>	<u>(129,103)</u>
Balance at September 30	<u>\$ 4,736,785</u>	<u>\$ (180,298)</u>	<u>\$ -</u>	<u>\$ 4,556,487</u>

For the Nine Months Ended September 30, 2014				
	Foreign Currency Translation Reserve	Unrealized Gain (Loss) from Available-for- sale Financial Assets	Cash Flow Hedges Reserve	Total
Balance at January 1	\$ 2,383,040	\$ 83,231	\$ (46,969)	\$ 2,419,302
Exchange differences arising on translating foreign operations	129,657	-	-	129,657
Gain arising on changes in the fair value of available-for-sale financial assets	-	430,403	-	430,403
Reclassification to income from disposal of available-for-sale financial assets	-	(391,993)	-	(391,993)
				(Continued)

For the Nine Months Ended September 30, 2014

	Foreign Currency Translation Reserve	Unrealized Gain (Loss) from Available-for- sale Financial Assets	Cash Flow Hedges Reserve	Total
Gain arising on changes in the fair value of hedging instruments	\$ -	\$ -	\$ 29,463	\$ 29,463
Share of other comprehensive income of associates	30,876	8,491	-	39,367
The proportionate share of other comprehensive income reclassified to profit or loss upon partial disposal of associates	(1,240)	-	-	(1,240)
Effect of deconsolidation of subsidiary (Note 30)	(13,549)	-	-	(13,549)
Income tax effect	(91,581)	-	-	(91,581)
Balance at September 30	<u>\$ 2,437,203</u>	<u>\$ 130,132</u>	<u>\$ (17,506)</u>	<u>\$ 2,549,829</u> (Concluded)

The exchange differences arising on translation of foreign operation's net assets from its functional currency to the Parent Company's presentation currency are recognized directly in other comprehensive income and also accumulated in the foreign currency translation reserve.

Unrealized gain/loss on available-for-sale financial assets represents the cumulative gains or losses arising from the fair value measurement on available-for-sale financial assets that are recognized in other comprehensive income. When those available-for-sale financial assets have been disposed of or are determined to be impaired subsequently, the related cumulative gains or losses in other comprehensive income are reclassified to profit or loss.

The cash flow hedges reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of the hedging instruments entered into as cash flow hedges. The cumulative gain or loss arising on changes in fair value of the hedging instruments that are recognized and accumulated in cash flow hedges reserve will be reclassified to profit or loss only when the hedge transaction affects profit or loss.

e. Non-controlling interests

	For the Nine Months Ended September 30	
	2015	2014
Balance at January 1	\$ 4,198,430	\$ 6,209,747
Attributable to non-controlling interests:		
Share of profit (loss) for the year	128,101	(814,424)
Exchange difference arising on translation of foreign entities	2,125	23,512
Unrealized gains and losses on available-for-sale financial assets	151	269
Decrease in non-controlling interests	<u>(540,297)</u>	<u>(1,337,657)</u>
Balance at September 30	<u>\$ 3,788,510</u>	<u>\$ 4,081,447</u>

The Group recognized a decrease in non-controlling interests for the nine months ended September 30, 2015 and 2014 because of the attribution of cash dividends to non-controlling interests, the effect of the acquisition and deconsolidation of subsidiary and acquisition of non-controlling interests in subsidiaries.

f. Treasury shares

Unit: In Thousands of Shares

Purpose of Buy Back	Number of Shares at January 1	Increase During the Period	Decrease During the Period	Number of Shares at September 30
<u>For the nine months ended September 30, 2015</u>				
Shares held by subsidiaries	26,575	94	-	26,669
Shares buyback for cancellation	-	<u>22,787</u>	-	<u>22,787</u>
	<u>26,575</u>	<u>22,881</u>	-	<u>49,456</u>
<u>For the nine months ended September 30, 2014</u>				
Shares held by subsidiaries	<u>28,118</u>	<u>93</u>	<u>1,675</u>	<u>26,536</u>

The Parent Company's shares held by its subsidiaries at the end of the reporting periods were as follows:

Name of Subsidiary	Number of Shares Held (In Thousands)	Carrying Amount	Market Price
<u>September 30, 2015</u>			
Lite-On Capital Inc.	15,041	\$ 718,857	\$ 454,232
LTC International Ltd.	6,954	297,469	254,848
Yet Foundate Ltd.	2,248	126,881	99,626
Lite-On Electronics Co., Ltd.	2,426	<u>105,515</u>	<u>107,492</u>
		<u>\$ 1,248,722</u>	<u>\$ 916,198</u>
<u>December 31, 2014</u>			
Lite-On Capital Inc.	14,966	\$ 718,857	\$ 544,761
LTC International Ltd.	6,935	297,469	272,328
Yet Foundate Ltd.	2,248	126,881	95,922
Lite-On Electronics Co., Ltd.	2,426	<u>105,515</u>	<u>103,497</u>
		<u>\$ 1,248,722</u>	<u>\$ 1,016,508</u>

(Continued)

Name of Subsidiary	Number of Shares Held (In Thousands)	Carrying Amount	Market Price
<u>September 30, 2014</u>			
Lite-On Capital Inc.	14,966	\$ 718,857	\$ 656,258
LTC International Ltd.	6,919	297,469	294,379
Yet Foundate Ltd.	2,237	126,881	91,730
Lite-On Electronics Co., Ltd.	2,414	<u>105,515</u>	<u>98,973</u>
		<u>\$ 1,248,722</u>	<u>\$ 1,141,340</u> (Concluded)

On July 20, 2015, the Parent Company's Board of Directors approved the repurchase of up to 100,000 thousand shares listed on the Taiwan Stock Exchange between July 21, 2015 and September 20, 2015, with the buyback price ranging from \$25.34 to \$53.97. By the end of the repurchase period, the Parent Company had bought back 22,787 thousand shares for \$706,679 thousand. The Parent Company will retire the reacquired shares within six months after the end of the repurchase period.

Under the Securities and Exchange Act, the Parent Company shall neither pledge treasury shares nor exercise shareholders' rights on these shares, such as rights to dividends and to vote. The subsidiaries holding treasury shares, however, retain shareholders' rights, except the rights to participate in any share issuance for cash and to vote.

25. REVENUE

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
Revenue from the sale of goods	\$ 55,940,621	\$ 60,545,046	\$ 159,018,005	\$ 170,416,505
Rental income from property	33,462	28,532	97,486	86,592
Solar power	<u>22,397</u>	<u>34,136</u>	<u>67,880</u>	<u>80,898</u>
	<u>\$ 55,996,480</u>	<u>\$ 60,607,714</u>	<u>\$ 159,183,371</u>	<u>\$ 170,583,995</u>

For segment revenue information, refer to Note 39.

26. INCOME TAX

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
Current income tax expense				
Current period	\$ 866,533	\$ 551,311	\$ 1,606,089	\$ 1,292,744
Unappropriated earnings	<u>-</u>	<u>-</u>	<u>91,099</u>	<u>209,536</u>
	<u>866,533</u>	<u>551,311</u>	<u>1,697,188</u>	<u>1,502,280</u>
Deferred tax	<u>9,138</u>	<u>19,668</u>	<u>10,209</u>	<u>20,780</u>
Income tax expense recognized in profit or loss	<u>\$ 875,671</u>	<u>\$ 570,979</u>	<u>\$ 1,707,397</u>	<u>\$ 1,523,060</u>

b. Income tax recognized in other comprehensive income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
<u>Deferred tax</u>				
Income tax recognized in other comprehensive income				
Translation of foreign operations	<u>\$ 415,879</u>	<u>\$ 293,717</u>	<u>\$ 132,349</u>	<u>\$ 96,396</u>

c. Integrated income tax

	September 30, 2015	December 31, 2014	September 30, 2014
Unappropriated earnings			
Unappropriated earnings generated before January 1, 1998	\$ 2,215	\$ 2,215	\$ 2,215
Unappropriated earnings generated on and after January 1, 1998	<u>10,586,259</u>	<u>11,430,326</u>	<u>9,979,892</u>
	<u>\$ 10,588,474</u>	<u>\$ 11,432,541</u>	<u>\$ 9,982,107</u>
Imputation credits accounts	<u>\$ 1,006,229</u>	<u>\$ 1,308,624</u>	<u>\$ 914,334</u>

The estimated and actual creditable ratio for distribution of earnings of 2014 and 2013 were 11.18% and 11.40%, respectively.

d. Income tax assessments

Tax returns for all years, except 2012, have been assessed by the tax authorities.

27. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
Basic earnings per share	<u>\$ 0.71</u>	<u>\$ 0.67</u>	<u>\$ 2.03</u>	<u>\$ 2.16</u>
Diluted earnings per share	<u>\$ 0.70</u>	<u>\$ 0.66</u>	<u>\$ 2.00</u>	<u>\$ 2.14</u>

The earnings and weighted average number of common shares outstanding in the computation of earnings per share from continuing operations were as follows:

Net Profit for the Period

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
Earnings used in the computation of basic earnings per share	\$ 1,638,553	\$ 1,549,811	\$ 4,714,824	\$ 5,008,663
Effect of potentially dilutive ordinary shares:				
Bonus issue to employees or employee remuneration	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Earnings used in the computation of diluted earnings per share from continuing operations	<u>\$ 1,638,553</u>	<u>\$ 1,549,811</u>	<u>\$ 4,714,824</u>	<u>\$ 5,008,663</u>

Weighted Average Number of Ordinary Shares Outstanding

Unit: In Thousands of Shares

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
Weighted average number of ordinary shares outstanding in computation of basic earnings per share	\$ 2,319,569	\$ 2,324,803	\$ 2,324,298	\$ 2,322,451
Effect of potentially dilutive ordinary shares:				
Bonus issue to employees or employee remuneration	<u>13,710</u>	<u>8,650</u>	<u>30,794</u>	<u>22,614</u>
Weighted average number of ordinary shares outstanding in computation of dilutive earnings per share	<u>2,333,279</u>	<u>2,333,453</u>	<u>2,355,092</u>	<u>2,345,065</u>

If the Parent Company settles the bonuses or remuneration paid to employees in cash or shares, the Parent Company presumed that the entire amount of the bonus or remuneration would be settled in shares and the resulting potential shares were included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, if the effect is dilutive. The dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

28. ADDITIONAL INFORMATION FOR EXPENSES

Net income included the following items:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
a. Depreciation of property, plant and equipment				
Recognized in cost of revenue	\$ 1,465,345	\$ 1,932,888	\$ 4,282,341	\$ 4,681,961
Recognized in operating expenses	<u>198,679</u>	<u>110,747</u>	<u>648,398</u>	<u>792,269</u>
	<u>\$ 1,664,024</u>	<u>\$ 2,043,635</u>	<u>\$ 4,930,739</u>	<u>\$ 5,474,230</u>
b. Investment properties				
Recognized in cost of revenue	\$ 7,447	\$ -	\$ 22,096	\$ -
Recognized in operating expenses	<u>778</u>	<u>-</u>	<u>2,428</u>	<u>-</u>
	<u>\$ 8,225</u>	<u>\$ -</u>	<u>\$ 24,524</u>	<u>\$ -</u>
c. Amortization of intangible assets				
Recognized in cost of revenue	\$ 13,293	\$ 17,096	\$ 42,365	\$ 50,571
Recognized in operating expenses	<u>122,549</u>	<u>130,760</u>	<u>374,170</u>	<u>375,956</u>
	<u>\$ 135,842</u>	<u>\$ 147,856</u>	<u>\$ 416,535</u>	<u>\$ 426,527</u>
d. Employee benefit expenses				
Post-employment benefits (Note 23)				
Defined contribution plans	\$ 213,262	\$ 152,982	\$ 553,368	\$ 464,130
Defined benefit plans	<u>10,598</u>	<u>12,211</u>	<u>31,337</u>	<u>25,981</u>
	223,860	165,193	584,705	490,111
Termination benefits	53,429	1,834	152,832	25,361
Other employee benefits	<u>7,406,255</u>	<u>6,536,751</u>	<u>19,063,395</u>	<u>18,760,678</u>
	<u>\$ 7,683,544</u>	<u>\$ 6,703,778</u>	<u>\$ 19,800,932</u>	<u>\$ 19,276,150</u>

(Continued)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
Employee benefit expenses summarized by function				
Recognized in cost of revenue	\$ 5,346,871	\$ 4,195,235	\$ 12,800,826	\$ 11,720,652
Recognized in operating expenses	<u>2,336,673</u>	<u>2,508,543</u>	<u>7,000,106</u>	<u>7,555,498</u>
	<u>\$ 7,683,544</u>	<u>\$ 6,703,778</u>	<u>\$ 19,800,932</u>	<u>\$ 19,276,150</u>
				(Concluded)

Under the Company Act as amended in May 2015, the Company's Articles of Incorporation should stipulate a fixed amount or ratio of annual profit to be distributed as employee remuneration. However, the Parent Company has not made consequential amendments to its policies for the distribution of employee remuneration. The bonus to employees and remuneration to directors were estimated at a certain percentage of net income, were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
Bonus to employees	\$ 111,404	\$ 219,342	\$ 667,148	\$ 708,770
Remuneration to directors	13,940	13,167	40,088	42,576

Material differences between these estimates and the amounts proposed by the board of directors on or before the annual consolidated financial statements are authorized for issue are adjusted in the year the bonus and remuneration are recognized. If there is a change in the proposed amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in accounting estimate.

The appropriations of bonuses to employees and remuneration to directors for 2014 and 2013, which were been approved in the shareholders' meetings on June 24, 2015 and June 19, 2014, respectively, were as follows:

	For the Year Ended December 31			
	2014		2013	
	Cash Dividends	Share Dividends	Cash Dividends	Share Dividends
Bonus to employees	\$ 768,033	\$ 146,292	\$ 997,212	\$ 189,945
Remuneration of directors	54,924	-	70,039	-

The 4,333 thousand shares for 2014 was determined by dividing the amount of share bonus approved in 2015 by the closing price of \$33.76 (after considering the effect of cash and stock dividends) on the day immediately preceding the shareholders' meeting.

The 4,085 thousand shares for 2013 was determined by dividing the amount of share bonus resolved in 2014 by the closing price of \$46.50 (after considering the effect of cash and stock dividends) on the day immediately preceding the shareholders' meeting.

There was no difference between the amounts of the bonus to employees and the remuneration to directors approved in the shareholders' meeting on June 24, 2015 and June 19, 2014 and the amounts recognized in the Parent Company's separate financial statements for the years ended December 31, 2014 and 2013, respectively.

Information on the bonus to employees, directors and supervisors proposed by the Company's board of directors is available on the Market Observation Post System website of the Taiwan Stock Exchange.

29. ACQUISITION OF SUBSIDIARIES

a. Subsidiaries acquired

	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred (Note)
LarView Technologies Corp.	Manufacture of optical instruments, general Instruments, computers and peripherals.	April 2014	83.33	\$ 600,000
Power Innovations International Inc.	Development, design and manufacture of power control equipment and energy management.	June 2014	95.25	424,174
				<u>\$ 1,024,174</u>

Note: Including fair value of the originally held equity of LarView Technologies Corp. at the acquisition date and fair value of non-controlling interests.

The Parent Company acquired 83.33% equity of LarView Technologies Corp. ("Larview") not only to upgrade its capability in the automated processing of camera modules but also to expand the market for this product. Since the Parent Company's subsidiary, Lite-On Capital Corp., already had a 16.67% equity in LarView, the Group's equity in LarView became 100% after the acquisition. To integrate its overall resources and enhance the efficiency of operations, the Parent Company had a short - form merger - in accordance with Article 19 of the Business Mergers and Acquisitions Act - with LarView Technologies Corp. on September 1, 2014. The Parent Company was the survivor entity in all of these mergers.

Lite-On Technology USA, Inc., a subsidiary of the Parent Company, acquired 95.25% equity in Power Innovations International Inc. to enhance power system projects and development of uninterruptible power system.

b. Considerations transferred

	LarView Technologies Corp.	Power Innovations International Inc.
Cash	\$ 500,000	\$ 417,237
Fair value of the originally held equity of LarView Technologies Corp. at the acquisition date (recorded as available-for-sale financial assets - non-current)	100,000	-
Fair value of non-controlling interests	<u>-</u>	<u>6,937</u>
	<u>\$ 600,000</u>	<u>\$ 424,174</u>

c. Assets acquired and liabilities assumed at the date of acquisition

	LarView Technologies Corp.	Power Innovations International Inc.
Current assets		
Cash and cash equivalents	\$ 41,259	\$ 87,390
Trade and other receivables	145,720	38,680
Inventories	152,159	49,644
Other	5,138	2,542
Non-current assets		
Property, plant and equipment	264,361	30,280
Investments accounted for by the equity method	4,439	-
Other intangible assets	47,205	1,093
Refundable deposits	1,000	1,020
Other	14,687	-
Current liabilities		
Short-term borrowings	(125,708)	(955)
Trade and other payables	(246,654)	(35,836)
Advances received	(14,068)	(13,990)
Current portion of long-term debts	-	(2,147)
Finance lease payables	-	(142)
Non-current liabilities		
Long-term loans	<u>(58,000)</u>	<u>(11,542)</u>
	<u>\$ 231,538</u>	<u>\$ 146,037</u>

d. Goodwill arising on acquisition

	LarView Technologies Corp.	Power Innovations International Inc.	Total
Consideration transferred	\$ 600,000	\$ 424,174	\$ 1,024,174
Less: Fair value of identifiable net assets acquired (Note)	<u>(231,538)</u>	<u>(146,037)</u>	<u>(377,575)</u>
Goodwill arising on acquisition	<u>\$ 368,462</u>	<u>\$ 278,137</u>	<u>\$ 646,599</u>

Note: The fair value of identifiable net assets is a provisional amount measured at the acquisition date of Power Innovations International Inc. However, the Group reduced by 65,002 thousand of the fair value of identifiable net assets and increased the amount of goodwill recognized on the acquisition in June 2014 because of the acquisition of relevant information in the second quarter of 2015.

e. Net cash outflow on acquisition of subsidiaries

**For the Nine
Months Ended
September 30,
2014**

Consideration paid in cash	\$ 917,237
Less: Cash and cash equivalents acquired	<u>(128,649)</u>
	<u>\$ 788,588</u>

f. Impact of acquisitions on the results of the Group

The acquirees' operating results on the acquisition date, which were included in the consolidated statements of comprehensive income, were as follows:

**For the Nine
Months Ended
September 30,
2014**

Revenue	
LarView Technologies Corp.	\$ 730,192
Power Innovations International Inc.	<u>84,268</u>
	<u>\$ 814,460</u>
Profit (Loss)	
LarView Technologies Corp.	\$ (131,810)
Power Innovations International Inc.	<u>1,379</u>
	<u>\$ (130,431)</u>

Had these business combinations been in effect at the beginning of the reporting period, the Group's operating revenue would have been \$170,870,890 thousand, and its profit would have been \$5,660,130 thousand for the nine months ended September 30, 2014.

30. DECONSOLIDATION OF SUBSIDIARY

On March 28, 2014, the Group lost its power to govern the financial and operating policies of Logah Technology Corp. because of the loss of power to cast the majority of votes at meetings of the Board of Directors; thus, the relevant assets, liabilities and non-controlling interests had been derecognized.

a. Consideration received from the derecognition

The Company did not receive any consideration in the deconsolidation of Logah Technology Corp.

b. Analysis of asset and liabilities on the date control was lost

March 28, 2014

Current assets	
Cash and cash equivalents	\$ 902,385
Trade receivables	27,350
Inventories	1,575
Others	56,537
Non-current assets	
Property, plant and equipment, net	363,030
Others	17,546
Current liabilities	
Borrowings	(91,260)
Payables	(19,764)
Others	(6,281)
Non-current liabilities	
Deferred tax liabilities	(12,793)
Others	<u>(6)</u>
Net assets deconsolidated	<u>\$ 1,238,319</u>

c. Gain on deconsolidation of subsidiary

**For the Nine
Months Ended
September 30,
2014**

Fair value of interest retained	\$ 490,624
Add: Accumulated exchange differences reclassified to profit or loss after deconsolidation of subsidiary	13,549
Deduct: Carrying amount of interest retained	
Net assets deconsolidated	1,238,319
Non-controlling interests	<u>(747,537)</u>
	490,782
Deduct: Goodwill of deconsolidated subsidiary	<u>5,043</u>
Gain on deconsolidation (recorded as nonoperating income and expense - other income)	<u>\$ 8,348</u>

d. Net cash outflow on deconsolidation of subsidiary

**For the Nine
Months Ended
September 30,
2014**

The balance of cash and cash equivalents deconsolidated	<u>\$ 902,385</u>
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31. EQUITY TRANSACTIONS WITH NON-CONTROLLING INTERESTS

In April 2014, the Parent Company acquired an additional 17.74% equity interest in Lite-On Automotive Corp., and increased its continuing interest from 82.26 % to 100%. In January to June 2014, the Parent Company acquired an additional 0.87% equity interest in Lite-On IT Corporation, and increased its continuing interest from 99.13 % to 100%.

The above transactions were accounted for as equity transactions, since the Group did not cease to have control over these subsidiaries.

	For the Nine Months Ended September 30, 2014		
	Lite-On Automotive Corporation	Lite-On IT Corporation	Total
Cash consideration paid	\$ 808,800	\$ 204,368	\$ 1,013,168
The proportionate share of the carrying amount of the net assets of the subsidiary transferred from non-controlling interests	<u>(297,970)</u>	<u>(171,716)</u>	<u>(469,686)</u>
Differences arising from equity transaction	<u>\$ 510,830</u>	<u>\$ 32,652</u>	<u>\$ 543,482</u>
			For the Nine Months Ended September 30, 2014 Lite-On IT Corporation

Line items adjusted for equity transaction

Capital surplus - difference between consideration and carrying amounts adjusted arising from changes in percentage of ownership in subsidiaries - actual acquisition or disposal	\$ -
Retained earnings	<u>(543,482)</u>
	<u>\$ (543,482)</u>

32. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

The Group's capital management system aims to ensure that the necessary financial resources and operating plan are enough to meet the next 12 months' requirements for working capital, capital expenditures, research and development expenses, debt repayment, dividend expenses and other need.

33. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments that are not measured at fair value

For certain financial instruments-including notes receivable, trade receivables - related parties, other receivables - related parties, debt investments with no active market, short-term borrowings, notes payable, trade payables - related parties, other payables - related parties, and finance lease payables-the Group's management considers the carrying amounts of these financial instruments recognized in the financial statements as approximating their fair values. For long-term loans (including their current portion) with floating rates, the carrying amounts of long-term loans are used as basis to estimate their fair value.

b. Fair value of financial instruments that are measured at fair value on a recurring basis

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

1) Fair value hierarchy

September 30, 2015

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	\$ -	\$ 79,273	\$ -	\$ 79,273
Financial liabilities at FVTPL				
Derivative financial liabilities	\$ -	\$ 15,259	\$ -	\$ 15,259
Available-for-sale financial assets				
Securities listed in ROC - equity securities	\$ 298,430	\$ -	\$ -	\$ 298,430
Securities listed in other countries - equity securities	11,379	-	-	11,379
Unlisted securities - ROC - equity securities	-	-	144,617	144,617
Unlisted securities - other countries - equity securities	-	-	75,848	75,848
Mutual funds	-	53,251	-	53,251
Emerging market stocks	-	178,716	-	178,716
	<u>\$ 309,809</u>	<u>\$ 231,967</u>	<u>\$ 220,465</u>	<u>\$ 762,241</u>

December 31, 2014

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	\$ <u> -</u>	\$ <u>13,111</u>	\$ <u> -</u>	\$ <u>13,111</u>
Financial liabilities at FVTPL				
Derivative financial liabilities	\$ <u> -</u>	\$ <u>38,408</u>	\$ <u> -</u>	\$ <u>38,408</u>
Available-for-sale financial assets				
Securities listed in ROC - equity securities	\$ 626,191	\$ -	\$ -	\$ 626,191
Securities listed in other countries - equity securities	11,486	-	-	11,486
Unlisted securities - ROC - equity securities	-	-	144,617	144,617
Unlisted securities - other countries - equity securities	-	-	221,811	221,811
Mutual funds	-	143,434	-	143,434
Emerging market stocks	-	178,716	-	178,716
	\$ <u>637,677</u>	\$ <u>322,150</u>	\$ <u>366,428</u>	\$ <u>1,326,255</u>

September 30, 2014

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	\$ <u> -</u>	\$ <u>61,073</u>	\$ <u> -</u>	\$ <u>61,073</u>
Financial liabilities at FVTPL				
Derivative financial liabilities	\$ <u> -</u>	\$ <u>7,356</u>	\$ <u> -</u>	\$ <u>7,356</u>
Available-for-sale financial assets				
Securities listed in ROC - equity securities	\$ 619,411	\$ -	\$ -	\$ 619,411
Securities listed in other countries - equity securities	8,716	-	-	8,716
Unlisted securities - ROC - equity securities	-	-	193,780	193,780
Unlisted securities - other countries - equity securities	-	-	347,676	347,676
Mutual funds	-	138,432	-	138,432
Emerging market stocks	-	178,716	-	178,716
	\$ <u>628,127</u>	\$ <u>317,148</u>	\$ <u>541,456</u>	\$ <u>1,486,731</u>

There were no transfers between Levels 1 and 2 in the current and prior periods.

2) Reconciliation of Level 3 fair value measurements of financial instruments

	Investments on Equity Instruments Unlisted Quotes
<u>September 30, 2015</u>	
Balance at January 1, 2015	\$ 366,428
Total gains or losses	
In profit or loss	(54,801)
In other comprehensive income	2,040
Additions	33,627
Disposals	(126,829)
Balance at September 30, 2015	\$ <u>220,465</u>

(Continued)

**Investments on
Equity
Instruments
Unlisted Quotes**

September 30, 2014

Balance at January 1, 2014	\$ 613,534
Total gains or losses	
In other comprehensive income	2,165
Additions	25,794
Disposals	(37)
Transfers out of Level 3	<u>(100,000)</u>
Balance at September 30, 2014	<u>\$ 541,456</u> (Concluded)

- 3) Valuation techniques and inputs applied for the purpose of measuring Level 2 fair value measurement

<u>Financial Instruments</u>	<u>Valuation Techniques and Inputs</u>
Financial assets at FVTPL - forward exchange contracts and currency swap contracts	Estimation of future cash flows using observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
Mutual funds	Using the observable similar market average price or the price of the same kind of tools provided by the mutual fund management company.
Emerging market shares	Using the recent emerging market share price of similar emerging market shares of investee companies and considering the adjustment of all the information on the performance and operation of the emerging company available from trading date to measuring date.

- 4) Valuation techniques and inputs applied for the purpose of measuring Level 3 fair value measurement

The fair values of unlisted equity securities - ROC and other countries were determined using the income approach. In this approach, the discounted cash flow method was used to capture the present value of the expected economic benefits from these investments. According to the discounted cash flow analysis and observable financial market average prices or with the same kind of tool to be estimated, the use of the discount rate and the parameters can refer to Reuters news agency or Bloomberg agency or other financial institutions with essentially the same conditions and characteristics of the interest rate swap offer financial products whose features including the remaining contract terms of fixed interest rates, the payment of principal, payment of currency, and etc. All the informations can be obtained by the Group.

c. Categories of financial instruments

	September 30, 2015	December 31, 2014	September 30, 2014
<u>Financial assets</u>			
Fair value through profit or loss (FVTPL)			
Derivative instruments	\$ 79,273	\$ 13,111	\$ 61,073
Loans and receivables (1)	115,186,098	119,503,863	112,608,190
Available-for-sale financial assets	762,241	1,326,255	1,486,731

Financial liabilities

Fair value through profit or loss (FVTPL)			
Derivative instruments	15,259	38,408	7,356
Derivative instruments in designated hedge accounting relationships	-	11,989	17,505
Amortized cost			
Short-term borrowings	21,193,227	22,911,114	24,126,225
Long-term loans (included current portion of long-term borrowings)	21,441,214	21,923,149	22,054,517
Payables (2)	81,063,027	82,697,461	81,131,539

- 1) The balances included loans and receivables measured at amortized cost, which comprise cash and cash equivalents, debt investments with no active market, notes receivable, notes receivable - inter, trade receivables, trade receivables - inter, other receivables and other receivables - inter.
- 2) The balances included financial liabilities measured at amortized cost, which comprise notes payable, trade payables, trade payables - inter and other payables.

d. Financial risk management objectives and policies

The Group's major financial instruments include equity investments, trade receivable, trade payables, borrowings. The Group's Corporate Treasury function provides services to the business, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives was governed by the Group's policies approved by the board of directors, which provided written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits was reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below). The Group entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, including:

- Forward foreign exchange contracts to hedge the exchange rate risk arising on the export;

- Interest rate swaps to mitigate the risk of rising interest rates.

There had been no change to the Group's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

Several subsidiaries of the Parent Company had foreign currency sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period (Refer to Note 37).

The Group required all its group entities to use forward exchange contracts to eliminate currency exposure. It is the Group's policy to negotiate the terms of the hedge derivatives to match the terms of the hedged item to maximize hedge effectiveness.

Sensitivity analysis

The Group was mainly affected by the U.S. dollar.

The following table details the Group's sensitivity to a 5% increase and decrease in New Taiwan dollars (the functional currency) against the relevant foreign currencies. The sensitivity analysis included only outstanding foreign currency denominated monetary items. A positive number below indicates an increase in pre-tax profit and other equity associated with New Taiwan dollars strengthen 5% against the relevant currency. For a 5% weakening of New Taiwan dollars against the relevant currency, there would be an equal and opposite impact on pre-tax profit and other equity and the balances below would be negative.

	Currency USD Impact For the Nine Months Ended September 30	
	2015	2014
Profit or loss	\$ (1,050,878)	\$ (672,993)

b) Interest rate risk

The Group was exposed to interest rate risk because entities in the Group borrowed funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix of fixed and floating rate borrowings, and using interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost - effective hedging strategies are applied.

The carrying amount of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	September 30, 2015	December 31, 2014	September 30, 2014
Fair value interest rate risk			
Financial assets (i)	\$ 43,086,842	\$ 29,221,581	\$ 37,037,254
Financial liabilities (ii)	16,921,996	21,140,609	24,760,468
Cash flow interest rate risk			
Financial assets (iii)	17,855,753	35,292,046	23,328,502
Financial liabilities (iv)	25,837,664	23,880,607	21,619,352

- i. The balances included time deposit and debt investments with no active market.
- ii. The balances included financial liabilities exposed to fair value risk from interest rate fluctuation.
- iii. The balances included demand deposits.
- iv. The balances included financial liabilities exposed to cash flow risk from interest rate fluctuation.

The Parent Company aims to keep borrowings at variable rates. In order to achieve this result, the Parent Company entered into interest rate swaps to hedge its exposures to changes in fair values of the borrowings. The critical terms of these interest rate swaps are similar to those of hedged borrowings. These interest rate swaps were designated as effective hedging instruments and hedge accounting is used.

The Parent Company was also exposed to cash flow interest rate risk in relation to variable-rate bank borrowings and pay-fixed/receive-floating interest rate swaps. The Parent Company's cash flow interest rate risk was mainly concentrated in the fluctuation of the average rate for 90-day notes in Taiwan's secondary market arising from the Group's New Taiwan dollars denominated borrowings.

Sensitivity analysis

The sensitivity analyses below were determined based on the Group's exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole reporting period.

If interest rates had been 25 basis points higher and all other variables were held constant, the Group's pre-tax profit for the nine months ended September 30, 2015 and 2014 would decrease by \$14,966 thousand and increase \$3,205 thousand.

c) Other price risk

The Group was exposed to equity price risk through its investments in listed equity securities. Equity investments are held for strategic rather than trading purposes. The Group does not actively trade these investments.

Sensitivity analysis

The sensitivity analyses below were determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 10% higher, the pre-tax other comprehensive income for the nine months ended September 30, 2015 and 2014 would increase by \$30,981 thousand and \$62,813 thousand as a result of the changes in fair value of available-for-sale financial assets.

2) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group is exposed to credit risk from trade receivables, deposits, and other financial instruments. Credit risk on business-related exposures is managed separately from that on financial-related exposures.

a) Business related credit risk

To maintain the quality of receivables, the Group has established operating procedures to manage credit risk.

For individual customers, risk factors considered include the customer's financial position, credit rating agency rating, the Group's internal credit rating, and transaction history as well as current economic conditions that may affect the customer's ability to pay. The Group also has the right to use some credit protection enhancement tools, such as requiring advance payments, to reduce the credit risks involving certain customers.

b) Financial related credit risk

Bank deposits and other financial instruments are credit risk sources required by the Group's Department of Finance Department to be measured and monitored. However, since the Group's counter-parties are all reputable financial institutions and government agencies, there is no significant financial credit risk.

3) Liquidity risk

The objective of liquidity risk management, the department is required to maintain operating cash and cash equivalents, in order to ensure that the Group has sufficient financial flexibility.

The table below summarizes the maturity profile of the Group's non-derivative financial liabilities based on contractual undiscounted payments.

September 30, 2015

	Weighted Average Effective Interest Rate (%)	On Demand or Less than 1 Year	1-3 Years	Over 3 Years to 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	-	\$ 81,063,027	\$ 92,096	\$ -	\$ 1,010
Finance lease liabilities	2.36-7.11	93,835	31,384	-	-
Variable interest rate liabilities	0.4-1.6657	10,337,288	15,486,701	-	13,675
Fixed interest rate liabilities	0.79-4.5475	<u>16,471,808</u>	<u>319,885</u>	<u>4,687</u>	<u>397</u>
		<u>\$ 107,965,958</u>	<u>\$ 15,930,066</u>	<u>\$ 4,687</u>	<u>\$ 15,082</u>

December 31, 2014

	Weighted Average Effective Interest Rate (%)	On Demand or Less than 1 Year	1-3 Years	Over 3 Years to 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	-	\$ 82,697,461	\$ 79,976	\$ -	\$ 895
Finance lease liabilities	2.36-7.11	85,232	101,721	-	-
Variable interest rate liabilities	0.4-1.6786	10,415,998	7,691,404	5,760,000	13,205
Fixed interest rate liabilities	0.82-4.4	20,854,105	79,907	19,644	-
		<u>\$ 114,052,796</u>	<u>\$ 7,953,008</u>	<u>\$ 5,779,644</u>	<u>\$ 14,100</u>

September 30, 2014

	Weighted Average Effective Interest Rate (%)	On Demand or Less than 1 Year	1-3 Years	Over 3 Years to 5 Years	5+ Years
<u>Non-derivative financial liabilities</u>					
Non-interest bearing	-	\$ 81,131,539	\$ 73,469	\$ -	\$ 871
Finance lease liabilities	2.36-7.11	79,906	115,323	3,158	691
Variable interest rate liabilities	0.82-4.4	11,010,324	9,649,028	960,000	-
Fixed interest rate liabilities	0.83-3.6	21,561,096	2,980,365	19,929	-
		<u>\$ 113,782,865</u>	<u>\$ 12,818,185</u>	<u>\$ 983,087</u>	<u>\$ 1,562</u>

The table below summarizes the maturity profile of the Group's derivative financial instruments based on contractual undiscounted payments.

September 30, 2015

	On Demand or Less than 1 Year	1-3 Years	Over 3 Years to 5 Years	5+ Years
Forward exchange contracts				
Inflows	\$ 8,085,334	\$ -	\$ -	\$ -
Outflows	<u>(7,984,546)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 100,788</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2014

	On Demand or Less than 1 Year	1-3 Years	Over 3 Years to 5 Years	5+ Years
Forward exchange contracts				
Inflows	\$ 8,508,990	\$ -	\$ -	\$ -
Outflows	<u>(8,500,136)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>8,854</u>	<u>-</u>	<u>-</u>	<u>-</u>
Currency swap contracts				
Inflows	671,640	-	-	-
Outflows	<u>(666,900)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>4,740</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 13,594</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

September 30, 2014

	On Demand or Less than 1 Year	1-3 Years	Over 3 Years to 5 Years	5+ Years
Forward exchange contracts				
Inflows	\$ 8,774,024	\$ -	\$ -	\$ -
Outflows	<u>(8,845,545)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(71,521)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Currency swap contracts				
Inflows	916,460	-	-	-
Outflows	<u>(911,100)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>5,360</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ (66,161)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

34. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Parent Company and its subsidiaries, which were related parties of the Parent Company, had been eliminated on consolidation and are not disclosed in this note. Besides as disclosed elsewhere in the other notes, details of transactions between the Group and other related parties are disclosed below.

a. Sales of goods

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
<u>Related parties categories</u>				
Associates	\$ 48,177	\$ 57,644	\$ 131,768	\$ 172,244
Other related parties	<u>256</u>	<u>852</u>	<u>943</u>	<u>2,621</u>
	<u>\$ 48,433</u>	<u>\$ 58,496</u>	<u>\$ 132,711</u>	<u>\$ 174,865</u>

The Group's selling prices for Lite-On Semiconductor Corp. for the Group were at cost plus a negotiated profit. Except for this sales arrangement with Lite-On Semiconductor Corp., the sales terms between the Group and its related parties were normal.

Operating lease contracts with related parties were based on market prices and made under normal terms.

b. Purchases of goods

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
<u>Related parties categories</u>				
Associates	\$ 1,261,391	\$ 1,321,564	\$ 3,755,309	\$ 3,381,483
Other related parties	<u>184,546</u>	<u>188,109</u>	<u>527,585</u>	<u>453,284</u>
	<u>\$ 1,445,937</u>	<u>\$ 1,509,673</u>	<u>\$ 4,282,894</u>	<u>\$ 3,834,767</u>

The cost of the Group's purchases from Lite-On Semiconductor Corp. for the nine months ended September 30, 2015 and 2014 was based on cost plus negotiated profit. Except for these purchases, the purchase terms between the Group and its related parties were normal.

c. Receivables from related parties

	September 30, 2015	December 31, 2014	September 30, 2014
<u>Related parties categories</u>			
Accounts receivable			
Associates	\$ 69,972	\$ 72,417	\$ 107,562
Other related parties	<u>97</u>	<u>652</u>	<u>503</u>
	<u>\$ 70,069</u>	<u>\$ 73,069</u>	<u>\$ 108,065</u>
Other receivable			
Associates	\$ 10,595	\$ 2,850	\$ 1,057
Other related parties	<u>155</u>	<u>203</u>	<u>95</u>
	<u>\$ 10,750</u>	<u>\$ 3,053</u>	<u>\$ 1,152</u>

The outstanding trade receivables from related parties are unsecured. For the nine months ended September 30, 2015 and 2014, no impairment loss was recognized for trade receivables from related parties.

d. Payables to related parties

	September 30, 2015	December 31, 2014	September 30, 2014
<u>Related parties categories</u>			
Accounts payable			
Associates	\$ 646,244	\$ 677,197	\$ 646,995
Other related parties	<u>256,377</u>	<u>276,469</u>	<u>268,736</u>
	<u>\$ 902,621</u>	<u>\$ 953,666</u>	<u>\$ 915,731</u>
Other payable			
Associates	\$ 4	\$ 738	\$ 314
Other related parties	<u>5,724</u>	<u>6,003</u>	<u>5,431</u>
	<u>\$ 5,728</u>	<u>\$ 6,741</u>	<u>\$ 5,745</u>

The outstanding trade payables from related parties are unsecured.

e. Operating expense

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
<u>Related parties categories</u>				
Other related parties	\$ 14,666	\$ 34,875	\$ 41,803	\$ 58,414

f. Other revenues

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
<u>Related parties categories</u>				
Associates	\$ 2,230	\$ 850	\$ 4,551	\$ 2,600
Other related parties	395	388	1,380	1,148
	<u>\$ 2,625</u>	<u>\$ 1,238</u>	<u>\$ 5,931</u>	<u>\$ 3,748</u>

g. Compensation of key management personnel

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
Short-term employee benefits	\$ 236,344	\$ 382,956	\$ 387,985	\$ 560,200
Post-employment benefits	5,958	4,675	18,134	14,268
Termination benefits	16	550	50	14,441
	<u>\$ 242,318</u>	<u>\$ 388,181</u>	<u>\$ 406,169</u>	<u>\$ 588,909</u>

The remuneration of directors and key executives was determined by the remuneration committee having regard to the performance of individuals and market trends.

35. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

	September 30, 2015	December 31, 2014	September 30, 2014
Pledge-time deposits	<u>\$ 271,179</u>	<u>\$ 78,688</u>	<u>\$ 1,210,285</u>

Above assets included the guarantee deposits that had been provided for (a) a government projects (b) the customs agency for shipment clearance in advance of duty payments (c) the tax refund guarantee.

36. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

- a. The European Commission issued a Statement of Objection to some CD-ROM factories in line with antitrust investigations in the third quarter of 2012. The Parent Company has assigned lawyers to deal with the lawsuit. The European Commission had ended the investigation and published the results on October 21, 2015. The investigation concluded that the parent company to be exempt from all responsibilities.
- b. CMP Consulting Service, Inc., KI, Inc., Aaron Wagner, The Stereo Shop, David Carney, Jr., Tina Corse, Cynthia R. Rall, Richard R. Rall, Aaron Deshaw and Don Cheung filed an antitrust group lawsuit against the Parent Company and its subsidiaries - Philips & Lite-On Digital Solutions Corporation, Philips & Lite-On Digital Solutions USA, Inc. and other companies with related businesses - with a court in California, from October 2009 to September 2010. The Parent Company assigned lawyers as its representative in these lawsuits. In October 2014, the U.S. District Court for the Northern District of California rejected the antitrust group lawsuit, but prosecutors appealed to the United States Court of Appeals for the Ninth Circuit against the rejection of the group litigation. In January 2015, the United States Court of Appeals for the Ninth Circuit dismissed the lawsuit. But in the same month, the judge of the U.S. District Court for the Northern District of California allowed the plaintiff to appeal against the antitrust group lawsuit again within a reduced litigation scope. Litigation process and settlement agreement is still ongoing. The Parent Company already accrued a reasonable amount in case of a loss on this lawsuit and will continue to recognize the losses quarterly on the basis of a reasonable estimation of the lawsuit until the settlement of this lawsuit.
- c. In the second quarter of 2013, the Attorney General of the State of Florida filed antitrust lawsuits against the Parent Company and its subsidiaries - Philips & Lite-On Digital Solutions Corporation and Philips & Lite-On Digital Solutions USA, Inc. - as well as other companies with related businesses with the U.S. District Court for the Northern District of California (USDC-NDC). The Parent Company assigned lawyers as its representative in these lawsuits. In the second quarter of 2014, the USDC-NDC allowed the plaintiff to proceed with the lawsuits but dismissed certain parts of these lawsuits. Although the outcome of the proceedings had not been determined, the Parent Company already accrued a reasonable amount in case of a loss on this lawsuit and will continue to recognize the losses quarterly at this reasonably estimated amount until the settlement of this lawsuit.
- d. In the second quarter of 2013, Dell Inc. and Dell Products L.P. filed a complaint with the United States District Court for Western District of Texas. In the fourth quarter of 2013, Acer Inc., Acer America Corporation, Gateway Inc. and Gateway U.S. Retail, Inc. filed a complaint with the United States District Court for the Northern District of California. In the fourth quarter of 2013, Ingram Micro Inc., and Synnex Corporation filed a complaint with the United States District Court for the Central District of California. In the third quarter of 2015, Alfred H. Siegel, the bankruptcy trustee of Circuit City Stores, Inc., filed a complaint with the United States District Court for the Northern District of California. All these complaints constituted an antitrust group lawsuit against the Parent Company and other companies with related businesses. The Parent Company assigned lawyers as its representative in these lawsuits. Although the outcome of the proceedings had not been determined, the Parent Company already accrued a reasonable amount in case of a loss on this lawsuit and will continue to recognize losses quarterly at this reasonably estimated amount until the settlement of this lawsuit.
- e. From the second quarter of 2010 to the second quarter of 2014, petitioner Carlos Fogelman filed a motion for authorization to institute class action antitrust proceedings with the Superior Court of Quebec in the district of Montreal. The Fanshawe College of Applied Arts and Technology filed a statement of claim in Ontario court. Neil Godfrey filed a statement of claim with the Superior Court of British Columbia. Donald Woligroski filed a statement of claim in Manitoba court. Cindy Retallick filed a statement of claim in Saskatchewan court. All plaintiffs filed the antitrust group lawsuit against the Company and its subsidiaries - Philips & Lite-On Digital Solutions Corporation, Philips & Lite-On Digital Solutions USA, Inc. and other companies with related businesses. The Parent Company assigned lawyers as its representative in these lawsuits. Although the outcome of the

proceedings had not been determined, the Parent Company accrued a reasonable amount in case of a loss on this lawsuit and will continue to recognize the losses quarterly at this reasonably estimated amount until the settlement of this lawsuit.

37. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The following information was aggregated by the foreign currencies other than functional currencies of the group entities and the exchange rates between foreign currencies and respective functional currencies were disclosed. The significant assets and liabilities denominated in foreign currencies were as follows:

	September 30, 2015		December 31, 2014		September 30, 2014	
	Foreign Currencies	Exchange Rate	Foreign Currencies	Exchange Rate	Foreign Currencies	Exchange Rate
<u>Financial assets</u>						
Monetary items						
USD	\$ 1,272,963	32.8200	\$ 1,534,223	31.6000	\$ 1,589,841	30.3700
THB	798,913	0.9034	742,958	0.9593	770,308	0.9388
HKD	143,918	4.2352	157,663	4.0748	165,011	3.9121
JPY	93,490	0.2735	186,534	0.2641	27,043	0.2776
EUR	19,017	36.8437	22,028	38.4003	20,713	38.5183
Non-monetary items						
Investments accounted for using equity method						
USD	1,368	32.8200	316	31.6000	157	30.3700
Financial instruments at fair value through profit or loss						
USD	2,415	32.8200	392	31.6000	1,814	30.3700
JPY	-	0.2735	-	0.2641	1,693	0.2776
EUR	-	36.8437	19	38.4003	143	38.5183
<u>Financial liabilities</u>						
Monetary items						
USD	1,913,352	32.8200	1,887,114	31.6000	2,033,037	30.3700
THB	306,240	0.9034	245,358	0.9593	104,813	0.9388
JPY	204,717	0.2735	369,653	0.2641	860,828	0.2776
HKD	9,465	4.2352	7,470	4.0748	8,721	3.9121
EUR	7,812	36.8437	15,477	38.4003	11,461	38.5183
Non-monetary items						
Financial instruments at fair value through profit or loss						
USD	335	32.8200	1,215	31.6000	234	30.3700
EUR	115	36.8437	-	38.4003	-	38.5183
JPY	-	0.2735	-	0.2641	847	0.2776

For the three months ended September 30, 2015 and 2014 net foreign exchange gains (losses) was \$70,839 thousand and \$(42,286) thousand and the nine months ended September 30, 2015 and 2014 net foreign exchange gains (losses) was \$53,890 thousand and \$(41,013) thousand. It is impractical to disclose net foreign exchange gains or losses by each significant foreign currency due to the variety of the foreign currency transactions of the group entities.

38. SEPARATELY DISCLOSED ITEMS

a. Information on significant transactions and information on investees:

- 1) Financing provided: Please see Table 1 attached
- 2) Endorsement/guarantee provided: Please see Table 2 attached
- 3) Marketable securities held (excluding investment in subsidiaries, associates and jointly controlled entities): Please see Table 3 attached
- 4) Marketable securities acquired and disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital: Please see Table 4 attached
- 5) Acquisition of individual real estate properties at costs of at least NT \$300 million or 20% of the paid-in capital: None
- 6) Disposal of individual real estate properties at prices of at least NT\$300 million or 20% of the paid-in capital: None
- 7) Total purchases from or sales to related parties of at amounting to at least NT\$100 million or 20% of the paid-in capital: Please see Table 5 attached
- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital: Please see Table 6 attached
- 9) Trading in derivative instruments: Notes 7, 9 and 33 to the financial statements
- 10) Names, locations, and related information of investees over which the Company exercises significant influence: Please see Table 7 attached

b. Information on investments in mainland China:

- 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area. Please see Table 8 attached
- 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses: Please see Table 9 attached

c. Intercompany relationships and significant intercompany transactions: Please see Table 9 attached

39. SEGMENT INFORMATION

a. General information

The Group identified the reportable segments based on the managerial reporting information, and the segments by the types of products which included Optoelectronics, Information Technologies, Storage, and Mobile Mechanics and others. The types of products are described as follows:

- 1) Optoelectronics: LED Components and Lighting Products, Camera Modules and Automotive Electronics.

- 2) Information technologies: Products used in Server, Networking Devices, NB, Tablets, DT and Multifunction Peripheral.
- 3) Storage: Optical Disk Drives and Solid State Drives.
- 4) The Group also had Mobile Mechanics and Others operating segments that did not exceed the quantitative threshold. These segments mainly engage in manufacturing and selling of Mechanical Products for Mobile Devices and others.

b. Measurement of segment information

The Group uses the income before income tax from operations as the measurement for segment profit and the basis of performance assessment. There was no material differences between the accounting policies of the operating segment and the accounting policies described in Note 4.

c. Segment information

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

For the Nine Months Ended September 30, 2015						
	Optoelectronics	IT	Storage	Mobile Mechanics and Others	Elimination	Total
Sales from external customers	\$ 39,398,509	\$ 77,232,430	\$ 24,870,910	\$ 17,681,522	\$ -	\$ 159,183,371
Sales among segments	1,133,747	1,374,679	6,104	1,294,914	(3,809,444)	-
Operating profit (loss)	1,252,930	4,809,860	1,373,059	(1,034,801)	-	6,401,048

For the Nine Months Ended September 30, 2014						
	Optoelectronics	IT	Storage	Mobile Mechanics and Others	Elimination	Total
Sales from external customers	\$ 45,466,759	\$ 75,600,059	\$ 29,468,888	\$ 20,048,289	\$ -	\$ 170,583,995
Sales among segments	1,037,325	1,667,851	-	599,547	(3,304,723)	-
Operating profit (loss)	2,035,160	5,164,785	1,971,169	(2,701,502)	-	6,469,612

d. Reconciliation information for segment profit (loss)

- 1) The revenue from external parties reported to the chief operating decision-maker is used the same accounting policies in consistent with in the statement of comprehensive income.
- 2) A reconciliation of reportable segments profit (loss) and income before income tax is provided as follows:

For the Nine Months Ended September 30		
	2015	2014
Reportable segments' profit	\$ 6,401,048	\$ 6,469,612
Unclassified loss	(664,921)	(809,099)
Nonoperating income and expenses	<u>814,195</u>	<u>56,786</u>
Profit before income tax	<u>\$ 6,550,322</u>	<u>\$ 5,717,299</u>

TABLE 1

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015
(Amounts in Thousands of New Taiwan Dollars)

No.	Financing Company	Counter-party	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Interest Rate	Nature for Financing (Note 1)	Transaction Amount	Reasons for Financing	Allowance for Bad Debt	Collateral		Financing Limits for Each Borrowing Company (Note 2)	Financing Company's Total Financing Amount Limits (Note 2)	Note
													Item	Value			
1	China Bridge (China) Co., Ltd.	Lite-On Opto Technology (Changzhou) Co., Ltd.	Receivables from related parties	Yes	\$ 262,560	\$ 262,560	\$ 262,560	1.0465%	b	\$ -	Operating capital	\$ -	None	\$ -	\$ 1,430,391	\$ 1,430,391	
2	Lite-On Opto Technology (Changzhou) Co., Ltd.	Lite-on Green Technologies (Nanjing) Corporation Changzhou Lowtek New Energy Trade Limited	Receivables from related parties Receivables from related parties	Yes Yes	45,868 207,048	- 207,048	- 207,048	4.2% 4.2%	b b	- -	Operating capital Operating capital	- -	None None	- -	3,079,496 3,079,496	3,079,496 3,079,496	
3	Lite-On Technology (Changzhou) Co., Ltd.	Lite-On Technology (Shanghai) Ltd. Zhuhai Lite-On Mobile Technology Co., Ltd.	Receivables from related parties Receivables from related parties	Yes Yes	606,168 2,548,200	214,036 1,294,050	214,036 1,294,050	4.2% 3.57%	b b	- -	Equipment purchase Operating capital	- -	None None	- -	4,990,669 4,990,669	4,990,669 4,990,669	
4	Lite-On Electronics (Tianjin) Co., Ltd.	Lite-On Medical Device (Changzhou) Ltd. Lite-On Technology (Shanghai) Ltd. Lite-On Opto Technology (Guangzhou) Ltd.	Receivables from related parties Receivables from related parties Receivables from related parties	Yes Yes Yes	45,463 555,654 258,810	22,491 - 258,810	22,491 - 258,810	4.2% 4.2% 3.57%	b b b	- - -	Operating capital Equipment purchase Operating capital	- - -	None None None	- - -	2,733,017 2,733,017 2,733,017	2,733,017 2,733,017 2,733,017	
5	Lite-On Power Technology (Changzhou) Co., Ltd.	Lite-On Technology (Shanghai) Ltd.	Receivables from related parties	Yes	706,258	-	-	4.2%	b	-	Equipment purchase	-	None	-	770,086	770,086	
6	Lite-On Network Communication (Dongguan) Limited	Silitek Elec. (Dongguan) Co., Ltd.	Receivables from related parties	Yes	201,788	-	-	4.2%	b	-	Operating capital	-	None	-	967,961	967,961	
7	Dongguan Lite-On Computer Co., Ltd.	Yantai Lite-On Mobile Electronic Components Co., Ltd.	Receivables from related parties	Yes	51,762	51,762	51,762	3.395%-4.2%	b	-	Operating capital	-	None	-	52,681	52,681	
8	Dongguan G-Pro Computer Co., Ltd.	Silitek Elec. (Dongguan) Co., Ltd.	Receivables from related parties	Yes	258,810	258,810	258,810	3.92%	b	-	Operating capital	-	None	-	664,988	664,988	
9	Dong Guan G-Tech Computers Co., Ltd.	Lite-On Electronics (Dongguan) Co., Ltd.	Receivables from related parties	Yes	103,524	103,524	103,524	3.92%	b	-	Operating capital	-	None	-	786,954	786,954	
10	Huizhou Li Shun Electronic Co., Ltd.	Lite-On Technology (Xiangning) Co., Ltd.	Receivables from related parties	Yes	51,762	51,762	51,762	4.2%	b	-	Operating capital	-	None	-	552,805	552,805	
11	Guangzhou Lite-On Mobile Engineering Plastics Co., Ltd.	Zhuhai Lite-On Mobile Technology Co., Ltd.	Receivables from related parties	Yes	1,294,050	1,294,050	1,294,050	4.2%	b	-	Operating capital	-	None	-	4,644,046	4,644,046	
12	Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Lite-On Young Fast (Huizhou) Co., Ltd. Beijing Lite-On Mobile Electronic and Telecommunication Components Co., Ltd.	Receivables from related parties Receivables from related parties	Yes Yes	126,118 879,954	- 879,954	- 879,954	5.6% 4.2%	b b	- -	Operating capital Operating capital	- -	None None	- -	10,759,193 10,759,193	10,759,193 10,759,193	
13	Lite-On Auto Electric Technology (Guangzhou) Ltd.	Yantai Lite-On Mobile Electronic Components Co., Ltd.	Receivables from related parties	Yes	51,762	51,762	51,762	4.2%	b	-	Operating capital	-	None	-	126,495	126,495	

(Continued)

No.	Financing Company	Counter-party	Financial Statement Account	Related Party	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Interest Rate	Nature for Financing (Note 1)	Transaction Amount	Reasons for Financing	Allowance for Bad Debt	Collateral	Financing Limits for Each Borrowing Company (Note 2)	Financing Company's Total Financing Amount Limits (Note 2)	Note
													Item	Value		
14	Lie-On Opto Technology (Guangzhou) Co., Ltd.	Shenzhen Lie-On Mobile Precision Molds Co., Ltd.	Receivables from related parties	Yes	\$ 126,285	\$ 51,762	\$ 51,762	4.2%	b	\$ -	Operating capital	\$ -	None	\$ -	\$ 2,645,858	\$ 2,645,858
15	Lie-On Mobile Oyi (formerly: Pecos Oyi)	Lie-On Mobile India Private Limited	Receivables from related parties	Yes	160,818	160,818	160,818	2.35%-2.446%	b	-	Operating capital	-	None	-	819,376	819,376
16	Lie-On Mobile Pte. Ltd.	Lie-On Mobile India Private Limited	Receivables from related parties	Yes	942,951	942,951	942,951	2.107%-2.196%	b	-	Operating capital	-	None	-	1,612,708	1,612,708
17	Lie-On China Holding Co., Ltd.	Lie-On Mobile Pte. Ltd.	Receivables from related parties	Yes	656,400	656,400	656,400	0.86%	b	-	Operating capital	-	None	-	28,126,635	28,126,635
18	Eagle Rock Investment Ltd.	Lie-On Mobile Pte. Ltd.	Receivables from related parties	Yes	656,400	656,400	656,400	0.86%	b	-	Operating capital	-	None	-	1,815,950	1,815,950
19	Lie-On Green Energy B.V.	Romeo Totti PVTI S.R.L.	Receivables from related parties	Yes	123,838	62,634	62,634	2.235%	b	-	Operating capital	-	None	-	370,769	370,769
20	Lie-On Technology (Europe) B.V.	Lie-On Green Energy B.V.	Receivables from related parties	Yes	62,634	62,634	62,634	1.00%	b	-	Operating capital	-	None	-	3,064,104	3,064,104
21	Lie-On Capital Corp.	Lie-On Green Technologies Inc.	Receivables from related parties	Yes	115,000	80,000	80,000	1.00%	b	-	Operating capital	-	None	-	845,879	845,879
22	Lie-On Singapore Pte. Ltd.	Lie-On China Holding Co., Ltd.	Receivables from related parties	Yes	295,380	295,380	295,380	0.86%	b	-	Operating capital	-	None	-	14,335,607	14,335,607
23	Lie-On Electronics (Guangzhou) Co., Ltd.	Sillick Elec. (Dongguan) Co., Ltd.	Receivables from related parties	Yes	248,925	-	-	3.745%	b	-	Operating capital	-	None	-	14,145,137	14,145,137
24	LTC International Ltd.	Lie-On Automotive Electronics Mexico, S.A. DE C.V.	Receivables from related parties	Yes	98,460	98,460	98,460	4.08%	b	-	Operating capital	-	None	-	389,673	389,673
25	Lie-On Automotive (Wuxi) Co., Ltd.	Lie-On Green Technologies (Nanjing) Corporation	Receivables from related parties	Yes	56,938	56,938	56,938	3.395%	b	-	Operating capital	-	None	-	480,792	480,792

Note 1: Reasons for financing are as follows:

- Business relationship.
- The need for short-term financing.

Note 2: Financing limit for each borrower and aggregate financing limits are calculated based on the Company's policy.

Note 3: The net worth value is based on the most current reviewed financial statements.

Note 4: All intercompany financing loans have been eliminated from consolidation.

(Continued)

TABLE 2

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015
(Amounts in Thousands of New Taiwan Dollars)

No.	Endorser/ Guarantee Provider	Guaranteed Party		Limits on Endorsement/ Guarantee Amount Provided to Each Guaranteed Party (Note 2)	Maximum Balance for the Period	Ending Balance	Amount Actually Drawn	Amount of Endorsement/ Guarantee Collateralized by Properties	Ratio of Accumulated Endorsement/ Guarantee to Net Equity Per Latest Financial Statements (%)	Maximum Endorsement/ Guarantee Amount Allowable (Note 2)	Guarantee Provided by Parent Company	Guarantee Provided by A Subsidiary	Guarantee Provided to Subsidiaries in Mainland China	Note
		Name	Nature of Relationship (Note 1)											
0	Lite-On Technology Corporation (the "Parent Company")	Lite-On Technology (Europe) B.V. Lite-On Mobile Pte. Ltd. (Note 1) Siltek Elec. (Dongguan) Co., Ltd. Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	b b c c	\$ 7,489,995 7,489,995 7,489,995 7,489,995	\$ 140,006 10,064,000 1,181,520 1,320,900	\$ 140,006 9,189,600 1,181,520 1,115,880	\$ 70,003 6,564,000 1,181,520 787,680	- - - -	0.19 12.27 1.38 1.49	\$ 29,959,980 29,959,980 29,959,980 29,959,980	Yes Yes Yes Yes	No No No No	No No Yes Yes	
1	Lite-On Mobile Oyj (formerly: Perios Oyj)	Lite-On Mobile Sweden AB Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	b b	131,100 131,100	15,708 823,091	15,708 823,091	938 113,567	- -	0.02 1.10	327,750 327,750	No No	No No	No Yes	
2	Lite-On Capital Corp.	Lite-On Green Technologies B.V.	c	2,114,697	864,280	864,280	864,280	-	1.15	2,114,697	No	No	No	

Note 1: Relationship between endorser/guarantor and endorsee/guarantee are as follows:

- Business relationship.
- A subsidiary in which the Company holds directly over 50% of equity interest.
- An investee in which the Company and its subsidiaries hold over 50% of equity interest.

Note 2: a. The aggregate amount of guarantees/endorsements by Lite-On Technology Corporation should not exceed 40% of its net worth, and the amount of guarantees/endorsements for any single entity should not exceed 10% of its net worth.

b. The endorsement/guarantee limit for each entity and the total endorsement/guarantee limit are calculated on the basis of Lite-On Mobile Oyj's and Lite-On Capital Corp.'s endorsement/guarantee procedures.

c. Limits on endorsement/guarantee amount provided to each guaranteed party and maximum endorsement/guarantee amount allowable were calculated on the basis of the net worth of the endorsement/guarantee provider, as shown in its most recent reviewed financial statements.

Note 3: The guarantee provided by the Parent Company to Lite-On Mobile Pte. Ltd. is for the repayment of the latter's syndicated loan obtained in December 2013.

TABLE 3

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES HELD

SEPTEMBER 30, 2015

(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Held Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	September 30, 2015				Note
				Shares/Units (In Thousands)	Carrying Value (Foreign Currencies in Thousands)	Percentage of Ownership (%)	Fair Value (Foreign Currencies in Thousands)	
Lite-On Technology Corporation	Common stock EPISTAR Corporation	Member of the board of directors	Available-for-sale financial assets - non-current	5,908	\$ 149,767	0.54	\$ 149,767	
	Wistron Corporation	-	"	4,981	85,425	0.19	85,425	
	CO-TECH Development Corp.	Chairman of the board is the same person	"	1,530	13,066	0.73	13,066	
	Com2B Corp.	-	"	5,000	19,009	11.11	19,009	
	Avamax Corp.	-	"	559	-	6.99	-	Note
	Actus Technology, Inc.	Member of the board of directors	"	4,026	-	8.07	-	Note
	AuriaSolar Co., Ltd.	-	"	41,400	-	19.71	-	Note
	Z-Com, Inc.	-	"	3,245	23,039	4.10	23,039	-
	Fong Han Electronics Co., Ltd.	-	"	1,167	-	6.67	-	Note
	Xepex Electronics Co., Ltd.	-	"	-	-	-	-	Note
	AOPEN, Inc.	-	"	100	1,189	0.08	1,189	
	OpLink Communications, Inc.	-	"	12	9,274	0.07	9,274	
	North America Micro-Electronic & Software, Incorporated	-	"	5	1,154	2.67	1,154	
	Action Media Technologies, Inc.	-	"	38	-	-	-	Note
	Taiwan Changxing Technology Co., Ltd.	-	"	462	4,620	15.40	4,620	
	Preferred stock Arkologic Holdings Limited PI-CORAL	-	"	11,111 1,139	- -	7.66 10.65	- -	Note Note
Lite-On Capital Corp.	Convertible bond Xepex Electronics Co., Ltd.	-	Debt investments with no active market - non-current	150	-	-	-	Note
	Common stock Lite-On Technology Corporation	The Parent Company	Available-for-sale financial assets - non-current	15,041	454,232	0.64	454,232	
	Lead Data, Inc.	-	"	865	7,263	0.59	7,263	
	Compound Solar Technology Co., Ltd.	-	"	2,000	-	2.86	-	Note
	Z-Com, Inc.	-	"	2,631	18,681	3.33	18,681	
	Pac-Link Opportunity Fund Auden Techno Corp.	-	"	14,862 8,124	39,694 178,716	10.59 19.90	39,694 178,716	

(Continued)

Held Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	September 30, 2015				Note
				Shares/Units (In Thousands)	Carrying Value (Foreign Currencies in Thousands)	Percentage of Ownership (%)	Fair Value (Foreign Currencies in Thousands)	
Lite-On Green Energy (HK) Limited	<u>Common stock</u> Changzhou Binhui Thin Film Solar Greenhouse Co., Ltd.	-	Available-for-sale financial assets - non-current	-	US\$ 1,641	19.90	US\$ 1,641	
Lite-On Electronics Co., Ltd.	<u>Share certificates</u> Lite-On Technology Corporation GDR	The Parent Company	"	243	\$ 107,492	0.10	\$ 107,492	
Yeti Foundate Ltd.	<u>Share certificates</u> Lite-On Technology Corporation GDR	"	"	225	99,626	0.10	99,626	
LTC Group Ltd. (BVI)	<u>Common stock</u> Northern Lights Semiconductor	-	"	3,000	-	5.91	-	Note
LTC International Ltd.	<u>Common stock</u> VIZIO, Inc.	-	"	437	-	2.90	-	Note
	<u>Common stock</u> Lite-On Technology Corporation	The Parent Company	"	3,774	113,983	0.16	113,983	
	<u>Share certificates</u> Lite-On Technology Corporation GDR	"	"	318	140,865	0.14	140,865	
Lite-On China Holding Co., Ltd.	<u>Common stock</u> COMMIT Incorporated	-	"	4,962	-	1.87	-	Note
LET (HK) Ltd.	<u>Fund</u> Innovation Works Development Fund, L.P.	-	"	-	HK\$ 6,152	-	HK\$ 6,152	
Silitech Technology Corp.	<u>Common stock</u> Chi Mei Mold Co., Ltd. RTR-TECH Technology Co., Ltd.	Member of the board of directors "	" "	1,300 6,820	\$ 11,165 89,138	13.00 9.46	\$ 11,165 89,138	
Silitech (Bermuda) Holding Ltd.	<u>Common stock</u> Innovation Works Development Fund, L.P.	-	"	-	US\$ 828	-	US\$ 828	
Lite-On Japan Ltd.	<u>Common stock</u> Tamura Corporation The Dai-ichi Life Insurance Company, Limited With Corporation	- - - -	Available-for-sale financial assets - non-current " "	19,250 7 9,000	JPY 6,372 JPY 1,325 JPY 5,400	0.03 - 14.20	JPY 6,372 JPY 1,325 JPY 5,400	

(Continued)

Held Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	September 30, 2015				Note
				Shares/Units (In Thousands)	Carrying Value (Foreign Currencies in Thousands)	Percentage of Ownership (%)	Fair Value (Foreign Currencies in Thousands)	
Lite-On Mobile Oyj (formerly: Perlos Oyj)	Common stock Korttolahti Golf Oy	-	"	1	EUR 9	-	EUR 9	

Note: The carrying value of financial instruments were all assessed for impairment.

(Concluded)

TABLE 4

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

MARKETABLE SECURITIES ACQUIRED AND DISPOSED OF AT COSTS OR PRICES OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015

(Amounts in Thousands of New Taiwan Dollars or in Thousands of Foreign Currencies)

Company Name	Marketable Securities Type and Name	Financial Statement Account	Counterparty	Nature of Relationship	Beginning Balance		Acquisition		Disposal		Ending Balance	
					Shares/Units (In Thousands)	Amount	Shares/Units (In Thousands)	Amount	Shares/Units (In Thousands)	Amount	Shares/Units (In Thousands)	Amount
Lite-On Singapore Pte. Ltd.	Lite-On Technology (Shanghai) Ltd.	Investment accounted for using equity method	-	-	-	\$ -	-	US\$ 67,895 (Note 1)	-	\$ -	-	US\$ 67,895
Lite-On Technology Corporation	Lite-On International Holding Co., Ltd.	"	-	-	285,825	23,434,167	50,000	\$ 2,739,858 (Note 2)	-	318,061 (Note 2)	335,825	\$25,855,964
Lite-On International Holding Co., Ltd.	Lite-On China Holding Co., Ltd.	"	-	-	349,442	US\$781,049	50,000	US\$ 86,102 (Note 3)	-	US\$ 10,154 (Note 3)	399,442	US\$856,997
Lite-On China Holding Co., Ltd.	Lite-On Electronics Co., Ltd.	"	-	-	2,578,633	US\$734,782	387,600	US\$ 83,973 (Note 4)	-	US\$ 10,154 (Note 4)	2,966,233	US\$808,601
Lite-On Electronics Co., Ltd.	Lite-On Technology (GZ) Investment Company Ltd.	"	-	-	-	HK\$373,543	-	HK\$381,110 (Note 5)	-	HK\$139,146 (Note 5)	-	HK\$615,507
Lite-On Technology (GZ) Investment Company Ltd.	Zhulian Lite-On Mobile Technology Co., Ltd.	"	-	-	-	\$ -	-	CNY461,665 (Note 6)	-	CNY131,172 (Note 6)	-	US\$330,493
Silitech Technology Corp.	Allianz Global Investors Taiwan Money Market Fund Yuanta De-Li Money Market Fund	Financial instruments at fair value through profit or loss - current "	-	-	-	-	45,438	\$ 560,000	560,531	531	-	\$ -
			-	-	-	-	19,938	320,000	320,275	275	-	-

Note 1: The acquisition amount of US\$65,000 thousand was the capital injected in the investee during the period.

Note 2: The acquisition amount of \$1,555,000 thousand was the capital injected in the investee during the period; the \$842,406 thousand is from the gain accounted for using equity method and the \$342,452 thousand is from the other comprehensive income for using equity method; the \$318,061 thousand in the disposal is from the changes in equities for using equity method.

Note 3: The acquisition amount of US\$50,000 thousand was the capital injected in the investee during the period; the US\$28,016 thousand is from the gain accounted for using equity method and the US\$8,086 thousand is from the other comprehensive income for using equity method; the US\$10,154 thousand in the disposal is from the changes in equities for using equity method.

Note 4: The acquisition amount of US\$50,000 thousand was the capital injected in the investee during the period; the US\$26,717 thousand is from the gain accounted for using equity method and the US\$7,256 thousand is from the other comprehensive income for using equity method; the US\$10,154 thousand in the disposal is from the changes in equities for using equity method.

Note 5: The acquisition amount of HKD381,110 thousand was the capital injected in the investee during the period; the HKD34,978 thousand in the disposal is from the loss accounted for using equity method and the HKD104,168 thousand in the disposal is from the changes in equities for using equity method.

Note 6: The acquisition amount of CNY461,665 thousand was the capital injected in the investee during the period; the CNY36,111 thousand in the disposal is from the loss accounted for using equity method and the CNY95,061 thousand in the disposal is from the changes in equities for using equity method.

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES OF AT AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015

(Amounts in Thousands of New Taiwan Dollars or in Thousands of Foreign Currencies)

Company Name	Related Party	Nature of Relationship	Transaction Details			Abnormal Transaction		Notes/Accounts (Payable) or Receivable		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total
Lite-On Technology Corporation	Lite-On Trading USA, Inc.	Note 2	Sale	\$ (2,667,420)	(3)	About 90 days	Cost-plus pricing	No significant difference	\$ 1,188,904	3
	Lite-On Japan Ltd.	Note 1	Sale	(697,027)	(1)	About 90 days	Cost-plus pricing	No significant difference	282,569	1
	Philip & Lite-On Digital Solutions Corp.	Note 1	Sale	(8,271,842)	(9)	About 90 days	Cost-plus pricing	No significant difference	2,870,785	8
	Lite-On Singapore Pte. Ltd.	Note 1	Sale	(3,441,709)	(4)	About 90 days	Cost-plus pricing	No significant difference	1,891,641	6
	China Bridge Express (Wuxi) Co., Ltd.	Note 2	Sale	(817,694)	(1)	About 90 days	Cost-plus pricing	No significant difference	228,994	1
	Lite-On Technology (Changzhou) Co., Ltd.	Note 2	Sale	(812,813)	(1)	About 90 days	Cost-plus pricing	No significant difference	384,926	1
	Lite-On Technology (Changzhou) Co., Ltd.	Note 2	Purchase	1,033,159	1	About 90 days	Cost-plus pricing	No significant difference	(400,652)	(2)
	LET (UK) Ltd.	Note 1	Purchase	7,243,426	9	About 90 days	Cost-plus pricing	No significant difference	(897,607)	(3)
	Lite-On Singapore Pte. Ltd.	Note 1	Purchase	18,556,770	23	About 90 days	Cost-plus pricing	No significant difference	(5,963,518)	(22)
	Li Shin International Enterprise Corp.	Note 1	Purchase	2,523,583	3	About 90 days	Cost-plus pricing	No significant difference	(1,037,525)	(4)
	Lite-On Overseas Trading Co., Ltd.	Note 2	Purchase	42,320,031	52	About 90 days	Cost-plus pricing	No significant difference	(10,602,544)	(40)
	Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	Note 2	Purchase	528,461	1	About 90 days	Cost-plus pricing	No significant difference	(224,822)	(1)
	Lite-On, Inc.	Note 2	Purchase	168,562	-	About 90 days	Cost-plus pricing	No significant difference	-	-
	Philips & Lite-On Digital Solutions Corp	Note 1	Purchase	438,880	1	About 90 days	Cost-plus pricing	No significant difference	(485,687)	(2)
	Lite-On Network Communication (Dongguan) Limited	Note 3	Sale	(5,052,603)	(96)	About 90 days	Cost-plus pricing	No significant difference	1,015,271	84
	China Bridge Express (Wuxi) Co., Ltd.	Note 4	Sale	(183,742)	(3)	About 90 days	Cost-plus pricing	No significant difference	177,955	15
Lite-On Electronics (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(9,057,838)	(100)	About 90 days	Cost-plus pricing	No significant difference	1,240,632	100
Slittek Elec. (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(6,688,278)	(95)	About 90 days	Cost-plus pricing	No significant difference	1,848,880	93
Lite-On Electronics (Guangzhou) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(3,344,174)	(74)	About 90 days	Cost-plus pricing	No significant difference	7,764,530	57
Dong Guan G-Tech Computers Co., Ltd.	Dong Guan G-Tech Computers Co., Ltd.	Note 4	Sale	(136,183)	-	About 90 days	Cost-plus pricing	No significant difference	12,477	-
Lite-On Electronics (Thailand) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(2,344,142)	(91)	About 90 days	Cost-plus pricing	No significant difference	340,238	79
Lite-On Power Technology (Dongguan) Co., Ltd.	Lite-On Electronics (Guangzhou) Co., Ltd.	Note 4	Sale	(231,036)	(9)	About 90 days	Cost-plus pricing	No significant difference	91,442	21
Lite-On Singapore Pte. Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	Sale	(2,417,454)	(97)	About 90 days	Cost-plus pricing	No significant difference	864,550	95
Lite-On Electronics H.K. Ltd.	Lite-On Electronic Co., Ltd.	Note 4	Sale	(1,192,173)	(100)	About 90 days	Cost-plus pricing	No significant difference	134,477	100
Lite-On Japan Ltd.	Lite-On Electronics H.K. Ltd.	Note 3	Sale	(1,561,889)	(2)	About 90 days	Cost-plus pricing	No significant difference	451,532	2
Lite-On, Inc.	Lite-On Japan Ltd.	Note 4	Sale	(1,167,469)	(2)	About 90 days	Cost-plus pricing	No significant difference	490,492	2
China Bridge Express (Wuxi) Co., Ltd.	Lite-On, Inc.	Note 4	Sale	(506,618)	(1)	About 90 days	Cost-plus pricing	No significant difference	175,649	1
Leotek Electronics USA LLC	China Bridge Express (Wuxi) Co., Ltd.	Note 4	Sale	(3,519,074)	(5)	About 90 days	Cost-plus pricing	No significant difference	1,628,820	7
Lite-On Overseas Trading Co., Ltd.	China Bridge Express (Wuxi) Co., Ltd.	Note 4	Sale	(749,591)	(1)	About 90 days	Cost-plus pricing	No significant difference	375,351	2
Philips & Lite-On Digital Solutions USA Inc.	Leotek Electronics USA LLC	Note 3	Sale	(1,031,538)	(2)	About 90 days	Cost-plus pricing	No significant difference	528,351	2
Philips & Lite-On Digital Solutions Germany GmbH.	Lite-On Overseas Trading Co., Ltd.	Note 4	Sale	(332,781)	(1)	About 90 days	Cost-plus pricing	No significant difference	1,015,147	4
Lite-On Sales & Distribution Inc.	Philips & Lite-On Digital Solutions USA Inc.	Note 4	Sale	(9,215,579)	(14)	About 90 days	Cost-plus pricing	No significant difference	4,480,612	18
Lite-On Technology (Changzhou) Co., Ltd.	Philips & Lite-On Digital Solutions Germany GmbH.	Note 4	Sale	(1,705,272)	(3)	About 90 days	Cost-plus pricing	No significant difference	784,650	3
Lite-On Network Communication (Dongguan) Limited	Lite-On Sales & Distribution Inc.	Note 4	Sale	(436,920)	(1)	About 90 days	Cost-plus pricing	No significant difference	214,083	1
Lite-On Technology (Changzhou) Co., Ltd.	Lite-On Technology (Changzhou) Co., Ltd.	Note 4	Sale	(156,791)	-	About 90 days	Cost-plus pricing	No significant difference	68,967	-
Lite-On Overseas Trading Co., Ltd.	Lite-On Network Communication (Dongguan) Limited	Note 4	Sale	(4,478,013)	(3)	About 90 days	Cost-plus pricing	No significant difference	1,717,017	4
Lite-On Electronics (Dongguan) Co., Ltd.	Lite-On Technology (Changzhou) Co., Ltd.	Note 4	Sale	(11,208,542)	(8)	About 90 days	Cost-plus pricing	No significant difference	5,268,188	12
Slittek Elec. (Dongguan) Co., Ltd.	Lite-On Electronics (Dongguan) Co., Ltd.	Note 4	Sale	(7,983,071)	(6)	About 90 days	Cost-plus pricing	No significant difference	1,377,846	3
Dong Guan G-Tech Computers Co., Ltd.	Slittek Elec. (Dongguan) Co., Ltd.	Note 4	Sale	(5,260,195)	(4)	About 90 days	Cost-plus pricing	No significant difference	692,531	2
Dongguan G-Pro Computer Co., Ltd.	Dong Guan G-Tech Computers Co., Ltd.	Note 4	Sale	(1,595,074)	(1)	About 90 days	Cost-plus pricing	No significant difference	768,457	2
	Dongguan G-Pro Computer Co., Ltd.	Note 4	Sale	(3,758,063)	(3)	About 90 days	Cost-plus pricing	No significant difference	1,476,320	3

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details			Abnormal Transaction			Notes/Accounts (Payable) or Receivable		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% to Total	
Lite-On Overseas Trading Co., Ltd.	Lite-On Singapore Pte. Ltd. Lite-On Electronics (Guangzhou) Co., Ltd. iSolutions Limited Lite-On Semiconductor Corp. Diodes Taiwan Inc.	Note 3	Sale	\$ (23,161,483)	(17)	About 90 days	Cost-plus pricing	No significant difference	\$ 9,330,469	21	
		Note 4	Sale	(32,790,110)	(25)	About 90 days	Cost-plus pricing	No significant difference	12,905,363	29	
		Note 4	Sale	(283,749)	-	About 90 days	Cost-plus pricing	No significant difference	128,325	-	
		Note 5	Purchase	387,006	-	About 90 days	Cost-plus pricing	No significant difference	(202,427)	-	
		Note 6	Purchase	309,803	-	About 90 days	Cost-plus pricing	No significant difference	(103,013)	-	
		Note 3	Sale	(1,192,173)	(100)	About 90 days	Cost-plus pricing	No significant difference	-	-	
Lite-On Electronics Co., Ltd.	Lite-On Singapore Pte. Ltd. Lite-On Opto Technology (Guangzhou) Co., Ltd. Lite-On IT Opto Tech (BH) Co., Ltd. Auto Electric Technology (Guangzhou) Ltd. Lite-Space Technology Company Limited	Note 3	Sale	(8,978,494)	(34)	About 90 days	Cost-plus pricing	No significant difference	1,018,885	11	
		Note 4	Sale	(978,918)	(4)	About 90 days	Cost-plus pricing	No significant difference	570,819	6	
		Note 4	Sale	(8,748,091)	(33)	About 90 days	Cost-plus pricing	No significant difference	6,338,737	70	
		Note 4	Sale	(179,435)	(1)	About 90 days	Cost-plus pricing	No significant difference	185,617	2	
		Note 5	Purchase	2,981,483	11	About 90 days	Cost-plus pricing	No significant difference	(328,834)	(4)	
DongGuan G-Pro Computer Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(4,714,470)	(100)	About 90 days	Cost-plus pricing	No significant difference	-	-	
		Note 3	Sale	(1,236,373)	(100)	About 90 days	Cost-plus pricing	No significant difference	316,680	100	
Lite-On Electronics (Tianjin) Co., Ltd.	Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd. Lite-On Technology (Shanghai) Ltd.	Note 4	Sale	(280,499)	(49)	About 90 days	Cost-plus pricing	No significant difference	-	-	
		Note 4	Sale	(273,499)	(47)	About 90 days	Cost-plus pricing	No significant difference	52,588	92	
Lite-On IT Opto Tech (BH) Co., Ltd.	LET (HK) Ltd.	Note 3	Sale	(13,792,287)	(100)	About 90 days	Cost-plus pricing	No significant difference	2,657,042	100	
		Note 3	Sale	(2,350,514)	(95)	About 90 days	Cost-plus pricing	No significant difference	481,132	86	
Huizhou Li Shin Electronic Co., Ltd.	Li Shin International Enterprise Corp.	Note 3	Sale	(1,132,375)	(76)	About 90 days	Cost-plus pricing	No significant difference	447,998	84	
		Note 3	Sale	(377,749)	(100)	About 90 days	Cost-plus pricing	No significant difference	224,004	100	
Lite-On Li Shin Technology (Guangzhou) Co., Ltd.	Li Shin International Enterprise Corp.	Note 3	Sale	(521,796)	(100)	About 90 days	Cost-plus pricing	No significant difference	235,888	100	
		Note 3	Sale	(440,446)	(100)	About 90 days	Cost-plus pricing	No significant difference	120,456	100	
Lite-On Technology (Xiangning) Co., Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	Sale	(2,655,099)	(100)	About 90 days	Cost-plus pricing	No significant difference	185,332	100	
		Note 3	Sale	(6,540,197)	(37)	About 90 days	Cost-plus pricing	No significant difference	373,387	28	
Lite-On Opto Technology (Changzhou) Co., Ltd.	Lite-On Overseas Trading Co., Ltd. Lite-On Singapore Pte. Ltd.	Note 3	Sale	(10,030,180)	(57)	About 90 days	Cost-plus pricing	No significant difference	578,697	43	
		Note 3	Sale	(830,026)	(37)	About 90 days	Cost-plus pricing	No significant difference	318,761	31	
Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd.	Note 4	Sale	(372,424)	(78)	About 90 days	Cost-plus pricing	No significant difference	74,890	39	
		Note 5	Purchase	JPY 1,162,151	9	About 90 days	Cost-plus pricing	No significant difference	JPY (279,671)	(7)	
Lite-On Japan Ltd.	Lite-On Semiconductor Corp.	Note 4	Sale	(441,211)	(81)	About 90 days	Cost-plus pricing	No significant difference	39,157	41	
		Note 4	Sale	(273,985)	(40)	About 90 days	Cost-plus pricing	No significant difference	4,238	1	
Shenzhen Lite-On Mobile Precision Molds Co., Ltd.	Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Note 4	Sale	(605,080)	(35)	About 90 days	Cost-plus pricing	No significant difference	131,805	48	
		Note 3	Sale	(209,676)	(5)	About 90 days	Cost-plus pricing	No significant difference	217,484	15	
Lite-On Mobile Pte. Ltd.	Guangzhou Lite-On Mobile Electronic Components Co., Ltd. Lite-On Mobile Oyj (formerly: Pertos Oyj)	Note 3	Sale	(213,223)	(12)	About 90 days	Cost-plus pricing	No significant difference	217,873	30	
		Note 3	Sale								

(Continued)

Company Name	Related Party	Nature of Relationship	Transaction Details			Abnormal Transaction		Notes/Accounts (Payable) or Receivable		Note
			Purchase/Sale	Amount	% to Total	Payment Terms	Unit Price	Ending Balance	% to Total	
China Bridge Express (Wuxi) Co., Ltd.	Lite-On Technology (Changzhou) Co., Ltd.	Note 4	Sale	\$ (110,333)	(6)	About 90 days	Cost-plus pricing	\$ 33,924	5	
Lite-On Electronics HK Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(111,601)	(7)	About 90 days	Cost-plus pricing	56,054	10	
Silitech Technology Corp. Ltd.	Silitech Technology Corp.	Note 3	Sale	US\$ (23,419) JPY (33,598)	(72)	About 90 days	No significant difference	US\$ 9,618 JPY 4,400	66	
	Lite-On Technology (Changzhou) Co., Ltd.	Note 4	Sale	US\$ (5,583)	(17)	About 90 days	No significant difference	US\$ 2,563	18	
Xurong Electronic (Shenzhen) Co., Ltd.	Silitech Technology Corp. Ltd.	Note 4	Sale	US\$ (32,185) JPY (33,598)	(56)	About 90 days	No significant difference	US\$ 13,988 JPY 4,400	70	

Note 1: Equity-method investee.

Note 2: Investee of the equity-method investee.

Note 3: The Company's equity-method investee.

Note 4: Investee of the Company's equity-method investee.

Note 5: Associate.

Note 6: Other related parties.

(Concluded)

TABLE 6

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NTS100 MILLION OR 20% OF THE PAID-IN CAPITAL
SEPTEMBER 30, 2015

(Amounts in Thousands of New Taiwan Dollars or in Thousands of Foreign Currencies)

Company Name	Related Party	Nature of Relationship	Ending Balance of Notes Receivable-inter	Ending Balance of Trade Receivables-inter	Ending Balance of Other Receivables-inter	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
							Amount	Action Taken		
Lite-On Technology Corporation	Philip & Lite-On Digital Solutions Corp.	Note 1	\$ -	\$ 2,870,785	\$ 37,093	3.92	\$ -	-	\$ 290,757	\$ -
	Lite-On Technology (Changzhou) Co., Ltd.	Note 2	-	384,926	-	2.61	-	-	689	-
	China Bridge Express (Wuxi) Co., Ltd.	Note 2	-	228,994	-	2.30	-	-	33,435	-
	Lite-On Electronics (Guangzhou) Co., Ltd.	Note 2	-	57,595	120,723	-	-	-	-	-
	Titanic Capital Services Ltd.	Note 2	-	-	132,219	-	-	-	-	-
	Lite-On Singapore Pte. Ltd.	Note 1	-	1,891,641	406,685	2.91	-	-	178,985	-
	Lite-On Japan Ltd.	Note 1	-	282,569	7,606	2.53	-	-	1,097	-
	Lite-On Trading USA, Inc.	Note 2	-	1,188,904	25,245	3.42	-	-	-	-
	Lite-On Overseas Trading Co., Ltd.	Note 1	-	4,225,406	24,260	0.02	-	-	856,449	-
	Lite-On Overseas Trading Co., Ltd.	Note 3	-	1,015,271	-	6.95	-	-	-	-
Lite-On Network Communication (Dongguan) Limited	China Bridge Express (Wuxi) Co., Ltd.	Note 4	-	177,955	-	2.54	-	-	30,055	-
	Lite-On Electronics (Dongguan) Co., Ltd.	Note 4	-	340,258	106,838	-	-	-	-	-
Dong Guan G-Tech Computers Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	-	-	-	9.38	-	-	-	-
	Lite-On Opto Technology (Guangzhou) Ltd.	Note 4	-	316,680	260,838	5.96	-	-	-	-
Lite-On Electronics (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	-	1,240,632	-	10.78	-	-	-	-
	G&W Technology Limited	Note 4	-	-	180,842	-	-	-	-	-
Silittek Elec. (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	-	1,848,880	5,384	4.39	-	-	-	-
	Silittek Elec. (Dongguan) Co., Ltd.	Note 4	-	410	266,757	2.24	-	-	-	-
DongGuan G-Pro Computer Co., Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	-	864,550	10,794	3.83	-	-	279,843	-
	Lite-On Electronics H.K. Ltd.	Note 3	-	451,532	82	4.96	-	-	2,591	-
Lite-On Singapore Pte. Ltd.	Lite-On Japan Ltd.	Note 3	-	490,492	850	3.71	11,526	-	3,740	-
	Lite-On Trading USA, Inc.	Note 4	-	1,628,820	14,091	2.89	1,599	-	346,710	-
Lite-On Overseas Trading Co., Ltd.	China Bridge Express (Wuxi) Co., Ltd.	Note 4	-	375,351	-	2.66	-	-	87,702	-
	Lite-On Overseas Trading Co., Ltd.	Note 3	-	1,015,147	7,191	0.58	-	-	415,000	-
Leotek Electronics USA LLC	Lite-On, Inc.	Note 4	-	175,649	3,520	4.24	-	-	37,385	-
	Philips & Lite-On Digital Solutions USA Inc.	Note 4	-	528,351	1,054	2.72	-	-	641,818	-
Philips & Lite-On Digital Solutions Germany GmbH	Philips & Lite-On Digital Solutions Germany GmbH	Note 4	-	4,480,612	-	5.48	-	-	189,092	-
	Lite-On Sales & Distribution Inc.	Note 4	-	784,650	-	5.80	-	-	-	-
Lite-On China Holding Co., Ltd.	Lite-On Sales & Distribution Inc.	Note 4	-	214,083	297,366	5.44	82,346	-	44,890	-
	Lite-On China Holding Co., Ltd.	Note 4	-	-	-	-	-	-	-	-

(Continued)

Company Name	Related Party	Nature of Relationship	Ending Balance of Notes Receivable-inter	Ending Balance of Trade Receivables-inter	Ending Balance of Other Receivables-inter	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
							Amount	Action Taken		
Lite-On Technology (Changzhou) Co., Ltd.	Lite-On Overseas Trading Co., Ltd. Lite-On Singapore Pte. Ltd. Lite-On Technology (Shanghai) Ltd. Zhuhai Lite-On Mobile Technology Co., Ltd.	Note 3 Note 3 Note 4 Note 4	\$ - - - -	\$ 373,387 578,697 211 -	\$ - - 222,337 1,297,771	26.30 19.67 - -	- - - -	- - - -	\$ 329,580 544,347 - -	\$ - - - -
Lite-On Opto Technology (Changzhou) Co., Ltd.	Lite-On Singapore Pte. Ltd. Changzhou Leontek New Energy Trade Limited	Note 3 Note 4	- -	185,332 -	2,058 213,860	18.82 -	- -	- -	169,444 -	- -
Lite-On Electronics (Guangzhou) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	-	7,764,530	-	4.98	-	-	-	-
Huizhou Li Shin Electronic Co., Ltd.	Li-Shin International Enterprise Corp.	Note 3	-	447,998	-	4.17	-	-	144,746	-
Lite-On Technology (Ying Tun) Co., Ltd.	Li-Shin International Enterprise Corp.	Note 3	-	235,888	-	2.68	-	-	27,365	-
Lite-On Technology (Xianning) Co. Ltd.	Li-Shin International Enterprise Corp.	Note 3	-	120,456	-	4.01	-	-	43,435	-
Lite-On Li Shin Technology (Ganzhou) Co., Ltd.	Li-Shin International Enterprise Corp.	Note 3	-	224,004	-	2.67	-	-	36,730	-
LET (HK) Ltd.	Lite-On Opto Technology (Guangzhou) Co., Ltd. Lite-On Auto Electric Technology (Guangzhou) Ltd.	Note 4 Note 4	- -	570,819 185,617	1,168 -	1.06 0.76	- -	- 41,292	2,568 42,249	- -
Lite-On Overseas Trading Co., Ltd.	Lite-On IT Opto Tech (BH) Co., Ltd. Lite-On Singapore Pte. Ltd.	Note 4 Note 3	- -	6,338,737 1,018,885	- -	1.65 23.50	- -	- -	899,996 665,714	- -
	Lite-On Network Communication (Dongguan) Limited	Note 4	-	1,717,017	-	3.54	32	-	190,063	-
	Lite-On Technology (Changzhou) Co., Ltd. Silitek Elec. (Dongguan) Co., Ltd.	Note 4 Note 4	- -	5,268,188 692,531	- 2,547	2.51 7.04	- -	- -	- -	- -
	Lite-On Electronics (Dongguan) Co., Ltd. Dong Guan G-Tech Computers Co., Ltd.	Note 4 Note 4	- -	1,377,846 768,457	- -	8.22 2.81	- -	- 97,047	- -	- -
	I-Solutions Limited DongGuan G-Pro Computer Co., Ltd.	Note 4 Note 4	- -	128,325 1,476,320	- 298	2.23 3.75	- -	- -	20,840 -	- -
	Lite-On Electronics (Guangzhou) Co., Ltd. Lite-On Singapore Pte. Ltd.	Note 4 Note 3	- -	12,905,363 9,330,469	- -	3.79 2.99	- -	- -	1,261,449 1,074,945	- -
Li-Shin International Enterprise Corp.	Huizhou Li Shin Electronic Ltd.	Note 4	-	233,729	805	-	-	-	66,570	-
Engle Rock Investment Ltd.	Lite-On Mobile Pte. Ltd.	Note 3	-	-	656,667	-	-	-	-	-
Lite-On China Holding Co., Ltd.	Lite-On Mobile Pte. Ltd.	Note 3	-	-	656,667	-	-	-	-	-
Lite-On Power Technology (Dongguan) Ltd.	Lite-On Electronic Co., Ltd.	Note 4	-	134,477	-	23.64	-	-	134,477	-
Lite-On Opto Technology (Guangzhou) Co., Ltd.	LET (HK) Ltd.	Note 3	-	481,132	-	8.33	-	-	-	-
Lite-On IT Opto Tech (BH) Co., Ltd.	LET (HK) Ltd.	Note 3	-	2,657,042	-	4.58	-	-	1,040,292	-
Philips & Lite-On Digital Solutions Germany GmbH.	Lite-On Singapore Pte. Ltd.	Note 3	-	104,297	-	0.10	104,297	-	-	-
China Bridge (China) Co., Ltd.	Lite-On Opto Technology (Changzhou) Co., Ltd.	Note 4	-	-	265,256	-	-	-	-	-
Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	-	318,761	680	3.88	-	-	76,671	-

(Continued)

Company Name	Related Party	Nature of Relationship	Ending Balance of Notes Receivable-inter	Ending Balance of Trade Receivables-inter	Ending Balance of Other Receivables-inter	Turnover Rate	Overdue		Amounts Received in Subsequent Period	Allowance for Bad Debts
							Amount	Action Taken		
Silitech Technology Corp. Ltd.	Silitech Technology Corp.	Note 3	\$ -	US\$ 9,618,400 JPY 4,400	\$ -	2.31	\$ -	-	\$ -	-
Xurong Electronic (Shenzhen) Co., Ltd.	Silitech Technology Corp. Ltd.	Note 4	-	US\$ 13,988,400 JPY 4,400	-	2.33	-	-	-	-
Beijing Lite-On Mobile Electronic and Telecommunication Components Co., Ltd.	Lite-On Mobile Oyj (formerly: Perlos Oyj)	Note 4	-	\$ 131,805	-	12.24	-	-	-	-
Lite-On Mobile Oyj (formerly: Perlos Oyj)	Lite-On Mobile India Private Limited	Note 4	-	21,135	161,823	-	-	-	-	-
Lite-On Mobile Pte. Ltd.	Lite-On Mobile India Private Limited	Note 4	-	9,991	948,244	-	-	-	-	-
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Beijing Lite-On Mobile Electronic and Telecommunication Components Co., Ltd.	Note 4	-	188	907,579	-	-	-	-	-
	Zhuhai Lite-On Mobile Technology Co., Ltd.	Note 4	-	-	193,810	-	-	-	-	-
	Lite-On Mobile Pte. Ltd.	Note 3	-	217,484	-	2.57	-	-	-	-
Guangzhou Lite-On Mobile Engineering Plastics Co., Ltd.	Zhuhai Lite-On Mobile Technology Co., Ltd.	Note 4	-	-	1,334,662	-	-	-	-	-
Zhuhai Lite-On Mobile Technology Co., Ltd.	Lite-On Mobile Pte. Ltd.	Note 3	-	217,873	-	2.61	-	-	-	-

Note 1: Equity-method investee.

Note 2: Investee of the equity-method investee.

Note 3: The Company's equity-method investee.

Note 4: Investee of the Company's equity-method investee.

(Concluded)

TABLE 7

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

NAMES, LOCATIONS, AND RELATED INFORMATION OF INVESTEEES OVER WHICH THE COMPANY EXERCISES SIGNIFICANT INFLUENCE

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015

(Amounts in Thousands of New Taiwan Dollars or Thousands of Foreign Currencies)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of September 30, 2015		Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				September 30, 2015	December 31, 2014	Shares (In Thousands)	Percentage of Ownership (%)	Carrying Value		
Lite-On Technology Corporation	Silitech Technology Corp.	New Taipei City, Taiwan	Manufacture and sale of modules and plastic products	\$ 324,685	\$ 324,685	60,757	33.87	\$ 1,508,414	\$ 51,302	Subsidiary
	Lite-On Integrated Service Inc.	Taipei City, Taiwan	Information outsourcing and system integrate	25,886	25,886	3,400	100.00	46,222	6,055	Subsidiary
	Dragonjet Corporation	New Taipei City, Taiwan	Manufacture and sale of computer peripherals, printers, digital cameras, modules and plastic products	1,069,080	1,069,080	26,727	29.62	1,052,422	2,622	Associate
	Logan Technology Corp.	Hsinchu, Taiwan	Development, manufacture and sale of LCD TV inverters	402,787	402,787	31,683	28.10	266,698	(130,105)	Associate
	Lite-On Capital Corp.	Taipei City, Taiwan	Investment activities	4,096,367	4,096,367	253,646	100.00	1,556,800	81,396	Subsidiary
	Lite-On Electronics H.K. Ltd.	Hong Kong	Sale of LED optical products	7,339,481	7,339,481	17,865	100.00	11,342,360	193,832	Subsidiary
	Lite-On Electronics (Thailand) Co., Ltd.	Thailand	Manufacture and sale of LED optical products	529,106	529,106	5,030	100.00	1,268,329	98,583	Subsidiary
	Lite-On Japan Ltd.	Japan	Sale of LED optical products and power supplies	248,305	253,111	6,162	49.49	362,704	19,251	Subsidiary
	Lite-On International Holding Co., Ltd.	British Virgin Islands	Investment activities	US\$ 335,825	US\$ 285,825	335,825	100.00	25,855,964	842,406	Subsidiary
	LTC Group Ltd.	British Virgin Islands	Investment activities	\$ 1,380,308	\$ 1,380,308	41,916	100.00	593,863	205,154	Subsidiary
	Lite-On Technology USA, Inc.	USA	Investment activities	US\$ 55,172	US\$ 50,407	436	100.00	2,155,599	1,628	Subsidiary
	Lite-On Electronics (Europe) Ltd.	United Kingdom	Manufacture and sale of power supplies	\$ 44,559	\$ 44,559	300	100.00	52,878	4,307	Subsidiary
	Lite-On Technology (Europe) B.V.	Netherlands	Market research and after-sales service	2,543,184	2,543,184	331	54.00	295,451	4,132	Subsidiary
	Lite-On Overseas Trading Co., Ltd.	British Virgin Islands	Merchandising business	168,947	168,947	5,143	100.00	102,093	US\$ (5,789)	Subsidiary
	Lite-On Singapore Pte. Ltd.	Singapore	Manufacture and supply computer peripheral products	US\$ 63,788	US\$ 63,788	51,777	100.00	13,974,074	US\$ 63,020	Subsidiary
	Lite-On Vietnam Co. Ltd.	Vietnam	Electronic contract manufacturing	US\$ 3,000	US\$ 3,000	-	100.00	78,812	246	Subsidiary
	Lite-On Mobile Pte. Ltd.	Singapore	Manufacture and sale of mobile phone modules and design for assembly line	EUR 250,329	EUR 250,329	178,178	100.00	9,224,030	US\$ (31,940)	Subsidiary
	Li Shin International Enterprise Corp.	British Virgin Islands	Manufacture and sale of computer and appliance components	\$ 56,929	\$ 56,929	1,748	100.00	(68,018)	US\$ 153	Subsidiary
	Eagle Rock Investment Ltd.	British Virgin Islands	Import and export business and investment activities	341	341	10	100.00	1,807,368	US\$ (103)	Subsidiary
	Lite-On Semiconductor Corp.	New Taipei City, Taiwan	Manufacture of image sensor and rectifier	773,618	773,618	57,204	18.46	1,565,311	\$ 571,101	Associate
	Canfield Ltd.	Apia, Samoa	Import and export business and investment activities	7,142	7,142	200	33.33	5,100	US\$ 40	Associate
	High Yield Group Co., Ltd.	British Virgin Islands	Holding company	2,271,806	2,271,806	68,138	100.00	5,553,301	US\$ 17,080	Subsidiary
	Lite-On Information Technology B.V.	Netherlands	Market research and customer service	1,597,319	1,597,319	11,018	100.00	9,977	EUR (8)	Subsidiary
	Philip & Lite-On Digital Solutions Corp.	Taiwan	Sale of optical disc drives	267,113	267,113	17,150	49.00	361,651	\$ 74,345	Subsidiary
	Lite-On IT Singapore Pte. Ltd.	Singapore	Sale of optical disc drives	-	2,872	-	-	-	-	Subsidiary
	Lite-Space Technology Company Limited	Hong Kong	Sale of computer components	149,968	149,968	5,100	39.23	39,839	US\$ 2,881	(Note 1) Associate
	LET (HK) Ltd.	Hong Kong	Sale of optical disc drives	42	42	10	100.00	(398,055)	HK\$ 3,693	Subsidiary
	Leitek Electronics Holding Limited	Hong Kong	Holding company	US\$ 1,010	US\$ 1,010	25,000	100.00	9,814	HK\$ (2,449)	Subsidiary
	Lite-On Automotive Electronics (Europe) BV	Netherlands	Sale of automotive parts and other electronic products	EUR 1,090	EUR 1,090	24	100.00	44,230	EUR 2	Subsidiary
	Lite-On Automotive North America Inc.	USA	Sale of automotive parts and other electronic products	US\$ -	US\$ 600	-	-	-	US\$ (6)	Subsidiary
	Lite-On Automotive Service USA Inc.	USA	Sale of automotive parts and other electronic products	US\$ 60	US\$ 60	1	100.00	13,643	US\$ 6	(Note 2) Subsidiary
	Lite-On Automotive International (Cayman) Co., Ltd.	Cayman	Investment activities	US\$ 100,626	US\$ 100,626	11,967	100.00	1,871,650	US\$ 6,344	Subsidiary
	Lar View Technologies Corp. (Samoa)	Samoa	Production, manufacture, sale, import and export of photovoltaic device, key electronic components, telecommunications equipment, information technology equipment, semiconductor applications, general lighting, automotive electronics, renewable energy products and systems and maintenance of automotive industry	US\$ 200	US\$ 200	200	100.00	3,510	US\$ (2)	Subsidiary
	Lite-On Automotive Electronics Mexico, S.A. DE C.V.	Mexico		US\$ 4,950	US\$ -	-	99.00	(34,035)	MXN (10,259)	Subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of September 30, 2015		Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				September 30, 2015	December 31, 2014	Shares (In Thousands)	Percentage of Ownership (%)			
Lite-On Capital Corp.	Silitech Technology Corp.	New Taipei City, Taiwan	Manufacture and sale of modules and plastic products	\$ 115,572	\$ 115,572	1,153	0.64	\$ 155,362	\$ -	- Subsidiary
	Lite-On Green Technologies Inc.	Taipei City, Taiwan	Manufacture and wholesale of electronic components and energy technology services	1,040,000	1,040,000	84,000	100.00	(39,264)	-	- Subsidiary
	Lite-On Green Energy (UK) Limited	Hong Kong	Investment activities	US\$ 3,000	US\$ 3,000	3,000	100.00	US\$ 53,127	US\$ (9)	- Subsidiary
	Lite-On Technology (Europe) B.V.	Netherlands	Market research and after-sales service	\$ 2,126,479	\$ 2,126,479	282	46.00	EUR 249,830	EUR 4,132	- Subsidiary
	Lite-On Semiconductor Corp.	New Taipei City, Taiwan	Manufacture of image sensor and rectifier	-	-	6,486	2.09	206,012	\$ 521,101	- Associate
Lite-On Green Energy (Singapore) Pte. Ltd.	Lite-On Green Energy (Singapore) Pte. Ltd.	Singapore	Investment activities	440,974	440,974	11,150	100.00	EUR 351,996	EUR 688	- Subsidiary
	Logan Technology Corp.	Hsinchu, Taiwan	Development, manufacture and sale of LCD TV inverters	74,538	89,694	4,141	3.67	34,857	\$ (130,105)	- Associate
	Five Dimension Co., Ltd.	Japan	Development, manufacture and sale of cell phone and camera lens modules	JPY 23,340	JPY 23,340	11	69.94	43,383	JPY (80,767)	- Subsidiary
Lite-On Green Technologies Inc.	Lite-On Green Technologies B.V.	Netherlands	Solar energy engineering	EUR 16,020	EUR 16,020	30	100.00	EUR 223,897	EUR (290)	- Subsidiary
	Lite-On Green Technologies (HK) Limited	Hong Kong	Solar energy engineering	US\$ 760	US\$ 760	4,000	100.00	US\$ (48,869)	US\$ (241)	- Subsidiary
Lite-On Green Energy (Singapore) Pte. Ltd.	Lite-On Green Energy B.V.	Netherlands	Investment activities	EUR 11,000	EUR 11,000	100	100.00	EUR 9,591	EUR 478	- Subsidiary
	Lite-On Green Energy Kaiserslautern GmbH	Oldenburg, Germany	Solar energy engineering	EUR -	EUR 25	-	-	EUR -	EUR -	- Subsidiary (Note 3)
Lite-On Green Technologies B.V.	KompaktSolar GmbH	Berlin, Germany	Solar energy engineering	EUR 401	EUR 401	51	51.00	EUR -	EUR -	- Associate
	Ronco Tetti PVI S.R.L.	Italy	Solar energy engineering	EUR 9,847	EUR 9,847	-	100.00	EUR 8,993	EUR 341	- Subsidiary
China Bridge (China) Co., Ltd.	Lite-On Green Energy S.R.L.	Italy	Solar energy engineering	EUR 60	EUR 60	10	100.00	EUR 2	EUR (17)	- Subsidiary
	Lite-On Opto Technology (Changzhou) Co., Ltd.	Changzhou, China	Development, manufacture of new-type electronic components and provide technology consulting services, maintenance equipment and after-sales services	CNY 85,015	CNY 85,015	-	12.59	CNY 74,902	CNY 25,327	- Subsidiary
Lite-On Electronics (Jiangsu) Co., Ltd.	China Bridge Express (Wuxi) Co., Ltd.	Wuxi, China	Express and sale of power supplies, printers, display devices and scanners	CNY 36,244	CNY 36,244	-	100.00	CNY 100,084	CNY 2,913	- Subsidiary
	Lite-On Technology (Changzhou) Co., Ltd.	Changzhou, China	Development, manufacture, sale and installation of power supplies and transformers and provision technology consulting services, maintenance equipment and after-sales services	CNY 467,038	CNY 467,038	-	100.00	CNY 964,157	CNY 64,773	- Subsidiary
Lite-On Opto Technology (Changzhou) Co., Ltd.	Lite-On Opto Technology (Changzhou) Co., Ltd.	Changzhou, China	Development, manufacture and sale of new-type electronic components and LED and provision technology consulting services, maintenance equipment and after-sales services	CNY 503,977	CNY 503,977	-	87.41	CNY 520,032	CNY 25,327	- Subsidiary
	Lite-On Medical Device (Changzhou) Ltd.	Changzhou, China	Manufacture and sale of medical equipment	CNY 30,640	CNY -	-	100.00	CNY 29,413	CNY (1,126)	- Subsidiary
Lite-On Automotive International (Cayman) Co., Ltd.	Lite-On Automotive Holdings (Hong Kong) Co., Ltd.	Hong Kong	Investment activities	HK\$ 41,384	HK\$ 41,384	100,626	100.00	US\$ 61,418	HK\$ 49,242	- Subsidiary
	Lite-On, Inc.	USA	Sales data processing business of optoelectronic products and power supplies	US\$ 3,000	US\$ 3,000	3,000	100.00	US\$ 3,728	US\$ (463)	- Subsidiary
Lite-On Technology USA, Inc.	Lite-On Trading USA, Inc.	California USA	Sale of optical products	US\$ 31,500	US\$ 31,500	315	100.00	US\$ 32,499	US\$ 885	- Subsidiary
	Lite-On Service USA, Inc.	California USA	After-sales service of optical products	US\$ 1,000	US\$ 1,000	10	100.00	US\$ 1,083	US\$ 5	- Subsidiary
	Leontek Electronics USA LLC.	USA	Sale of LED products	US\$ 5,792	US\$ 5,792	-	100.00	US\$ 8,727	US\$ 1,714	- Subsidiary
	Power Innovations International, Inc.	USA	Development, design and manufacture of power control and energy management	US\$ 15,756	US\$ 13,716	12,916	95.25	US\$ 17,071	US\$ 417	- Subsidiary
	Lite-On Sales & Distribution Inc.	USA	Sale of optical disc drives	US\$ 4,765	US\$ -	1	100.00	US\$ 3,888	US\$ (877)	- Subsidiary (Note 4)
Lite-On International Holding Co., Ltd.	Lite-On Technology Service, Inc.	USA	After-sales service of optical products	US\$ 1,500	US\$ -	1	100.00	US\$ 1,511	US\$ 11	- Subsidiary
	Ze Poly Pte. Ltd.	Singapore	Manufacture and sale of thin-film solar cell	-	US\$ 7,700	-	-	-	-	- Subsidiary (Note 5)
	Lite-On China Holding Co., Ltd.	British Virgin Islands	Manufacture and sale of computer cases	US\$ 399,441	US\$ 349,441	399,442	100.00	US\$ 856,997	US\$ 28,016	- Subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount			Balance as of September 30, 2015			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				September 30, 2015	December 31, 2014		Shares (In Thousands)	Percentage of Ownership (%)	Carrying Value			
LTC Group Ltd.	Titanic Capital Services Ltd. LTC International Ltd.	British Virgin Islands British Virgin Islands	Investment activities Manufacture and sale of system products	\$ 810,662 485,514	\$ 810,662 485,514		17,655 15,120	100.00 100.00	US\$ 10,266 US\$ 11,832	US\$ 5,539 US\$ 353	- -	Subsidiary Subsidiary
Lite-On Technology (Europe) B.V.	Lite-On (Finland) Oy	Finland	Manufacture and sale of mobile phone modules and design for assembly line	EUR 76,674	EUR 76,674		3	100.00	EUR 12,303	EUR 4,087	-	Subsidiary
Lite-On Singapore Pte. Ltd.	LiteStar JV Holding (BVI) Co., Ltd. Lite-On Automotive Electronics Mexico, S.A. DE C.V.	British Virgin Islands Mexico	Investment activities Production, manufacture, sale, import and export of photovoltaic device, key electronic components, telecommunications equipment, information technology equipment, semiconductor applications, general lighting, automotive electronics, renewable energy products and systems and maintenance of automotive industry	US\$ 27,000 US\$ 50	US\$ 27,000 US\$ -		2 -	20.19 1.00	US\$ 27,077 US\$ 39	\$ 145,554 MXN (10,259)	- -	Associate Subsidiary
Lite-On (Finland) Oy	Lite-On Mobile Oyj (formerly: Perlos Oyj)	Finland	Manufacture and sale of mobile phone modules and design for assembly line	EUR 196,618	EUR 196,618		52,937	100.00	EUR 12,012	EUR 4,087	-	Subsidiary
Lite-On China Holding Co., Ltd.	Lite-On Electronics Co., Ltd. Yet Foundate Ltd.	Hong Kong Hong Kong	Investment activities Manufacture of plastic and computer peripheral products	US\$ 360,760 CNY 73,220	US\$ 310,760 CNY 73,220		2,966,233 68,430	100.00 100.00	US\$ 808,601 US\$ 18,829	HK\$ 207,130 CNY 11,271	- -	Subsidiary Subsidiary
G&W Technology (BVI) Limited	t-Solutions Limited	British Virgin Islands	Original equipment manufacturer of electronic products	US\$ 1,500	US\$ 1,500		1,500	100.00	US\$ 1,500	US\$ -	-	Subsidiary
High Yield Group Co., Ltd.	Fongpood Electronic Ltd. G&W Technology (BVI) Limited	Hong Kong British Virgin Islands	Import and export and real estate business Real estate management	US\$ 13,336 US\$ 3,900	US\$ 13,336 US\$ 3,900		105,450 3,900	100.00 50.00	US\$ 12,735 US\$ 4,064	HK\$ (4,089) US\$ 336	- -	Subsidiary Subsidiary
Lite-On Information Technology B.V.	G&W Technology Limited	Hong Kong	Leasing business	US\$ 65	US\$ 65		500	100.00	US\$ 927	US\$ 411	-	Subsidiary
Philip & Lite-On Digital Solutions Corp.	Lite-On IT International (HK) Ltd. Lite-On Information Technology GmbH	Hong Kong Germany	Sale of optical disc drives Sale of optical disc drives	US\$ 102,400 EUR 25	US\$ 102,400 EUR 25		102,400 -	100.00 100.00	US\$ 216,145 EUR 32	US\$ 17,086 EUR (7)	- -	Subsidiary Subsidiary
Five Dimension Co., Ltd.	Philips & Lite-On Digital Solutions Germany GmbH Philips & Lite-On Digital Solutions USA Inc. Philips & Lite-On Digital Solutions Korea Ltd. Philips & Lite-On Digital Solutions Netherlands B.V.	Germany USA South Korea Netherlands	Development and sale of modules of automotive recorders Sale of optical disc drives Sale of optical disc drives Sale and design of optical disc drives	\$ 1,326,996 33 15,376 381,221	\$ 1,326,996 33 15,376 381,221		- 1 18 15	100.00 100.00 100.00 100.00	EUR 954,796 US\$ 217,814 KRW 31,788 EUR 48,330	EUR 178 US\$ 327 KRW 35,405 EUR 9	- - - -	Subsidiary Subsidiary Subsidiary Subsidiary
Silitech Technology Corp.	FiIDI Optical Co., Ltd. Silitech (BVI) Holding Ltd. Lite-On Japan Ltd.	Taipei City, Taiwan British Virgin Islands Japan	Wholesale of precision modules Investment activities Sale of LED optical products and power supplies	- US\$ 95,182 JPY 197,040	420,000 US\$ 95,182 JPY 199,981		- 95,182 980	- 100.00 7.87	JPY - US\$ 4,300,574 JPY 72,221	\$ - US\$ 6,600 JPY 119,251	- - -	Subsidiary (Note 6) Subsidiary Subsidiary
Silitech (BVI) Holding Ltd.	Silitech (Bermuda) Holding Ltd.	Bermuda	Investment activities	US\$ 95,132	US\$ 95,132		95,132	100.00	US\$ 128,178	US\$ 6,379	-	Subsidiary
Silitech (Bermuda) Holding Ltd.	Silitech Technology Corp. Ltd.	Hong Kong	Manufacture of plastic and computer peripheral products	US\$ 8,000	US\$ 8,000		62,400	100.00	US\$ 37,248	CNY 18,026	-	Subsidiary
	Silitech Technology Corp. Sdn. Bhd. Silitech (Hong Kong) Holding Ltd. Silitech International (India) Private Limited	Malaysia Hong Kong India	Manufacture of computer peripheral products Investment activities Development, manufacture and sale of automotive parts	US\$ 5,632 US\$ 77,200 US\$ 3,002	US\$ 5,632 US\$ 77,200 US\$ 3,002		21,400 77,200 4,173	100.00 100.00 100.00	US\$ 9,683 US\$ 60,099 US\$ 1,393	MYR 8,632 CNY 3,819 INR 1,272	- - -	Subsidiary Subsidiary Subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of September 30, 2015		Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				September 30, 2015	December 31, 2014	Shares (In Thousands)	Percentage of Ownership (%)			
Lite-On Japan Ltd.	Lite-On Japan (S) Pte. Ltd.	Singapore	Import and export business of electronic components	JPY 68,811	JPY 68,811	988	100.00	JPY 8,078	S	Subsidiary (Note 7)
	L&K Industries Philippines, Inc.	Philippines	Import and export business of electronic components	JPY 261,944	JPY 261,944	1,000	100.00	JPY 129,365	-	Subsidiary (Note 7)
	Lite-On Japan (H.K.) Limited	Hong Kong	Import and export business of electronic components	JPY 70,000	JPY 70,000	50	100.00	JPY 29,230	-	Subsidiary (Note 7)
	Lite-On Japan (Korea) Co., Ltd.	South Korea	Import and export business of electronic components	JPY 22,593	JPY 22,593	20	100.00	JPY -	-	Subsidiary (Note 7)
	Lite-On Japan (Thailand) Co., Ltd.	Thailand	Import and export business of electronic components	JPY 65,939	JPY 65,939	200	100.00	JPY 45,000	-	Subsidiary (Note 7)
	ML (Shanghai) Co., Ltd.	China	Import and export business of electronic components	JPY 35,655	JPY 35,655	30	100.00	JPY 18,525	-	Subsidiary (Note 7 and 8)
Lite-On Mobile Pte. Ltd.	Lite-On Mobile Sweden AB	Sweden	Manufacture and sale of mobile phone modules and design for assembly line	EUR 20,551	EUR 20,551	20	100.00	SEK 210	(154)	Subsidiary
	Lite-On Mobile Indústria e Comércio de Plásticos Ltda.	Brazil	Manufacture and sale of mobile phone modules and design for assembly line	EUR 2,509	EUR 2,509	6,507	3.22	BRL 219	(22,628)	Subsidiary
	Lite-On Mobile Indústria e Comércio de Plásticos Ltda.	Brazil	Manufacture and sale of mobile phone modules and design for assembly line	US\$ 103,502	US\$ 97,802	195,886	96.78	BRL 7,474	(22,628)	Subsidiary
	Perlos Precision Plastics Moulding Limited Liability Company	Hungary	Manufacture and sale of mobile phone modules and design for assembly line	US\$ 733	US\$ 733	-	100.00	EUR 148	-	Subsidiary
	Lite-On Mobile India Private Limited.	India	Manufacture and sale of mobile phone modules and design for assembly line	US\$ 18,508	US\$ 18,508	59,095	100.00	INR 376,757	-	Subsidiary
	Lite-On Young Fast Pte. Ltd.	Singapore	Investment activities	US\$ 7,864	US\$ 7,864	10	100.00	US\$ 946	-	Subsidiary
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Yamada-Lion Fabricacao De Arrefatos De Material Plastico Ltda.	Brazil	Manufacture and sale of mobile phone modules and design for assembly line	US\$ 540	US\$ 540	-	25.00	BRL (16)	(376)	Associate
	Yantai Lite-On Mobile Electronic Components Co., Ltd.	Yantai, China	Manufacture and sale of mobile phone modules and design for assembly line	CNY 20,000	CNY 20,000	-	100.00	CNY 22,831	2,963	Subsidiary

Note 1: Lite-On IT Singapore Pte. Ltd. was dissolved after merging with Lite-On Singapore Pte. on January 1, 2015.

Note 2: Lite-On Automotive North America Inc. was dissolved after liquidation on May 26, 2015.

Note 3: Lite-On Green Energy Kaiserslautern GmbH was dissolved after liquidation on September 9, 2015.

Note 4: The Group reorganized its structure and Lite-On Sales & Distribution Inc. became directly held by Lite-On Technology USA, Inc.

Note 5: Ze Poly Pte. Ltd. was dissolved after liquidation on September 2015.

Note 6: FitDi Optical Co., Ltd. was dissolved after liquidation in April 2015.

Note 7: Investment income/losses and adjustment for changes in equities for using equity method recognized by Lite-On Japan Ltd.

Note 8: The Group reorganized its structure and Lite-On Japan (Thailand) Co., Ltd. became directly held by Lite-On Japan Ltd.

Note 9: Please refer to Table 8 for information on investment in Mainland China.

(Concluded)

TABLE 8

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

INFORMATION ON INVESTMENT IN MAINLAND CHINA
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2015

(Amounts in Thousands of New Taiwan Dollars or Thousands of Foreign Currencies)

Investor Company	Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from January 1, 2015	Investment of Flows		Accumulated Outflow of Investment from Taiwan as of September 30, 2015	Net Income (Losses) of the Investee Company (Note 2)	Percentage of Ownership	Share of Profits/Losses (Note 2)	Carrying Amount as of September 30, 2015	Accumulated Inward Remittance of Earnings as of September 30, 2015	Note
						Outflow	Inflow							
Lite-On Technology Corporation	Lite-On Computer Tech (Dongguan) Co., Ltd.	Manufacture and sale of display device	\$ 538,248 (US\$ 16,400)	Note 1	\$ 934,353 (US\$ 28,469)	\$ -	\$ -	\$ 934,353 (US\$ 28,469)	\$ (10,872) (CNY -2,161)	100.00	\$ (10,872) (CNY -2,161)	\$ 511,057 (HK\$ 120,669)	-	
	Dongguan G-Pro Computer Co., Ltd.	Manufacture and sale of system products	748,329 (US\$ 22,801)	Note 1	748,329 (US\$ 22,801)	-	-	748,329 (US\$ 22,801)	122,400 (CNY 24,328)	100.00	122,400 (CNY 24,328)	835,029 (HK\$ 197,164)	-	
	Lite-On Electronics (Tianjin) Co., Ltd.	ODM services	2,182,530 (US\$ 66,500)	Note 1	2,182,464 (US\$ 66,498)	-	-	2,182,464 (US\$ 66,498)	103,271 (CNY 20,526)	100.00	103,271 (CNY 20,526)	2,936,442 (HK\$ 693,342)	-	
	Lite-On Electronics (Dongguan) Co., Ltd.	Manufacture of electronic components	1,161,828 (US\$ 35,400)	Note 1	1,161,828 (US\$ 35,400)	-	-	1,161,828 (US\$ 35,400)	89,510 (CNY 17,791)	100.00	89,510 (CNY 17,791)	1,275,430 (HK\$ 301,150)	-	
	Shilek Elec. (Dongguan) Co., Ltd.	Manufacture and sale of keyboards	157,536 (US\$ 4,800)	Note 1	157,536 (US\$ 4,800)	-	-	157,536 (US\$ 4,800)	373,266 (CNY 74,190)	100.00	373,266 (CNY 74,190)	1,711,203 (HK\$ 404,043)	-	
	Lite-On Electronics (Guangzhou) Co., Ltd.	Manufacture and sale of printers and scanners	1,201,212 (US\$ 36,600)	Note 1	1,201,212 (US\$ 36,600)	-	-	1,201,212 (US\$ 36,600)	708,955 (CNY 140,911)	100.00	708,955 (CNY 140,911)	14,820,409 (HK\$ 3,499,341)	-	Note 3
	China Bridge (China) Co., Ltd.	Investment, sales agent	976,231 (US\$ 29,745)	Note 1	976,231 (US\$ 29,745)	-	-	976,231 (US\$ 29,745)	(62,156) (CNY -12,354)	100.00	(62,156) (CNY -12,354)	337,023 (HK\$ 1,111,867)	-	
	Lite-On Network Communication (Dongguan) Limited	Manufacture and sale of IT products	465,059 (US\$ 14,170)	Note 1	465,059 (US\$ 14,170)	-	-	465,059 (US\$ 14,170)	117,177 (CNY 23,290)	100.00	117,177 (CNY 23,290)	262,530 (HK\$ -)	-	Note 3
	Lite-On Communications (Guangzhou) Co., Ltd.	Manufacture and sale of mobile terminal equipment	806,059 (US\$ 24,560)	Note 1	806,059 (US\$ 24,560)	-	-	806,059 (US\$ 24,560)	-	100.00	-	-	-	
	Dong Guan G-Tech Computers Co., Ltd.	Manufacture and sale of computer case	377,430 (US\$ 11,500)	Note 1	377,430 (US\$ 11,500)	-	-	377,430 (US\$ 11,500)	37,940 (CNY 7,541)	100.00	37,940 (CNY 7,541)	713,978 (HK\$ 168,582)	-	Note 3
	Lite-On Tech (Guangzhou) Co., Ltd.	Manufacture and sale of computer case	1,089,624 (US\$ 33,200)	Note 1	1,089,624 (US\$ 33,200)	-	-	1,089,624 (US\$ 33,200)	-	100.00	-	-	-	
	COMMIT Incorporated	Manufacture and sale of application software and multimedia product design	1,053,063 (US\$ 32,086)	Note 1	1,053,063 (US\$ 32,086)	-	-	1,053,063 (US\$ 32,086)	-	1.87	-	-	-	
	Lite-On Elec and Wire (Guangzhou) Co., Ltd.	Manufacture and sale of mobile terminal equipment	518,884 (US\$ 15,810)	Note 1	518,884 (US\$ 15,810)	-	-	518,884 (US\$ 15,810)	-	100.00	-	-	-	Note 3
	Lite-On (Guangzhou) Infotech Co., Ltd.	Information outsourcing	41,681 (US\$ 1,270)	Note 1	41,681 (US\$ 1,270)	-	-	41,681 (US\$ 1,270)	4,629 (CNY 920)	100.00	4,629 (CNY 920)	180,631 (HK\$ 42,650)	-	
	Lite-On (Guangzhou) Precision Tooling Co., Ltd.	Manufacture and sale of modules	597,324 (US\$ 18,200)	Note 1	597,324 (US\$ 18,200)	-	-	597,324 (US\$ 18,200)	-	100.00	-	-	-	Note 3
	Lite-On Digital Electronics (Dongguan) Co., Ltd.	Manufacture and sale of computer peripheral products	98,460 (US\$ 3,000)	Note 1	98,460 (US\$ 3,000)	-	-	98,460 (US\$ 3,000)	2,616 (CNY 520)	100.00	2,616 (CNY 520)	96,050 (HK\$ 22,679)	-	
	Lite-On Power Technology (Chang Zhou) Co., Ltd.	Manufacture and sale of new-type electronic components and peripheral materials	552,032 (US\$ 16,830)	Note 1	590,235 (US\$ 17,984)	-	-	590,235 (US\$ 17,984)	15,048 (CNY 2,991)	100.00	15,048 (CNY 2,991)	799,390 (HK\$ 188,749)	-	
	Lite-On Li Shin Technology (Ganzhou) Co., Ltd.	Manufacture and sale of electronic components	393,840 (US\$ 12,000)	Note 1	437,688 (US\$ 13,336)	-	-	437,688 (US\$ 13,336)	(16,759) (CNY -3,331)	100.00	(16,759) (CNY -3,331)	342,745 (HK\$ 80,864)	-	
	Lite-On Technology (Xianggu) Co., Ltd.	Manufacture and sale of electronic components	213,330 (US\$ 6,500)	Note 1	213,330 (US\$ 6,500)	-	-	213,330 (US\$ 6,500)	(40,632) (CNY -8,076)	100.00	(40,632) (CNY -8,076)	144,572 (US\$ 4,405)	-	
	Lite-On Electronics (Jiangsu) Co., Ltd.	Development, manufacture, sale and installation of power supplies and transformers and provision of technology consulting services, maintenance equipment and precision instruments	4,955,820 (US\$ 151,000)	Note 1	4,791,720 (US\$ 146,000)	164,100 (US\$ 5,000)	-	4,955,820 (US\$ 151,000)	432,363 (CNY 85,936)	100.00	432,363 (CNY 85,936)	8,327,712 (HK\$ 1,966,309)	-	
	Lite-On Technology (Guangzhou) Investment Co., Ltd.	Investment activities	984,600 (US\$ 30,000)	Note 1	984,600 (US\$ 30,000)	1,641,000 (US\$ 50,000)	-	2,625,600 (US\$ 80,000)	(139,284) (CNY -27,684)	100.00	(139,284) (CNY -27,684)	2,606,795 (HK\$ 615,507)	-	
	Lite-On Technology (Yang Tan) Co., Ltd.	Manufacture and sale of electronic components	361,020 (US\$ 11,000)	Note 1	361,020 (US\$ 11,000)	-	-	361,020 (US\$ 11,000)	(2,415) (CNY -480)	100.00	(2,415) (CNY -480)	420,122 (US\$ 13,075)	-	
	Lite-On Power Technology (Dongguan) Co., Ltd.	Development, manufacture and sale of electronic components, power supplies and provision technology consulting services	524,201 (US\$ 15,972)	Note 1	524,201 (US\$ 15,972)	-	-	524,201 (US\$ 15,972)	(126,857) (CNY -25,214)	100.00	(126,857) (CNY -25,214)	893,666 (HK\$ 211,014)	-	

(Continued)

Investor Company	Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from January 1, 2015	Investment of Flows		Accumulated Outflow of Investment from September 30, 2015	Net Income (Losses) of the Investee Company (Note 2)	Percentage of Ownership	Share of Profits/Losses (Note 2)	Carrying Amount as of September 30, 2015	Accumulated Inward Reimburse of Earnings as of September 30, 2015	Note
						Outflow	Inflow							
Lite-On Technology Corporation	Beijing Lite-On Mobile Electronic and Telecommunication Components Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	\$ 525,120 (US\$ 16,000)	Note 1	\$ 1,718,586 (US\$ 52,364)	\$ -	\$ -	\$ 1,718,586 (US\$ 52,364)	\$ (389,291) (CNY -77,375)	100.00	\$ (389,291) (CNY -77,375)	\$ 1,436,663 (US\$ 43,794)	\$ -	
	Guangzhou Lite-On Mobile Engineering Plastics Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	642,287 (US\$ 19,570)	Note 1	2,974,378 (US\$ 90,627)	-	-	2,974,378 (US\$ 90,627)	56,350 (CNY 11,266)	100.00	56,350 (CNY 11,266)	1,940,515 (US\$ 59,126)	-	
	Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	1,316,082 (US\$ 40,100)	Note 1	3,785,853 (US\$ 115,352)	-	-	3,785,853 (US\$ 115,352)	(86,909) (CNY -17,274)	100.00	(86,909) (CNY -17,274)	4,320,097 (US\$ 131,603)	-	
	Shenzhen Lite-On Mobile Precision Molds Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	271,055 (HK\$ 64,000)	Note 1	115,352 (US\$ 3,785)	-	-	115,352 (US\$ 3,785)	21,524 (CNY 4,278)	100.00	21,524 (CNY 4,278)	331,348 (US\$ 10,205)	-	
	Zhuhai Lite-On Mobile Technology Company Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	610,518 (US\$ 18,602)	Note 1	509,662 (US\$ 15,529)	-	-	509,662 (US\$ 15,529)	(194,613) (CNY -38,681)	100.00	(194,613) (CNY -38,681)	1,710,698 (US\$ 52,364)	-	Note 4
	Lite-On Young Fast (Huizhou) Co., Ltd.	Modules of touch panels	328,200 (US\$ 10,000)	Note 1	213,330 (US\$ 6,500)	-	-	213,330 (US\$ 6,500)	30,117 (CNY 5,986)	100.00	30,117 (CNY 5,986)	(19,364) (US\$ -590)	-	
	Lite-on Green Technologies (Nanjing) Corporation	Solar energy engineering	24,615 (US\$ 750)	Note 1	24,615 (US\$ 750)	-	-	24,615 (US\$ 750)	(7,225) (CNY -1,436)	100.00	(7,225) (CNY -1,436)	(54,645) (US\$ -1,665)	-	
	Changzhou Binhui Thin Film Solar Greenhouse Co., Ltd.	Manufacture and sale of solar energy engineering	310,313 (CNY 59,950)	Note 1	98,362 (US\$ 2,997)	-	-	98,362 (US\$ 2,997)	153,717 (CNY 30,553)	19.90	34,439 (CNY 6,845)	972,272 (US\$ 29,841)	-	
	Epicrystal (Changzhou) Co., Ltd.	Light-emitting diode products	4,594,800 (US\$ 140,000)	Note 1	886,140 (US\$ 27,000)	-	-	886,140 (US\$ 27,000)	48,526 (CNY 9,645)	22.40	48,526 (CNY 9,645)	187,835 (US\$ 5,845)	-	
	Dongguan Lite-On Computer Co., Ltd.	Manufacture and sale of computer hosts and components	65,640 (US\$ 2,000)	Note 1	65,640 (US\$ 2,000)	-	-	65,640 (US\$ 2,000)	19,189 (CNY 3,845)	100.00	19,189 (CNY 3,845)	99,326 (US\$ 3,000)	-	
	Huizhou Li Shin Electronic Co., Ltd.	Manufacture of computer peripheral products	207,012 (US\$ 6,108)	Note 1	133,545 (US\$ 4,069)	-	-	133,545 (US\$ 4,069)	(15,169) (CNY -3,015)	100.00	(15,169) (CNY -3,015)	590,563 (US\$ 17,994)	-	
	Huizhou Fu Tai Electronic Co., Ltd.	Manufacture of computer peripheral products	31,792 (US\$ 969)	Note 1	2,133 (US\$ 65)	-	-	2,133 (US\$ 65)	2,727 (CNY 542)	100.00	2,727 (CNY 542)	67,905 (US\$ 2,069)	-	
	Li Shin Technology (Huizhou) Ltd.	Manufacture and sale of new-type electronic components and peripheral materials	196,970 (US\$ 6,000)	Note 1	-	-	-	-	5,243 (CNY 1,042)	100.00	5,243 (CNY 1,042)	461,515 (US\$ 14,062)	-	
	Lite-On Opto Technology (Guangzhou) Co., Ltd.	Manufacture and sale of optical disc drives	1,411,260 (US\$ 43,000)	Note 1	1,411,260 (US\$ 43,000)	-	-	1,411,260 (US\$ 43,000)	(69,270) (CNY -13,768)	100.00	(69,270) (CNY -13,768)	2,837,332 (US\$ 86,451)	-	
	Lite-On Auto Electric Technology (Guangzhou) Ltd.	Manufacture and sale of optical disc drives	65,640 (US\$ 2,000)	Note 1	65,640 (US\$ 2,000)	-	-	65,640 (US\$ 2,000)	106 (CNY 21)	100.00	106 (CNY 21)	140,467 (US\$ 4,286)	-	
	Lite-On IT Opto Tech (BH) Co., Ltd.	Manufacture and sale of optical disc drives	1,805,100 (US\$ 55,000)	Note 1	1,805,100 (US\$ 55,000)	-	-	1,805,100 (US\$ 55,000)	603,088 (CNY 119,869)	100.00	603,088 (CNY 119,869)	4,887,711 (US\$ 123,940)	-	
	Lite-On Automotive (Wuxi) Co., Ltd.	Manufacture, sale and processing of electronic products	164,100 (US\$ 5,000)	Note 1	164,100 (US\$ 5,000)	-	-	164,100 (US\$ 5,000)	88,268 (CNY 17,544)	100.00	88,268 (CNY 17,544)	628,453 (HK\$ 148,388)	-	
	Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	Manufacture, sale and processing of electronic products	203,484 (US\$ 6,200)	Note 1	192,653 (US\$ 5,870)	-	-	192,653 (US\$ 5,870)	110,028 (CNY 21,869)	100.00	110,028 (CNY 21,869)	1,386,702 (HK\$ 327,423)	-	
	Changzhou Lenteck New Energy Trade Limited	Wholesale, import and export and installation of street lights, signal lights, scenery lights and new-type electronic components	32,820 (US\$ 1,000)	Note 1	32,820 (US\$ 1,000)	-	-	32,820 (US\$ 1,000)	(8,961) (CNY -1,781)	100.00	(8,961) (CNY -1,781)	20,984 (CNY 4,054)	-	
Philip & Lite-On Digital Solutions Corp.	Lite-On Technology (Shanghai) Ltd.	Manufacture and sale of energy saving equipment	2,133,300 (US\$ 65,000)	Note 1	-	2,133,300 (US\$ 65,000)	-	2,133,300 (US\$ 65,000)	48,863 (CNY 9,712)	100.00	48,863 (CNY 9,712)	2,228,314 (US\$ 67,895)	-	
	Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd.	Sale of optical disc drives	32,820 (US\$ 1,000)	Note 1	32,820 (US\$ 1,000)	-	-	32,820 (US\$ 1,000)	24,723 (CNY 4,914)	100.00	24,723 (CNY 4,914)	528,372 (CNY 109,445)	-	
	Xurong Electronic (Shenzhen) Co., Ltd.	Manufacture of automotive parts, touch panels and plastic & rubber assembly	92,005 (US\$ 2,800)	Note 1	203,354 (US\$ 6,200)	-	-	203,354 (US\$ 6,200)	19,713 (CNY 3,944)	100.00	19,713 (CNY 3,944)	211,152 (CNY 42,869)	114,417 (CNY 22,681)	
	Silitech Technology (Suzhou) Co., Ltd.	Manufacture and sale of automotive parts	2,563,002 (US\$ 78,000)	Note 1	2,563,002 (US\$ 78,000)	-	-	2,563,002 (US\$ 78,000)	13,187 (CNY 2,614)	100.00	13,187 (CNY 2,614)	1,870,095 (CNY 361,810)	-	
	Suzhou Xinglong Mold Producing Co., Ltd.	Development, manufacture and sale of precision modules and new-type electronic components (chip components, testing elements, hybrid integrated circuits)	147,866 (US\$ 4,500)	Note 1	-	-	-	-	(64,506) (CNY -12,787)	60.00	(38,703) (CNY -7,672)	8,294 (CNY 8,294)	-	

Accumulated Investment in Mainland China as of September 30, 2015	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
\$37,567,840 (US\$1,144,663)	\$38,466,350 (US\$1,172,946)	Note 6

(Continued)

Note 1: Indirect investment in Mainland China through holding companies.

Note 2: The financial statements used as basis for calculating the investment amounts were all unaudited, except those of Silitech Technology (Suzhou) Co., Ltd., Xurong Electronic (Shenzhen) Co., Ltd., Lite-On Electronics (Guangzhou) Co., Ltd., Lite-On Technology (Changzhou) Co., Ltd., Guangzhou Lite-On Mobile Electronic Components Co., Ltd., Beijing Lite-On Mobile Electronic and Telecommunication Components Co., Ltd.

Note 3: Lite-On Electronics (Guangzhou) Co., Ltd. merged with Lite-On Tech (Guangzhou) Co., Ltd., Lite-On Communications (Guangzhou) Co., Ltd. and Lite-On Elec and Wire (Guangzhou) Co., Ltd., with the Lite-On Electronics (Guangzhou) Co., Ltd. as the survivor entity. Because the merging process was still under way as of September 30, 2015, the change in the amount of investment in Mainland China has not yet been registered with the Ministry of Economic Affairs.

Note 4: Zhuhai Lite-On Mobile Technology Company Ltd. reorganized its structure on March 5, 2014; thus Lite-On Technology (Guangzhou) Investment Co., Ltd. wholly acquired Zhuhai Lite-On Mobile Technology Company Ltd. and injected its own funds CNY 461,665 thousand in the same year in July.

Note 5: LarView Technologies Corp. (Shenzhen), in which an original investment of US\$200 thousand had been approved by the Investment Commission, Ministry of Economic Affairs, R.O.C., completed its liquidation in July 2015.

Note 6: Under Order No. 09704604680 and Order No. 10420404350 issued by the Ministry of Economic Affairs, R.O.C. on August 29, 2008 and February 16, 2015, respectively, the Parent Company acquired a certification-approved by the Industrial Development Bureau and valid from February 9, 2015 to February 8, 2018 - of its status as operation headquarters in the ROC. Thus, the Parent Company has no limitation on the amount of investing in Mainland China.

(Concluded)

No. (Note 1)	Company Name	Counter Party	Nature of Relationship (Note 2)	Intercompany Transaction			% of Consolidated Net Revenue or Total Assets (Note 3)
				Financial Statements Item	Amount	Terms	
1	Lite-On Electronics (Tianjin) Co., Ltd.	Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd. Lite-On Opto Technology (Guangzhou) Co., Ltd.	c. c. c.	Sales Accounts receivable Other receivable	\$ 1,236,373 316,680 260,838	Cost-plus pricing No significant difference No significant difference	1 - -
2	Lite-On Network Communication (Dongguan) Limited	Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd. China Bridge Express (Wuxi) Co., Ltd. China Bridge Express (Wuxi) Co., Ltd.	c. c. c. c.	Sales Accounts receivable Sales Accounts receivable	5,052,603 1,015,271 183,742 177,955	Cost-plus pricing No significant difference Cost-plus pricing No significant difference	3 - - -
3	Lite-On Opto Technology (Changzhou) Co., Ltd.	Changzhou Leotek New Energy Trade Limited Lite-On Singapore Pte. Ltd. Lite-On Singapore Pte. Ltd.	c. c. c.	Other receivable Sales Accounts receivable	213,860 2,635,109 185,332	No significant difference Cost-plus pricing No significant difference	- 2 -
4	Lite-On Li Shin Technology (Ganzhou) Co., Ltd.	Li Shin International Enterprise Corp. Li Shin International Enterprise Corp.	c. c.	Sales Accounts receivable	377,749 224,004	Cost-plus pricing No significant difference	- -
5	Lite-On Technology (Changzhou) Co., Ltd.	Lite-On Technology (Shanghai) Ltd. Lite-On Singapore Pte. Ltd. Lite-On Singapore Pte. Ltd. Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd. Zhuhai Lite-On Mobile Technology Co., Ltd.	c. c. c. c. c. c.	Other receivable Sales Accounts receivable Sales Accounts receivable Other receivable	222,337 10,030,180 578,697 6,540,197 373,387 1,297,771	No significant difference Cost-plus pricing No significant difference No significant difference Cost-plus pricing No significant difference	- 6 - - 4 - 1
6	Lite-On Technology (Ying Tan) Co., Ltd.	Li Shin International Enterprise Corp. Li Shin International Enterprise Corp.	c. c.	Sales Accounts receivable	521,796 235,888	Cost-plus pricing No significant difference	- -
7	Lite-On Technology (Xiangning) Co., Ltd.	Li Shin International Enterprise Corp. Li Shin International Enterprise Corp.	c. c.	Sales Accounts receivable	440,446 120,456	Cost-plus pricing No significant difference	- -
8	Lite-On Technology (Shanghai) Ltd.	Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd.	c.	Sales	372,424	Cost-plus pricing	-
9	China Bridge Express (Wuxi) Co., Ltd.	Lite-On Technology (Changzhou) Co., Ltd.	c.	Sales	110,333	Cost-plus pricing	-
10	China Bridge (China) Co., Ltd.	Lite-On Opto Technology (Changzhou) Co., Ltd.	c.	Other receivable	265,256	No significant difference	-
11	Lite-On Electronics (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd.	c. c.	Sales Accounts receivable	9,057,838 1,240,632	Cost-plus pricing No significant difference	6 1
12	Silitek Elec. (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd.	c. c.	Sales Accounts receivable	6,688,278 1,848,880	Cost-plus pricing No significant difference	4 1
13	Lite-On Power Technology (Dongguan) Co., Ltd.	Lite-On Electronics Co., Ltd. Lite-On Electronics Co., Ltd.	c. c.	Sales Accounts receivable	1,192,173 134,477	Cost-plus pricing No significant difference	1 -

(Continued)

No. (Note 1)	Company Name	Counter Party	Nature of Relationship (Note 2)	Intercompany Transaction			% of Consolidated Net Revenue or Total Assets (Note 3)
				Financial Statements Item	Amount	Terms	
14	Lite-On Electronics H.K. Ltd.	Lite-On Overseas Trading Co., Ltd.	c.	Sales	\$ 111,601	Cost-plus pricing	-
15	Lite-On Electronics Co., Ltd.	Lite-On Singapore Pte. Ltd.	c.	Sales	1,192,173	Cost-plus pricing	1
16	Dong Guan G-Tech Computers Co., Ltd.	Lite-On Electronics (Dongguan) Co., Ltd. Lite-On Electronics (Guangzhou) Co., Ltd. Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd.	c. c. c. c.	Other receivable Sales Sales Accounts receivable	106,838 231,036 2,344,142 340,258	No significant difference Cost-plus pricing Cost-plus pricing No significant difference	- - 1 -
17	Huizhou Li Shin Electronic Co., Ltd.	Li Shin International Enterprise Corp. Li Shin International Enterprise Corp.	c. c.	Sales Accounts receivable	1,132,375 447,998	Cost-plus pricing No significant difference	1 -
18	DongGuan G-Pro Computer Co., Ltd.	Silitek Elec. (Dongguan) Co., Ltd. Lite-On Overseas Trading Co., Ltd.	c. c.	Other receivable Sales	266,757 4,714,470	No significant difference Cost-plus pricing	- 3
19	Lite-On Electronics (Guangzhou) Co., Ltd.	Dong Guan G-Tech Computers Co., Ltd. Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd.	c. c. c.	Sales Sales Accounts receivable	136,183 31,344,174 7,764,530	Cost-plus pricing Cost-plus pricing No significant difference	- 20 4
20	Lite-On Opto Technology (Guangzhou) Co., Ltd.	LET (HK) Ltd. LET (HK) Ltd.	c. c.	Sales Accounts receivable	2,350,514 481,132	Cost-plus pricing No significant difference	1 -
21	Lite-On Auto Electric Technology (Guangzhou) Ltd.	Lite-On Technology (Shanghai) Ltd. Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd.	c. c.	Sales Sales	273,499 280,499	Cost-plus pricing Cost-plus pricing	- -
22	Lite-On IT Opto Tech (BH) Co., Ltd.	LET (HK) Ltd. LET (HK) Ltd.	c. c.	Sales Accounts receivable	13,792,287 2,657,042	Cost-plus pricing No significant difference	9 1
23	LET (HK) Ltd.	Lite-On Opto Technology (Guangzhou) Co., Ltd. Lite-On Opto Technology (Guangzhou) Co., Ltd. Lite-On Auto Electric Technology (Guangzhou) Ltd. Lite-On Auto Electric Technology (Guangzhou) Ltd. Lite-On IT Opto Tech (BH) Co., Ltd. Lite-On IT Opto Tech (BH) Co., Ltd. Lite-On Singapore Pte. Ltd. Lite-On Singapore Pte. Ltd.	c. c. c. c. c. c. c. c.	Sales Accounts receivable Sales Accounts receivable Sales Accounts receivable Sales Accounts receivable	978,918 570,819 179,435 185,617 8,748,691 6,338,737 8,978,494 1,018,885	Cost-plus pricing No significant difference Cost-plus pricing No significant difference Cost-plus pricing No significant difference Cost-plus pricing No significant difference	1 - - - 5 3 6 -
24	Lite-On Electronics (Thailand) Co., Ltd.	Lite-On Singapore Pte. Ltd. Lite-On Singapore Pte. Ltd.	c. c.	Sales Accounts receivable	2,417,454 864,550	Cost-plus pricing No significant difference	2 -
25	Lite-On Singapore Pte. Ltd.	Lite-On Technology (Changzhou) Co., Ltd. China Bridge Express (Wuxi) Co., Ltd. China Bridge Express (Wuxi) Co., Ltd. Lite-On Electronics H.K. Ltd.	c. c. c. c.	Sales Sales Accounts receivable Sales	156,791 749,591 375,351 1,561,889	Cost-plus pricing Cost-plus pricing No significant difference Cost-plus pricing	- - - 1

(Continued)

No. (Note 1)	Company Name	Counter Party	Nature of Relationship (Note 2)	Intercompany Transaction			% of Consolidated Net Revenue or Total Assets (Note 3)
				Financial Statements Item	Amount	Terms	
31	Lite-On China Holding Co., Ltd.	Lite-On Mobile Pte. Ltd.	c.	Other receivable	\$ 656,667	No significant difference	-
32	Lite-On Mobile Oyj (formerly: Perlos Oyj)	Lite-On Mobile India Private Limited	c.	Other receivable	161,823	No significant difference	-
33	Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	Lite-On Singapore Pte. Ltd. Lite-On Singapore Pte. Ltd.	c. c.	Sales Accounts receivable	830,626 318,761	Cost-plus pricing No significant difference	1 -
34	Guangzhou Lite-On Mobile Engineering Plastics Co., Ltd.	Zhuhai Lite-On Mobile Technology Co., Ltd.	c.	Other receivable	1,334,662	No significant difference	1
35	Beijing Lite-On Mobile Electronic and Telecommunications Components Co., Ltd.	Lite-On Mobile Oyj (formerly: Perlos Oyj) Lite-On Mobile Oyj (formerly: Perlos Oyj)	c. c.	Sales Accounts receivable	605,080 131,805	Cost-plus pricing No significant difference	- -
36	Shenzhen Lite-On Mobile Precision Molds Co., Ltd.	Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	c.	Sales	441,211	Cost-plus pricing	-
37	Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Beijing Lite-On Mobile Electronic and Telecommunications Components Co., Ltd. Zhuhai Lite-On Mobile Technology Co., Ltd. Lite-On Mobile Pte. Ltd. Lite-On Mobile Pte. Ltd.	c. c. c. c.	Other receivable Other receivable Sales Accounts receivable	907,579 193,810 209,676 217,484	No significant difference No significant difference No significant difference No significant difference	- - - -
38	Lite-On Mobile Pte. Ltd.	Lite-On Mobile India Private Limited Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	c. c.	Other receivable Sales	948,244 273,985	No significant difference No significant difference	- -
39	Zhuhai Lite-On Mobile Technology Co., Ltd.	Lite-On Mobile Pte. Ltd. Lite-On Mobile Pte. Ltd.	c. c.	Sales Accounts receivable	213,223 217,873	No significant difference No significant difference	- -
40	Silitech Technology Corp.	Silitech Technology Corporation Ltd. Silitech Technology Corporation Ltd.	c. c.	Purchases Accounts payable	745,159 317,247	No significant difference No significant difference	- -
41	Xurong Electronic (Shenzhen) Co., Ltd.	Silitech Technology Corporation Ltd. Silitech Technology Corporation Ltd.	c. c.	Accounts receivable Sales	460,723 1,022,370	No significant difference No significant difference	- 1

Note 1: The Parent Company and its subsidiaries are coded as follows:

- The Parent Company is coded "0".
- The subsidiaries are coded consecutively beginning from "1" in the order presented in the table above.

Note 2: Nature of relationship is as follows:

- From the Parent Company to its subsidiary.
- From a subsidiary to its Parent Company.
- Between subsidiaries.

(Continued)

Note 3: The percentage calculation is based on the consolidated total operating revenues or total assets. For balance sheet items, each item's period-end balance is shown as a percentage to consolidated total assets as of September 30, 2015. For profit or loss items, cumulative amounts are shown as a percentage to consolidated total operating revenues for the nine months ended September 30, 2015.

Note 4: The intercompany transactions have been eliminated from consolidation.

Note 5: The above table only discloses the related-party transactions each amounting to at least NT\$100 million, relative transactions which under NT\$100 million are not disclosed additionally.

(Concluded)