

**Lite-On Technology Corporation and
Subsidiaries**

**Consolidated Financial Statements for the
Three Months Ended March 31, 2016 and 2015 and
Independent Auditors' Review Report**

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Stockholders
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 March 31, 2016 and 2015, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the three months ended March 31, 2016 and 2015. 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 “Engagements to Review 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 13 to the consolidated financial statements, we did not review the financial statements as of and for the three months ended March 31, 2016 and 2015 of some consolidated subsidiaries. The assets of these subsidiaries were 26.83% (NT\$52,903,085 thousand) and 29.63% (NT\$59,176,758 thousand) of the consolidated total assets as of March 31, 2016 and 2015, respectively. The liabilities of these subsidiaries were 25.14% (NT\$29,361,879 thousand) and 28.70% (NT\$34,430,640 thousand) of the consolidated total liabilities as of March 31, 2016 and 2015, respectively. The comprehensive incomes of these subsidiaries were 19.20% (NT\$145,961 thousand) and 37.40% (NT\$220,566 thousand) of the total comprehensive income for the three months ended March 31, 2016 and 2015, respectively. Also, as disclosed in Note 14 to the financial statements, the Group had other investments accounted for by the equity method. The carrying values of these investments of NT\$2,042,858 thousand and NT\$1,994,467 thousand as of March 31, 2016 and 2015, respectively, and the consolidated equity in these investees’ net gain amounting to NT\$12,119 thousand and NT\$3,516 thousand for the three months ended March 31, 2016 and 2015, respectively, and related investment amounts as well as additional disclosures in Note 35 were based on these investees’ unreviewed financial statements for the same reporting periods as those of the Group.

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 35 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 International Accounting Standard 34 "Interim Financial Reporting" endorsed by the Financial Supervisory Commission of the Republic of China.

Deloitte & Touche

May 12, 2016

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)

	March 31, 2016 (Reviewed)		December 31, 2015 (Audited)		March 31, 2015 (Reviewed)	
	Amount	%	Amount	%	Amount	%
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 62,477,263	32	\$ 65,501,807	31	\$ 58,701,055	29
Financial assets at fair value through profit or loss - current (Note 7)	218,280	-	53,211	-	46,205	-
Debt investments with no active market - current (Note 10)	1,057,381	1	694,435	-	239,575	-
Notes receivable, net	166,529	-	300,825	-	264,069	-
Trade receivables, net (Note 11)	43,458,914	22	50,079,869	24	45,144,744	23
Trade receivables from related parties (Note 31)	44,821	-	66,338	-	40,854	-
Other receivables	1,021,067	-	1,289,849	1	1,109,876	1
Other receivables from related parties (Note 31)	10,320	-	10,481	-	2,079	-
Inventories, net (Note 12)	27,569,785	14	28,826,436	14	28,554,024	14
Other current assets (Note 18)	4,016,372	2	3,744,824	2	4,541,390	2
Total current assets	<u>140,040,732</u>	<u>71</u>	<u>150,568,075</u>	<u>72</u>	<u>138,643,871</u>	<u>69</u>
NON-CURRENT ASSETS						
Available-for-sale financial assets - non-current (Note 8)	667,450	-	670,328	-	1,159,994	1
Debt investments with no active market - non-current (Note 10)	832	-	834	-	67,737	-
Investments accounted for using equity method (Note 14)	4,043,456	2	4,095,167	2	4,043,486	2
Property, plant and equipment, net (Note 15)	31,681,875	16	33,389,439	16	34,555,511	17
Investment properties, net (Note 16)	485,908	-	499,950	-	524,538	-
Intangible assets, net (Note 17)	15,853,410	8	15,938,232	8	16,170,015	8
Deferred tax assets	3,130,166	2	3,164,798	2	3,243,510	2
Refundable deposits	579,673	-	579,758	-	457,258	-
Other non-current assets (Note 18)	723,150	1	747,282	-	885,961	1
Total non-current assets	<u>57,165,920</u>	<u>29</u>	<u>59,085,788</u>	<u>28</u>	<u>61,108,010</u>	<u>31</u>
TOTAL	<u>\$ 197,206,652</u>	<u>100</u>	<u>\$ 209,653,863</u>	<u>100</u>	<u>\$ 199,751,881</u>	<u>100</u>
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term borrowings (Note 19)	\$ 14,610,442	7	\$ 17,670,878	8	\$ 17,002,350	9
Financial liabilities at fair value through profit or loss - current (Note 7)	63,752	-	55,945	-	4,348	-
Derivative financial instruments for hedging - current (Note 9)	-	-	-	-	6,128	-
Notes payable	118,072	-	178,594	-	129,517	-
Trade payables	50,194,877	25	58,224,636	28	52,873,138	26
Trade payables to related parties (Note 31)	710,383	-	856,945	-	694,753	-
Other payables	19,663,247	10	21,118,958	10	18,421,508	9
Other payables to related parties (Note 31)	11,784	-	12,941	-	4,895	-
Current tax liabilities	2,578,866	1	2,475,535	1	2,115,117	1
Provisions - current (Note 21)	1,047,757	1	1,068,810	1	1,113,657	1
Advance receipts	2,991,195	2	3,275,828	2	2,539,364	1
Current portion of long-term borrowings (Note 19)	7,155,192	4	4,796,118	2	5,660,704	3
Finance lease payables - current (Note 20)	71,277	-	95,501	-	85,457	-
Total current liabilities	<u>99,216,844</u>	<u>50</u>	<u>109,830,689</u>	<u>52</u>	<u>100,650,936</u>	<u>50</u>
NON-CURRENT LIABILITIES						
Long-term borrowings, net of current portion (Note 19)	13,843,637	7	16,355,753	8	15,849,622	8
Deferred tax liabilities	3,474,426	2	3,531,564	2	3,235,210	2
Finance lease payables, net of current portion (Note 20)	4,885	-	5,398	-	76,374	-
Net defined benefit liabilities - non-current	153,097	-	155,854	-	86,536	-
Guarantee deposits	79,073	-	91,012	-	79,933	-
Credit balance of investments accounted for using equity method (Note 14)	1,894	-	-	-	-	-
Total non-current liabilities	<u>17,557,012</u>	<u>9</u>	<u>20,139,581</u>	<u>10</u>	<u>19,327,675</u>	<u>10</u>
Total liabilities	<u>116,773,856</u>	<u>59</u>	<u>129,970,270</u>	<u>62</u>	<u>119,978,611</u>	<u>60</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY						
Share capital						
Ordinary shares	23,349,283	12	23,349,283	11	23,416,737	12
Capital surplus						
Additional paid-in capital from share issuance in excess of par value	9,251,603	5	9,251,603	4	9,238,931	5
Bond conversion	7,462,138	4	7,462,138	4	7,534,962	4
Treasury stock transactions	275,516	-	275,516	-	445,694	-
Difference between consideration and carrying amounts adjusted arising from changes in percentage of ownership of subsidiaries	42,569	-	43,236	-	32,498	-
Arising from share of changes in capital surplus of associates	272,858	-	278,747	-	244,943	-
Merger	10,015,194	5	10,015,194	5	10,112,934	5
Total capital surplus	27,319,878	14	27,326,434	13	27,609,962	14
Retained earnings						
Legal reserve	10,123,042	5	10,123,042	5	9,476,876	5
Special reserve	232,213	-	232,213	-	49,669	-
Unappropriated earnings	14,719,016	8	13,011,073	6	13,078,289	6
Total retained earnings	25,074,271	13	23,366,328	11	22,604,834	11
Other equity						
Exchange differences on translating foreign operations	2,438,402	1	3,347,902	2	3,191,244	2
Unrealized gain (loss) on available-for-sale financial assets	(135,945)	-	(152,714)	-	72,651	-
Unrealized loss on cash flow hedging	-	-	-	-	(6,128)	-
Total other equity	2,302,457	1	3,195,188	2	3,257,767	2
Treasury shares	(1,248,722)	(1)	(1,248,722)	(1)	(1,248,722)	(1)
Total equity attributable to owners of the Company	76,797,167	39	75,988,511	36	75,640,578	38
NON-CONTROLLING INTERESTS	<u>3,635,629</u>	<u>2</u>	<u>3,695,082</u>	<u>2</u>	<u>4,132,692</u>	<u>2</u>
Total equity	<u>80,432,796</u>	<u>41</u>	<u>79,683,593</u>	<u>38</u>	<u>79,773,270</u>	<u>40</u>
TOTAL	<u>\$ 197,206,652</u>	<u>100</u>	<u>\$ 209,653,863</u>	<u>100</u>	<u>\$ 199,751,881</u>	<u>100</u>

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

(With Deloitte & Touche review report dated May 12, 2016)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	For the Three Months Ended March 31			
	2016		2015	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 24 and 31)				
Sales	\$ 50,881,315	102	\$ 52,855,882	103
Less: Sales allowance	819,614	2	1,034,998	2
Sales returns	<u>219,646</u>	<u>-</u>	<u>280,482</u>	<u>1</u>
Total operating revenue	<u>49,842,055</u>	<u>100</u>	<u>51,540,402</u>	<u>100</u>
COST OF GOODS SOLD (Notes 12, 27 and 31)	<u>43,250,498</u>	<u>87</u>	<u>45,078,755</u>	<u>88</u>
GROSS PROFIT	<u>6,591,557</u>	<u>13</u>	<u>6,461,647</u>	<u>12</u>
OPERATING EXPENSES (Notes 27 and 31)				
Selling and marketing expenses	1,769,581	3	1,804,798	3
General and administrative expenses	1,314,497	3	1,413,460	3
Research and development expenses	<u>1,470,414</u>	<u>3</u>	<u>1,534,163</u>	<u>3</u>
Total operating expenses	<u>4,554,492</u>	<u>9</u>	<u>4,752,421</u>	<u>9</u>
OPERATING INCOME	<u>2,037,065</u>	<u>4</u>	<u>1,709,226</u>	<u>3</u>
NONOPERATING INCOME AND EXPENSES				
Share of profit of associates	6,096	-	15,757	-
Interest income	281,986	1	315,573	1
Other income (Notes 28 and 31)	239,622	1	295,584	-
Gain on disposal of investments	2,528	-	22,851	-
Gain on financial assets at fair value through profit or loss	183,983	-	178,137	-
Finance costs	(133,170)	-	(147,196)	-
Other expenses	(357,110)	(1)	(186,113)	-
Net gain (loss) on disposal of property, plant and equipment	40	-	(17,257)	-
Net loss on foreign currency exchange	(31,428)	-	(51,803)	-
Impairment loss (Note 15)	<u>(781)</u>	<u>-</u>	<u>(27,451)</u>	<u>-</u>
Total nonoperating income and expenses	<u>191,766</u>	<u>1</u>	<u>398,082</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	2,228,831	5	2,107,308	4
INCOME TAX EXPENSE (Note 25)	<u>(567,450)</u>	<u>(1)</u>	<u>(414,526)</u>	<u>(1)</u>
NET PROFIT FOR THE PERIOD	<u>1,661,381</u>	<u>4</u>	<u>1,692,782</u>	<u>3</u>

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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) (Reviewed, Not Audited)

	For the Three Months Ended March 31			
	2016		2015	
	Amount	%	Amount	%
OTHER COMPREHENSIVE LOSS (Notes 23 and 25)				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	\$ (1,029,395)	(2)	\$ (1,150,566)	(2)
Unrealized gain (loss) on available-for-sale financial assets	3,099	-	(74,430)	-
Unrealized gain on hedging instruments determined to be the effective portion of cash flow hedging	-	-	5,861	-
Share of the other comprehensive loss of associates accounted for using the equity method	(53,144)	-	(35,902)	-
Income tax relating to items that may be reclassified subsequently to profit or loss	<u>178,366</u>	<u>-</u>	<u>151,993</u>	<u>-</u>
Other comprehensive loss for the period, net of income tax	<u>(901,074)</u>	<u>(2)</u>	<u>(1,103,044)</u>	<u>(2)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 760,307</u>	<u>2</u>	<u>\$ 589,738</u>	<u>1</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 1,707,943	3	\$ 1,645,748	3
Non-controlling interests	<u>(46,562)</u>	<u>-</u>	<u>47,034</u>	<u>-</u>
	<u>\$ 1,661,381</u>	<u>3</u>	<u>\$ 1,692,782</u>	<u>3</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 815,212	2	\$ 651,335	1
Non-controlling interests	<u>(54,905)</u>	<u>-</u>	<u>(61,597)</u>	<u>-</u>
	<u>\$ 760,307</u>	<u>2</u>	<u>\$ 589,738</u>	<u>1</u>
EARNINGS PER SHARE (NEW TAIWAN DOLLARS; Note 26)				
Basic	<u>\$ 0.74</u>		<u>\$ 0.71</u>	
Diluted	<u>\$ 0.74</u>		<u>\$ 0.71</u>	

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

(With Deloitte & Touche review report dated May 12, 2016)

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LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company																						
	Capital Surplus (Note 23)										Other Equity (Note 23)												
	Issue of Share Capital (Note 23)			Additional Paid-in Capital from Share Issuance in Excess of Par Value	Bond Conversion	Treasury Stock Transactions	Difference Between Consideration and Carry Amounts Adjusted Arising from Changes in Percentage of Ownership in Subsidiaries	Arising from Share of Changes in Capital Surplus of Associates	Merger	Employee Stock Options	Total	Retained Earnings (Note 23)			Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Available-for-sale Financial Assets	Cash Flow Hedges	Total	Treasury Shares (Note 23)	Non-controlling Interests (Note 23)	Total Equity		
	Shares (In Thousands)	Amount	Total									Legal Reserve	Special Reserve	Unappropriated Earnings								Total	
BALANCE AT JANUARY 1, 2015	2,341,674	\$ 23,416,737	\$ 23,416,737	\$ 9,238,931	\$ 7,534,962	\$ 445,694	\$ 30,960	\$ 231,446	\$ 10,112,934	\$ -	\$ 27,594,927	\$ 9,476,876	\$ 49,669	\$ 11,432,541	\$ 20,959,086	\$ 4,125,097	\$ 139,072	\$ (11,989)	\$ 4,252,180	\$ (1,248,722)	\$ 4,198,430	\$ 79,172,638	
Changes in noncontrolling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,141)	(4,141)	
Other changes in capital surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Arising from changes in percentage of ownership interest in subsidiaries	-	-	-	-	-	-	1,538	-	-	-	1,538	-	-	-	-	-	-	-	-	-	-	1,538	
Change in capital surplus from investments in associates and joint ventures accounted for by using equity method	-	-	-	-	-	-	-	13,497	-	-	13,497	-	-	-	-	-	-	-	-	-	-	13,497	
Net profit for the three months ended March 31, 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	1,645,748	1,645,748	-	-	-	-	-	-	47,034	1,692,782
Other comprehensive loss for the three months ended March 31, 2015, net of income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the three months ended March 31, 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	1,645,748	1,645,748	(933,853)	(66,421)	5,861	(994,413)	-	(108,631)	(1,103,044)	
BALANCE AT MARCH 31, 2015	2,341,674	\$ 23,416,737	\$ 23,416,737	\$ 9,238,931	\$ 7,534,962	\$ 445,694	\$ 32,498	\$ 244,943	\$ 10,112,934	\$ -	\$ 27,609,967	\$ 9,476,876	\$ 49,669	\$ 13,078,289	\$ 22,604,834	\$ 3,191,244	\$ 72,651	\$ (6,128)	\$ 3,257,767	\$ (1,248,722)	\$ 4,132,692	\$ 79,773,270	
BALANCE AT JANUARY 1, 2016	2,334,928	\$ 23,349,283	\$ 23,349,283	\$ 9,251,603	\$ 7,462,138	\$ 275,516	\$ 43,236	\$ 278,747	\$ 10,015,194	\$ -	\$ 27,326,434	\$ 10,123,042	\$ 232,213	\$ 13,011,073	\$ 23,366,328	\$ 3,347,902	\$ (152,714)	\$ -	\$ 3,195,188	\$ (1,248,722)	\$ 3,695,082	\$ 79,683,593	
Changes in noncontrolling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,548)	(4,548)	
Other changes in capital surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Arising from changes in percentage of ownership interest in subsidiaries	-	-	-	-	-	-	(667)	-	-	-	(667)	-	-	-	-	-	-	-	-	-	-	(667)	
Change in capital surplus from investments in associates and joint ventures accounted for by using equity method	-	-	-	-	-	-	-	(5,889)	-	-	(5,889)	-	-	-	-	-	-	-	-	-	-	(5,889)	
Net profit for the three months ended March 31, 2016	-	-	-	-	-	-	-	-	-	-	-	-	-	1,707,943	1,707,943	-	-	-	-	-	-	(46,562)	1,661,381
Other comprehensive loss for the three months ended March 31, 2016, net of income tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the three months ended March 31, 2016	-	-	-	-	-	-	-	-	-	-	-	-	-	1,707,943	1,707,943	(909,500)	16,769	-	(892,731)	-	(8,343)	(901,074)	
BALANCE AT MARCH 31, 2016	2,334,928	\$ 23,349,283	\$ 23,349,283	\$ 9,251,603	\$ 7,462,138	\$ 275,516	\$ 42,569	\$ 272,858	\$ 10,015,194	\$ -	\$ 27,319,878	\$ 10,123,042	\$ 232,213	\$ 14,719,016	\$ 25,074,271	\$ 2,438,402	\$ (135,945)	\$ -	\$ 2,302,457	\$ (1,248,722)	\$ 3,635,629	\$ 80,437,796	

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

(With Deloitte & Touche review report dated May 12, 2016)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 2,228,831	\$ 2,107,308
Adjustments for:		
Depreciation expenses	1,652,356	1,652,637
Amortization expenses	117,017	145,752
Impairment loss (reversal of impairment loss) recognized on trade receivables	44,712	(54,029)
Net gain on fair value change of financial assets designated as at fair value through profit or loss	(183,983)	(178,137)
Finance costs	133,170	147,196
Interest income	(281,986)	(315,573)
Share of gain of associates accounted for using equity method	(6,096)	(15,757)
Loss (gain) on disposal of property, plant and equipment	(40)	17,257
Gain on disposal of subsidiaries (Note 28)	(226)	-
Net gain on disposal of available-for-sale financial assets	(2,528)	(15,150)
Gain on disposal of associates	-	(7,701)
Impairment loss recognized on non-financial assets	781	27,451
Reversal of impairment loss on non-financial assets	(50,460)	(151,865)
Unrealized net gain on foreign currency exchange	(188,432)	(222,725)
Recognition of provisions	32,652	141,400
Changes in operating assets and liabilities		
Financial instruments held for trading	22,965	110,983
Notes receivable	132,191	47,597
Trade receivables	6,307,006	5,943,679
Trade receivables from related parties	21,517	32,215
Other receivables	272,255	303,018
Other receivables from related parties	161	974
Inventories	1,055,578	1,048,909
Other current assets	(260,599)	10,530
Notes payable	(59,609)	6,570
Trade payables	(7,346,491)	(8,739,820)
Trade payables to related parties	(146,562)	(258,913)
Other payable	(859,203)	(1,104,053)
Other payable to related parties	(1,157)	(1,846)
Provisions	(51,434)	(105,251)
Advance receipts	(259,493)	(289,715)
Net defined benefit liabilities	(3,369)	(9,485)
Cash generated from operations	2,319,524	273,456
Interest received	272,123	320,853
Interest paid	(136,152)	(142,817)
Income tax paid	(555,430)	(550,233)
Net cash generated from (used in) operating activities	<u>1,900,065</u>	<u>(98,741)</u>

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LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Three Months Ended March 31	
	2016	2015
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of available-for-sale financial assets	\$ (1,545)	\$ -
Proceeds on sales of available-for-sale financial assets	8,447	108,245
Purchase of debt investments with no active market	(358,542)	(228,624)
Net cash inflow on disposal of associates	-	15,432
Net cash inflow on disposal of subsidiaries (Note 28)	293,821	-
Proceeds from disposal of non-current assets held for sale	-	129,505
Payments for property, plant and equipment	(1,081,432)	(1,441,193)
Proceeds from disposal of property, plant and equipment	18,471	319,175
Increase in refundable deposits	(2,857)	-
Decrease in refundable deposits	-	34,997
Payments for intangible assets	(17,400)	(41,432)
Proceeds from disposal of intangible assets	20,535	11,475
Decrease in other noncurrent assets	<u>15,928</u>	<u>1,522</u>
Net cash used in investing activities	<u>(1,104,574)</u>	<u>(1,090,898)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of short-term borrowings	(2,994,510)	(5,882,937)
Repayment of long-term borrowings	(22,708)	(379,617)
Refund of guarantee deposits received	(11,000)	(938)
Decrease in finance lease payables	(23,547)	(25,122)
Changes on noncontrolling interests	<u>(4,548)</u>	<u>(4,141)</u>
Net cash used in financing activities	<u>(3,056,313)</u>	<u>(6,292,755)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>(763,722)</u>	<u>(299,907)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(3,024,544)	(7,782,301)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>65,501,807</u>	<u>66,483,356</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 62,477,263</u>	<u>\$ 58,701,055</u>

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

(With Deloitte & Touche review report dated May 12, 2016)

(Concluded)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2016 AND 2015 (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 March 12, 2016.

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

The International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations of IFRS (IFRIC), and Interpretations of IAS (SIC) in Issue But Not Yet Endorsed by the FSC

The Group have not applied the following IFRS, IAS, IFRIC and SIC (collectively, the “IFRSs”) issued by the International Accounting Standards Board (IASB) but not yet endorsed by the FSC.

On March 10, 2016, the FSC announced the scope of the 2016 version of IFRSs to be endorsed and will take effect from January 1, 2017. The scope includes all IFRSs that were issued by the IASB before January 1, 2016 and have effective dates on or before January 1, 2017, which means the scope excludes those that are not yet effective as of January 1, 2017 such as IFRS 9 “Financial Instruments” and IFRS 15 “Revenue from Contracts with Customers” and those with undetermined effective date. In addition, the FSC announced that the Company should apply IFRS 15 starting January 1, 2018. As of the date the financial statements were authorized for issue, the FSC has not announced the effective dates of other new, amended and revised standards and interpretations.

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 3)
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”	To be determined by IASB
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 IFRS 15 “Clarification to IFRS 15”	January 1, 2018
IFRS 16 “Leases”	January 1, 2019
Amendment to IAS 1 “Disclosure Initiative”	January 1, 2016
Amendment to IAS 7 “Disclosure Initiative”	January 1, 2017
Amendments to IAS 12 “Recognition of Deferred Tax Assets for Unrealized Losses”	January 1, 2017
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 “Levies”	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: 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:

a. 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:

- 1) 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.
- 2) 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.

b. Amendment to IAS 36 "Recoverable Amount Disclosures for Non-financial Assets"

The amendment clarifies that the recoverable amount of an asset or a cash-generating unit is disclosed only when an impairment loss on the asset has been recognized or reversed during the period. Furthermore, if the recoverable amount of an item of property, plant and equipment for which impairment loss has been recognized or reversed is fair value less costs of disposal, the Group is required to disclose the fair value hierarchy. If the fair value measurements are categorized within (Level 2/Level 3), the valuation technique and key assumptions used to measure the fair value are disclosed. The discount rate used is disclosed if such fair value less costs of disposal is measured by using present value technique.

c. IFRS 15 "Revenue from Contracts with Customers" and related amendment

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 from January 1, 2017.

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.

d. 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.

e. IFRS 16 "Leases"

IFRS 16 sets out the accounting standards for leases that will supersede IAS 17 and a number of related interpretations.

Under IFRS 16, if the Group is a lessee, it shall recognize right-of-use assets and lease liabilities for all leases on the consolidated balance sheets except for low-value and short-term leases. The Group may elect to apply the accounting method similar to the accounting for operating lease under IAS 17 to the low-value and short-term leases. On the consolidated statements of comprehensive income, the Group should present the depreciation expense charged on the right-of-use asset separately from interest expense accrued on the lease liability; interest is computed by using effective interest method. On the consolidated statements of cash flows, cash payments for the principal portion of the lease liability are classified within financing activities; cash payments for interest portion are classified within operating activities.

When IFRS 16 becomes effective, the Group may elect to apply this Standard either retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of the initial application of this Standard recognized at the date of initial application.

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 13.

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, 2015, 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, 2015.

6. CASH AND CASH EQUIVALENTS

	March 31, 2016	December 31, 2015	March 31, 2015
Cash on hand	\$ 132,882	\$ 22,503	\$ 70,498
Checking accounts	987,457	1,214,794	1,277,710
Demand deposits	36,114,886	36,787,305	34,291,256
Time deposits	<u>25,242,038</u>	<u>27,477,205</u>	<u>23,061,591</u>
	<u>\$ 62,477,263</u>	<u>\$ 65,501,807</u>	<u>\$ 58,701,055</u>

7. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Financial assets held for trading</u>			
Derivative financial assets (not under hedge accounting)			
Foreign exchange forward contracts	\$ 217,006	\$ 7,366	\$ 46,205
Currency swap contracts	<u>1,274</u>	<u>45,845</u>	<u>-</u>
	<u>\$ 218,280</u>	<u>\$ 53,211</u>	<u>\$ 46,205</u>
Current	\$ 218,280	\$ 53,211	\$ 46,205
Non-current	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 218,280</u>	<u>\$ 53,211</u>	<u>\$ 46,205</u>
<u>Financial liabilities held for trading</u>			
Derivative financial liabilities (not under hedge accounting)			
Foreign exchange forward contracts	\$ 51,032	\$ 55,945	\$ 4,348
Currency swap contracts	<u>12,720</u>	<u>-</u>	<u>-</u>
	<u>\$ 63,752</u>	<u>\$ 55,945</u>	<u>\$ 4,348</u>
Current	\$ 63,752	\$ 55,945	\$ 4,348
Non-current	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 63,752</u>	<u>\$ 55,945</u>	<u>\$ 4,348</u>

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>March 31, 2016</u>			
The Parent Company			
Currency swap contracts	USD/NTD	2016.11.09	USD100,000/NTD3,212,900
Lite-On Singapore Pte. Ltd.			
Forward exchange contracts	USD/BRL	2016.04.28	USD1,400/BRL5,136
Forward exchange contracts	NTD/USD	2016.04.18	NTD960,103/USD29,000
Forward exchange contracts	USD/NTD	2016.04.11	USD25,000/NTD816,050
Forward exchange contracts	USD/EUR	2016.04.08	USD11,972/EUR11,000
Forward exchange contracts	USD/MXN	2016.04.08	USD1,000/MXN17,895
Lite-On Overseas Trading Co., Ltd.			
Forward exchange contracts	HKD/USD	2016.07.25	HKD179,984/USD23,000
Currency swap contracts	CNY/USD	2016.04.15	CNY8,022/USD1,200
Lite-On Electronics (Thailand) Co., Ltd.			
Forward exchange contracts	THB/USD	2016.05.10	THB100,073/USD2,800
Philip & Lite-On Digital Solutions Corp.			
Forward exchange contracts	USD/EUR	2016.04.08	USD4,354/EUR4,000
Lite-On Mobile Pte. Ltd.			
Forward exchange contracts	EUR/USD	2016.04.22	EUR4,500/USD5,096
Forward exchange contracts	CNY/USD	2016.04.20	CNY268,560/USD40,000
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.			
Forward exchange contracts	CNY/USD	2016.04.14	CNY45,724/USD7,000
Silitech Technology Corp.			
Forward exchange contracts	USD/MYR	2016.04.22- 2016.06.08	USD300/MYR1,260
Forward exchange contracts	EUR/MYR	2016.04.27	EUR50/MYR236
<u>December 31, 2015</u>			
The Parent Company			
Currency swap contracts	USD/NTD	2016.11.09	USD100,000/NTD3,212,900
Lite-On Overseas Trading Co., Ltd.			
Forward exchange contracts	CNY/USD	2016.02.23	CNY110,012/USD17,000
Lite-On Singapore Pte. Ltd.			
Forward exchange contracts	USD/EUR	2016.01.06	USD10,606/EUR10,000
Forward exchange contracts	USD/BRL	2016.01.25	USD2,000/BRL8,052
Forward exchange contracts	NTD/USD	2016.02.04	NTD825,000/USD25,000
Lite-On Electronics (Thailand) Co., Ltd.			
Forward exchange contracts	THB/USD	2016.04.08	THB82,945/USD2,300
Philip & Lite-On Digital Solutions Corp.			
Forward exchange contracts	USD/EUR	2016.01.08	USD6,571/EUR6,000
Lite-On Mobile Pte. Ltd.			
Forward exchange contracts	CNY/USD	2016.01.20	CNY256,100/USD40,000
Forward exchange contracts	EUR/USD	2016.01.21	EUR5,500/USD5,981
Silitech Technology Corp.			
Forward exchange contracts	USD/MYR	2016.01.08- 2016.03.08	USD1,180/MYR5,099
Forward exchange contracts	EUR/MYR	2016.02.25	EUR50/MYR240

(Continued)

	Currency	Maturity Date	Notional Amount (In Thousands)
<u>March 31, 2015</u>			
Lite-On Singapore Pte. Ltd.			
Forward exchange contracts	EUR/USD	2015.04.29	EUR14,500/USD15,831
Forward exchange contracts	JPY/USD	2015.04.02	JPY150,000/USD1,257
Forward exchange contracts	USD/MXN	2015.04.29	USD4,000/MXN59,980
Lite-On Electronics (Thailand) Co., Ltd.			
Forward exchange contracts	USD/THB	2015.04.07	USD2,000/THB66,086
Lite-On Mobile Pte. Ltd.			
Forward exchange contracts	CNY/USD	2015.04.09	CNY189,294/USD30,000
Forward exchange contracts	JPY/USD	2015.04.09	JPY137,592/USD1,150
Forward exchange contracts	USD/JPY	2015.04.09	USD1,146/JPY137,592
Forward exchange contracts	USD/BRL	2015.04.16	USD2,500/BRL7,864
Silitech Technology Corp.			
Forward exchange contracts	USD/MYR	2015.04.08- 2015.05.20	USD1,280/MYR4,672

(Concluded)

The Group entered into derivative contracts during the three months ended March 31, 2016 and 2015 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.

8. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Non-current</u>			
Domestic investments			
Quoted shares	\$ 321,714	\$ 316,426	\$ 533,957
Emerging market shares	178,716	178,716	178,716
Unquoted shares	<u>83,923</u>	<u>83,923</u>	<u>144,617</u>
	<u>584,353</u>	<u>579,065</u>	<u>857,290</u>
Foreign investments			
Mutual funds	53,744	53,178	71,574
Unquoted shares	26,528	26,539	219,770
Quoted shares	<u>2,825</u>	<u>11,546</u>	<u>11,360</u>
	<u>83,097</u>	<u>91,263</u>	<u>302,704</u>
	<u>\$ 667,450</u>	<u>\$ 670,328</u>	<u>\$ 1,159,994</u>

Refer to Note 30 for information relating to the fair values of on available-for-sale financial assets determined.

9. DERIVATIVE FINANCIAL INSTRUMENTS FOR HEDGING

	March 31, 2016	December 31, 2015	March 31, 2015
Derivative financial liabilities under <u>hedge accounting</u>			
Cash flow hedges - interest rate swaps	\$ <u>-</u>	\$ <u>-</u>	\$ <u>6,128</u>
Current	\$ -	\$ -	\$ 6,128
Non-current	<u>-</u>	<u>-</u>	<u>-</u>
	\$ <u>-</u>	\$ <u>-</u>	\$ <u>6,128</u>

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>March 31, 2016 and December 31, 2015:</u> None			
<u>March 31, 2015</u>			
NT\$1,200,000	2015.09.23	1.895%	0.878%

10. DEBT INVESTMENTS WITH NO ACTIVE MARKET

	March 31, 2016	December 31, 2015	March 31, 2015
Financial product	\$ 783,081	\$ 424,399	\$ -
Pledged deposits	<u>275,132</u>	<u>270,870</u>	<u>307,312</u>
	\$ <u>1,058,213</u>	\$ <u>695,269</u>	\$ <u>307,312</u>
Current	\$ 1,057,381	\$ 694,435	\$ 239,575
Non-current	<u>832</u>	<u>834</u>	<u>67,737</u>
	\$ <u>1,058,213</u>	\$ <u>695,269</u>	\$ <u>307,312</u>

Financial product mainly refers to the subsidiary - Silitech Technology (SuZhou) Co., Ltd. to guarantee income-bearing bank deposit products to amortized cost measurement, and it shall not be paid or redeemed with the contract period.

Refer to Note 32 for information on bond investments with no active market pledged as security.

11. TRADE RECEIVABLES, NET

	March 31, 2016	December 31, 2015	March 31, 2015
Trade receivables	\$ 43,805,401	\$ 50,390,680	\$ 45,462,157
Allowance for impairment loss	(282,620)	(239,849)	(236,547)
Unrealized interest revenues	<u>(63,867)</u>	<u>(70,962)</u>	<u>(80,866)</u>
	<u>\$ 43,458,914</u>	<u>\$ 50,079,869</u>	<u>\$ 45,144,744</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:

	March 31, 2016	December 31, 2015	March 31, 2015
Not overdue	\$ 42,871,200	\$ 49,137,082	\$ 43,351,057
Overdue			
1-60 days	563,174	999,794	1,794,248
61-210 days	226,970	114,839	140,961
211-240 days	2,852	4,119	6,160
Over 241 days	<u>141,205</u>	<u>134,846</u>	<u>169,731</u>
	<u>934,201</u>	<u>1,253,598</u>	<u>2,111,100</u>
	<u>\$ 43,805,401</u>	<u>\$ 50,390,680</u>	<u>\$ 45,462,157</u>

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

As of March 31, 2016, December 31, 2015 and March 31, 2015, the Group did not have the age of the trade receivables that were past due but not impaired.

As of March 31, 2016, December 31, 2015 and March 31, 2015, trade receivables from sales on installments by the Group were as follows:

	March 31, 2016	December 31, 2015	March 31, 2015
Trade receivables	\$ 996,150	\$ 1,168,467	\$ 1,115,963
Unrealized interests revenue	<u>(63,867)</u>	<u>(70,962)</u>	<u>(80,866)</u>
	<u>\$ 932,283</u>	<u>\$ 1,097,505</u>	<u>\$ 1,035,097</u>

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

	For the Three Months Ended March 31	
	2016	2015
Balance at January 1	\$ 239,849	\$ 298,871
Allowance for impairment loss (reversal of impairment loss)	44,712	(54,029)
Foreign exchange translation	(1,941)	(6,938)
Reclassification	<u>-</u>	<u>(1,357)</u>
Balance at March 31	<u>\$ 282,620</u>	<u>\$ 236,547</u>

12. INVENTORIES, NET

	March 31, 2016	December 31, 2015	March 31, 2015
Finished goods	\$ 16,577,178	\$ 18,725,787	\$ 16,458,046
Raw materials	6,678,995	7,069,710	7,637,687
Work in progress	3,849,779	2,546,266	3,800,553
Inventory in transit	227,041	218,599	378,535
Merchandise	<u>236,792</u>	<u>266,074</u>	<u>279,203</u>
	<u>\$ 27,569,785</u>	<u>\$ 28,826,436</u>	<u>\$ 28,554,024</u>

The costs of inventories recognized as cost of goods sold for the three months ended March 31, 2016 and 2015 were \$43,250,498 thousand and \$45,078,755 thousand, respectively.

The cost of inventories recognized as cost of goods sold for the three months ended March 31, 2016 and 2015 included reversal of inventory write-downs amounting to \$50,460 thousand and \$151,865 thousand, respectively. The reversals were due to increases in inventory net realizable values after the Group had written off the inventory.

13. SUBSIDIARIES

a. Subsidiaries included in consolidated financial statements

Investor	Investee	Main Business	% of Ownership			Remark
			March 31, 2016	December 31, 2015	March 31, 2015	
The Parent Company	Silitech Technology Corp.	Manufacture and sale of modules and plastic products	33.87	33.87	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)

(Continued)

Investor	Investee	Main Business	% of Ownership			Remark
			March 31, 2016	December 31, 2015	March 31, 2015	
	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	2)
	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 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	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	99.00	99.00	1)
Lite-On Capital Corp.	Silitech Technology Corp.	Manufacture and sale of modules and plastic products	0.64	0.64	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	69.94	1)
Five Dimension Co., Ltd.	FiiDi Optical Co., Ltd.	Wholesale of precision modules	-	-	40.00	4)
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)
Lar View Technologies Corporation (Samoa)	LarView Technologies Corp. (Shenzhen)	Camera lens modules	-	-	100.00	5)
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	6)
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 PV1 S.R.L.	Solar energy engineering	-	100.00	100.00	7)
	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 (Tianjinn) 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	8)
	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) Infortech 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	-

(Continued)

Investor	Investee	Main Business	% of Ownership			Remark
			March 31, 2016	December 31, 2015	March 31, 2015	
	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	-
	Zhuhai Lite-On Mobile Technology Co., Ltd.	Mobile phone mold, assembly line design, manufacture and sale activities.	100.00	100.00	100.00	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	100.00	1)
	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)
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)
	Lite-On Sales & Distribution Inc.	Sale of optical disc drives	100.00	100.00	100.00	1)
	Lite-On Technology Service, Inc.	After-sales service of optical products	100.00	100.00	-	10)
Lite-On International Holding Co., Ltd.	Ze Poly Pte. Ltd.	Manufacture and sale of thin-film solar cell	-	-	48.13	11)
Lite-On Singapore Pte. Ltd.	Lite-On China Holding Co., Ltd.	Manufacture and sale of computer cases	100.00	100.00	100.00	-
	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	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	1.00	1.00	1.00	1)
Lite-On Technology (Shanghai) Ltd.	Lite-On Intelligent Technology (Yencheng) Corporation	Wholesale, import and export and installation of street lights, signal lights, scenery lights and new-type electronic components	100.00	100.00	-	12)
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)

(Continued)

Investor	Investee	Main Business	% of Ownership			Remark
			March 31, 2016	December 31, 2015	March 31, 2015	
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	1)
	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	1)
	Philips & Lite-On Digital Solutions Netherlands B.V.	Sale and design of optical disc drives	100.00	100.00	100.00	1)
	Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd.	Sale of optical disc drives	100.00	100.00	100.00	1)
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	9)
	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)
	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)
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 Indústria e Comércio de Plásticos Ltda.	Manufacture and sale of mobile phone modules and design for assembly line	3.08	3.14	3.44	1)
	Lite-On Mobile India Private Limited	Manufacture and sale of mobile phone modules and design for assembly line	11.59	-	-	13)
Lite-On Mobile Pte. Ltd.	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	1)
	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	96.92	96.86	96.56	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	88.41	100.00	100.00	13)
	Lite-On Young Fast Pte. Ltd.	Investment activities	100.00	100.00	100.00	1)
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	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)
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 financial statements are not reviewed by the Company's independent accountants.

- 2) Dissolved after liquidation in November 2015.
- 3) Dissolved after liquidation in May 2015.
- 4) 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 in April 2015.
- 5) Accomplished the liquidation in July 2015.
- 6) Accomplished the liquidation in September 2015.
- 7) Lite-On Green Energy B.V. disposed 100% of Romeo Tetti PV1 S.R.L.'s equity in January 2016.
- 8) Dissolved after liquidation in February 2016.
- 9) As of March 31, 2015 and December 31, 2015, this was an immaterial subsidiary; it became a material subsidiary on March 31, 2016. Its financial statements were not reviewed by independent auditors.
- 10) Established in August 2015.
- 11) Accomplished the liquidation in September 2015.
- 12) Established in December 2015.
- 13) In March 2016, a loan to Lite-On Mobile India Private Limited from Lite-On Mobile Oyj and Lite-On Mobile Pte. Ltd. was reclassified to additional capital investment in Lite-On Mobile India Private Limited because of the uncollectibility of the loan.

b. Subsidiaries excluded from consolidated financial statements: None.

14. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Investments in Associates

	March 31, 2016	December 31, 2015	March 31, 2015
Material associates			
Lite-On Semiconductor Corp.	\$ 1,736,577	\$ 1,748,154	\$ 1,723,396
Dragonjet Corporation	1,049,318	1,047,765	1,061,199
Logah Technology Corp.	<u>264,021</u>	<u>277,156</u>	<u>325,623</u>
	3,049,916	3,073,075	3,110,218
Associates that are not individually material	991,646	1,022,092	933,268
Credit balance on the carrying value of investments accounted for using equity method	<u>1,894</u>	<u>-</u>	<u>-</u>
	<u>\$ 4,043,456</u>	<u>\$ 4,095,167</u>	<u>\$ 4,043,486</u>

Material associates:

Name of Associate	Proportion of Ownership		
	March 31, 2016	December 31, 2015	March 31, 2015
Lite-On Semiconductor Corp.	20.61%	20.62%	20.18%
Dragonjet Corporation	29.62%	29.62%	29.62%
Logah Technology Corp.	31.77%	31.77%	31.77%

Refer to Table 7 “names, locations, and related information of investees over which the Company exercises significant influence” for the nature of activities, principal place of business and country of incorporation of the associates.

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 three months ended March 31, 2016 and 2015 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	March 31, 2016	December 31, 2015	March 31, 2015
Lite-On Semiconductor Corp.	\$ 1,388,439	\$ 1,366,148	\$ 1,620,908
Logah Technology Corp.	\$ 290,894	\$ 324,211	\$ 587,520

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

15. PROPERTY, PLANT AND EQUIPMENT, NET

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Carrying amounts of each class of</u>			
Freehold land	\$ 2,343,187	\$ 2,339,337	\$ 2,330,631
Buildings	11,094,143	11,678,185	12,024,684
Machinery equipment	13,876,422	14,961,795	14,595,804
Tooling equipment	206,340	227,999	646,633
Transportation equipment	13,830	15,936	20,581
Office equipment	373,365	425,556	447,671
Equipment held under finance lease	256,631	257,851	238,539
Other equipment	<u>3,517,957</u>	<u>3,482,780</u>	<u>4,250,968</u>
	<u>\$ 31,681,875</u>	<u>\$ 33,389,439</u>	<u>\$ 34,555,511</u>

For the Three Months Ended March 31, 2016

<u>Cost</u>	January 1, 2016	Additions	Disposals	Reclassification	Effect of Foreign Currency Exchange Differences	March 31, 2016
Freehold land	\$ 2,339,337	\$ -	\$ -	\$ -	\$ 3,850	\$ 2,343,187
Buildings	20,743,583	17,193	427,837	(9,426)	(181,164)	20,142,349
Machinery equipment	43,413,229	165,196	832,569	160,922	(476,765)	42,430,013
Tooling equipment	3,547,594	9,387	54,881	12,209	(29,381)	3,484,928
Transportation equipment	72,550	-	2,500	-	239	70,289
Office equipment	2,463,313	11,227	213,289	(11,533)	(13,394)	2,236,324
Equipment held under finance lease	1,470,559	27,975	1,659	-	(12,908)	1,483,967
Other equipment	7,724,699	415,605	35,388	(184,169)	(102,489)	7,818,258
	<u>81,774,864</u>	<u>\$ 646,583</u>	<u>\$ 1,568,123</u>	<u>\$ (31,997)</u>	<u>\$ (812,012)</u>	<u>80,009,315</u>
<u>Accumulated depreciation</u>						
Buildings	\$ 8,685,181	\$ 194,558	\$ 88,276	\$ -	\$ (83,124)	\$ 8,708,339
Machinery equipment	27,604,565	1,192,819	778,860	(22)	(282,170)	27,736,332
Tooling equipment	3,298,595	42,446	54,677	-	(28,776)	3,257,588
Transportation equipment	55,867	1,883	2,176	(2)	149	55,721
Office equipment	2,028,918	50,843	212,255	-	(12,475)	1,855,031
Equipment held under finance lease	1,170,552	25,468	1,190	-	(9,149)	1,185,681
Other equipment	4,083,357	136,104	33,896	22	(47,644)	4,137,943
	<u>46,927,035</u>	<u>\$ 1,644,121</u>	<u>\$ 1,171,330</u>	<u>\$ (2)</u>	<u>\$ (463,189)</u>	<u>46,936,635</u>
<u>Accumulated impairment</u>						
Freehold land	-	\$ -	\$ -	\$ -	\$ -	-
Buildings	380,217	-	36,319	-	(4,031)	339,867
Machinery equipment	846,869	781	19,470	-	(10,921)	817,259
Tooling equipment	21,000	-	-	-	-	21,000
Transportation equipment	747	-	-	-	(9)	738
Office equipment	8,839	-	826	-	(85)	7,928
Equipment held under finance lease	42,156	-	-	-	(501)	41,655
Other equipment	158,562	-	1,491	-	5,287	162,358
	<u>1,458,390</u>	<u>\$ 781</u>	<u>\$ 58,106</u>	<u>\$ -</u>	<u>\$ (10,260)</u>	<u>1,390,805</u>
	<u>\$ 33,389,439</u>					<u>\$ 31,681,875</u>

For the Three Months Ended March 31, 2015

<u>Cost</u>	January 1, 2015	Additions	Disposals	Reclassification	Effect of Foreign Currency Exchange Differences	March 31, 2015
Freehold land	\$ 2,335,867	\$ -	\$ -	\$ -	\$ (5,236)	\$ 2,330,631
Buildings	20,591,355	4,939	10,898	-	(334,115)	20,251,281
Machinery equipment	42,733,143	596,096	968,172	(1,625,489)	(1,650,439)	39,085,139
Tooling equipment	3,884,972	287,897	55,927	1,851,404	(385,457)	5,582,889
Transportation equipment	83,156	618	3,508	-	(826)	79,440
Office equipment	2,730,452	51,675	147,723	51,443	(61,115)	2,624,732
Equipment held under finance lease	1,411,445	-	137	-	(50,260)	1,361,048
Other equipment	9,077,902	357,418	76,665	(277,299)	(463,646)	8,617,710
	<u>82,848,292</u>	<u>\$ 1,298,643</u>	<u>\$ 1,263,030</u>	<u>\$ 59</u>	<u>\$ (2,951,094)</u>	<u>79,932,870</u>
<u>Accumulated depreciation</u>						
Buildings	7,821,429	\$ 206,331	\$ 9,021	\$ 4,057	\$ (102,402)	7,920,394
Machinery equipment	25,607,321	927,341	651,224	(1,400,729)	(1,068,578)	23,414,131
Tooling equipment	3,704,341	246,172	49,828	1,400,729	(403,243)	4,898,171
Transportation equipment	60,551	2,048	3,310	-	(1,177)	58,112
Office equipment	2,254,755	83,198	130,364	207	(39,891)	2,167,905
Equipment held under finance lease	1,101,485	25,193	123	36	(46,235)	1,080,356
Other equipment	4,534,639	154,129	70,006	(4,150)	(353,126)	4,261,486
	<u>45,084,521</u>	<u>\$ 1,644,412</u>	<u>\$ 913,876</u>	<u>\$ 150</u>	<u>\$ (2,014,652)</u>	<u>43,800,555</u>

(Continued)

For the Three Months Ended March 31, 2015

	January 1, 2015	Additions	Disposals	Reclassification	Effect of Foreign Currency Exchange Differences	March 31, 2015
<u>Accumulated impairment</u>						
Freehold land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Buildings	345,834	(48)	-	-	(39,583)	306,203
Machinery equipment	1,113,732	25,885	11,904	-	(52,509)	1,075,204
Tooling equipment	40,520	-	-	-	(2,435)	38,085
Transportation equipment	924	-	170	-	(7)	747
Office equipment	9,882	-	648	\$ -	(78)	9,156
Equipment held under finance lease	42,492	-	-	-	(339)	42,153
Other equipment	103,171	1,614	-	-	471	105,256
	<u>1,656,555</u>	<u>\$ 27,451</u>	<u>\$ 12,722</u>	<u>\$ -</u>	<u>\$ (94,480)</u>	<u>1,576,804</u>
	<u>\$ 36,107,216</u>					<u>\$ 34,555,511</u> (Concluded)

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. 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 ended March 31, 2016 and 2015, the impairment loss recognized were \$781 thousand and \$27,451 thousand, respectively. 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

16. INVESTMENT PROPERTIES, NET

	March 31, 2016	December 31, 2015	March 31, 2015
Completed investment properties	<u>\$ 485,908</u>	<u>\$ 499,950</u>	<u>\$ 524,538</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 three months ended March 31, 2016 and 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 three months ended March 31, 2016 and 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.

17. OTHER INTANGIBLE ASSETS, NET

	March 31, 2016	December 31, 2015	March 31, 2015
Goodwill	\$ 14,979,118	\$ 14,994,136	\$ 14,878,254
Patents	6,052	6,920	9,997
Patents use rights	505,477	561,640	730,133
Software	252,434	253,143	266,500
Other intangible assets	<u>110,329</u>	<u>122,393</u>	<u>285,131</u>
	<u>\$ 15,853,410</u>	<u>\$ 15,938,232</u>	<u>\$ 16,170,015</u>

For the Three Months Ended March 31, 2016

	January 1, 2016	Additions	Disposals	Reclassification	Effect of Foreign Currency Exchange Differences	March 31, 2016
<u>Cost</u>						
Goodwill	\$ 15,524,903	\$ -	\$ 19,935	\$ -	\$ 4,917	\$ 15,509,885
Patents	37,773	-	-	-	(3)	37,770
Patents use rights	2,695,878	-	-	-	-	2,695,878
Client relationships	163,819	-	-	-	-	163,819
Software	669,053	13,913	4,524	32,006	531	710,979
Other intangible assets	<u>1,991,449</u>	<u>3,487</u>	<u>30,386</u>	<u>-</u>	<u>(3,758)</u>	<u>1,960,792</u>
	<u>21,082,875</u>	<u>\$ 17,400</u>	<u>\$ 54,845</u>	<u>\$ 32,006</u>	<u>\$ 1,687</u>	<u>21,079,123</u>
<u>Accumulated amortization</u>						
Goodwill	77,234	\$ -	\$ -	\$ -	\$ -	77,234
Patents	30,853	865	-	-	-	31,718
Patents use rights	2,134,238	56,164	-	-	(1)	2,190,401
Client relationships	163,819	-	-	-	-	163,819
Software	415,910	46,040	4,244	-	839	458,545
Other intangible assets	<u>1,869,056</u>	<u>13,948</u>	<u>30,066</u>	<u>-</u>	<u>(2,475)</u>	<u>1,850,463</u>
	<u>4,691,110</u>	<u>\$ 117,017</u>	<u>\$ 34,310</u>	<u>\$ -</u>	<u>\$ (1,637)</u>	<u>4,772,180</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>453,533</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>453,533</u>
	<u>\$ 15,938,232</u>					<u>\$ 15,853,410</u>

For the Three Months Ended March 31, 2015

	January 1, 2015	Additions	Disposals	Reclassification	Effect of Foreign Currency Exchange Differences	March 31, 2015
<u>Cost</u>						
Goodwill	\$ 15,483,954	\$ -	\$ -	\$ -	\$ (74,933)	\$ 15,409,021
Patents	39,481	-	-	-	(215)	39,266
Patents use rights	2,695,878	-	-	-	-	2,695,878
Client relationships	163,819	-	-	-	-	163,819
Software	563,576	31,323	22,597	(59)	(2,229)	570,014
Other intangible assets	<u>3,859,575</u>	<u>10,109</u>	<u>39,245</u>	<u>-</u>	<u>38,126</u>	<u>3,868,565</u>
	<u>22,806,283</u>	<u>\$ 41,432</u>	<u>\$ 61,842</u>	<u>\$ (59)</u>	<u>\$ (39,251)</u>	<u>22,746,563</u>

(Continued)

For the Three Months Ended March 31, 2015

	January 1, 2015	Additions	Disposals	Reclassification	Effect of Foreign Currency Exchange Differences	March 31, 2015
<u>Accumulated amortization</u>						
Goodwill	\$ 77,234	\$ -	\$ -	\$ -	\$ -	\$ 77,234
Patents	27,293	2,139	-	-	(163)	29,269
Patents use rights	1,909,581	56,164	-	-	-	1,965,745
Client relationships	163,819	-	-	-	-	163,819
Software	277,272	39,589	11,902	73	(1,518)	303,514
Other intangible assets	<u>3,598,588</u>	<u>47,860</u>	<u>38,465</u>	<u>93</u>	<u>(24,642)</u>	<u>3,583,434</u>
	<u>6,053,787</u>	<u>\$ 145,752</u>	<u>\$ 50,367</u>	<u>\$ 166</u>	<u>\$ (26,323)</u>	<u>6,123,015</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>453,533</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>453,533</u>
	<u>\$ 16,298,963</u>					<u>\$ 16,170,015</u>

(Concluded)

- 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:

	March 31, 2016	December 31, 2015	March 31, 2015
Lite-On Mobile Pte. Ltd.	\$ 8,571,700	\$ 8,562,258	\$ 8,567,971
The Parent Company	5,953,418	5,953,418	5,926,156
Power Innovations International Inc.	359,381	366,539	274,937
Five Dimension Co., Ltd.	55,736	53,103	50,372
Others	<u>38,883</u>	<u>58,818</u>	<u>58,818</u>
	<u>\$ 14,979,118</u>	<u>\$ 14,994,136</u>	<u>\$ 14,878,254</u>

- 1) 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	\$ 30,093
Fair value of acquired identifiable net assets:	
Inventories	\$ 2,420
Property, plant and equipment	340
Software	<u>71</u>
Goodwill	<u>\$ 27,262</u>

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 due to merger from Li Shin International Enterprise Corp., Lite-On Automotive Corp., Leotek Electronics Corp., were \$1,708,258 thousand, \$165,424 thousand, and \$220,170 thousand, respectively. The investment premium from acquisition of LarView Technologies Corp. was \$368,462 thousand. The goodwill from Lite-On IT Corporation, and Lite-On Automotive Corp. acquiring other companies was \$2,806,508 thousand and \$112,416 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 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.

The goodwill arising from the Parent Company's acquisition of Lite-On Enclosure Inc. in 2004 was \$210,220 thousand 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 March 31, 2016, December 31, 2015 and March 31, 2015, the carrying value of goodwill were all \$132,986 thousand.

- 2) 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 March 31, 2016, December 31, 2015 and March 31, 2015, 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.

18. OTHER ASSETS

	March 31, 2016	December 31, 2015	March 31, 2015
Prepayments	\$ 2,483,116	\$ 2,408,898	\$ 2,532,730
Offset against business tax payable	1,273,283	1,220,409	1,615,303
Prepayments for lease	742,089	689,368	836,090
Prepayment for equipment	53,020	63,956	89,975
Others	<u>188,014</u>	<u>109,475</u>	<u>353,253</u>
	<u>\$ 4,739,522</u>	<u>\$ 4,492,106</u>	<u>\$ 5,427,351</u>

(Continued)

	March 31, 2016	December 31, 2015	March 31, 2015
Current	\$ 4,016,372	\$ 3,744,824	\$ 4,541,390
Non-current	<u>723,150</u>	<u>747,282</u>	<u>885,961</u>
	<u>\$ 4,739,522</u>	<u>\$ 4,492,106</u>	<u>\$ 5,427,351</u>

(Concluded)

Prepayments for lease with carrying amounts of \$637,736 thousand, \$653,274 thousand and \$653,544 thousand as of March 31, 2016, December 31, 2015 and March 31, 2015, respectively, referred to land use rights located in Mainland China.

19. BORROWINGS

a. Short-term borrowings

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Unsecured borrowings</u>			
Line of credit borrowings	<u>\$ 14,610,442</u>	<u>\$ 17,670,878</u>	<u>\$ 17,002,350</u>

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

	March 31, 2016	December 31, 2015	March 31, 2015
Short-term borrowings	0.8%-3.1%	0.7%-4%	0.76%-4.5%

b. Long-term borrowings

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Unsecured borrowings</u>			
The Parent Company	\$ 12,500,000	\$ 12,500,000	\$ 12,712,500
Lite-On Mobile Pte. Ltd.	6,427,000	6,555,000	6,178,765
Silitech Technology Corp.	1,440,000	1,440,000	1,440,000
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	514,160	524,396	988,603
Lite-On Japan Ltd.	87,050	102,082	158,579
Five Dimension Co., Ltd.	<u>27,439</u>	<u>26,890</u>	<u>27,814</u>
	20,995,649	21,148,368	21,506,261
Current portion	<u>(7,154,147)</u>	<u>(4,795,064)</u>	<u>(5,659,732)</u>
	<u>13,841,502</u>	<u>16,353,304</u>	<u>15,846,529</u>
<u>Secured borrowings</u>			
Power Innovations International Inc.	3,180	3,503	4,065
Current portion	<u>(1,045)</u>	<u>(1,054)</u>	<u>(972)</u>
	<u>2,135</u>	<u>2,449</u>	<u>3,093</u>
	<u>\$ 13,843,637</u>	<u>\$ 16,355,753</u>	<u>\$ 15,849,622</u>

- 1) As of March 31, 2016, December 31, 2015 and March 31, 2015, the Parent Company had 2, 2 and 4 long-term bank loans respectively with contract terms between October 19, 2011 and September 23, 2018. The floating interest rates are (1.56067% to 1.5789%, 1.5789% to 1.59067%, and 1.510% to 1.703% and as of March 31, 2016, December 31, 2015 and March 31, 2015, 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. The Parent Company had repaid the syndicated loan in September 2015.

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 Parent Company to repay the former syndicated loan with Citibank signed on September 23, 2008, consisting of (a) \$12 billion and (b) \$3 billion of the credit line of the above syndicated loan. It should be used as a medium-term loan but may not be used on a revolving basis. The principal of this syndication loan should be repaid three years after September 23, 2013 in five semiannual installments with the first payment paid on September 23, 2016, 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 the agreed financial ratios based on the most recent semiannual or annual financial statements. As of March 31, 2016, December 31, 2015 and March 31, 2015, the Company 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 March 31, 2016, December 31, 2015 and March 31, 2015. The floating interest rates were 1.2181% to 1.7181%, 0.92075% to 1.4239% and 0.8526% to 1.3526%, respectively. The first repayment of each loan should be made three years after the loan starting date. The remaining principal is repayable after the first repayment 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 March 31, 2016, December 31, 2015 and March 31, 2015, Lite-On Mobile Pte. Ltd. had used US\$40 million, US\$40 million and US\$120 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 March 31, 2016, December 31, 2015 and March 31, 2015, Lite-On Mobile Pte. Ltd. had used US\$160 million, US\$160 million and US\$80 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 March 31, 2016, December 31, 2015 and March 31, 2015, Silitech had used \$1.44 billion of the syndicated loan, with an interest rate of 1.5856%, 1.5958% to 1.5962% and 1.6663% to 1.6669%, 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 signed a syndicated loan with Citibank on December 28, 2011. As of March 31, 2016, December 31, 2015 and March 31, 2015, the floating interest rates were 1.2031%, 1.2031% and 0.8668% to 0.8731%. 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 March 31, 2016, December 31, 2015 and March 31, 2015, Guangzhou Lite-On Mobile Electronic Components Co., Ltd. had used US\$16 million, US\$16 million and US\$32 million of the credit line of the syndicated loan.

- 5) As of March 31, 2016, Lite-On Japan Ltd., a subsidiary of the Parent Company, had 6 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, 2015, Lite-On Japan Ltd., a subsidiary of the Parent Company, had 6 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 March 31, 2015, Lite-On Japan Ltd., a subsidiary of the Parent Company, had 10 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 March 31, 2016 and December 31, 2015, 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 March 31, 2016, December 31, 2015 and March 31, 2015, Power Innovations International Inc., a subsidiary of the Parent Company, had a long-term borrowing secured by machinery, with contract terms from March 28, 2013 to February 28, 2019 and interest rate of 4.4%.

20. FINANCE LEASE PAYABLES

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Minimum lease payments</u>			
Not later than one year	\$ 72,958	\$ 98,508	\$ 92,267
Later than one year and not later than five years	<u>5,211</u>	<u>5,790</u>	<u>78,364</u>
	78,169	104,298	170,631
Future finance charges	<u>(2,007)</u>	<u>(3,399)</u>	<u>(8,800)</u>
	<u>\$ 76,162</u>	<u>\$ 100,899</u>	<u>\$ 161,831</u>
<u>Present value of minimum lease payments</u>			
Not later than one year	\$ 71,277	\$ 95,501	\$ 85,457
Later than one year and not later than five years	<u>4,885</u>	<u>5,398</u>	<u>76,374</u>
	<u>\$ 76,162</u>	<u>\$ 100,899</u>	<u>\$ 161,831</u>

(Continued)

	March 31, 2016	December 31, 2015	March 31, 2015
Current	\$ 71,277	\$ 95,501	\$ 85,457
Non-current	<u>4,885</u>	<u>5,398</u>	<u>76,374</u>
	<u>\$ 76,162</u>	<u>\$ 100,899</u>	<u>\$ 161,831</u>
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	\$ 69,678	\$ 93,390	\$ 153,385
Power Innovations International Inc.	6,484	7,010	7,792
Lite-On Mobile Sweden AB	-	499	613
Lite-On Mobile Oyj (formerly Perlos Oyj)	<u>-</u>	<u>-</u>	<u>41</u>
	76,162	100,899	161,831
Current portion of long-term capital lease liabilities	<u>(71,277)</u>	<u>(95,501)</u>	<u>(85,457)</u>
	<u>\$ 4,885</u>	<u>\$ 5,398</u>	<u>\$ 76,374</u>

(Concluded)

- 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, 2010 to September 30, 2015. The terms of these leases were four years, with 5.00% interest rate.

21. PROVISIONS

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Current</u>			
Warranties	<u>\$ 1,047,757</u>	<u>\$ 1,068,810</u>	<u>\$ 1,113,657</u>

Movements in the provisions were as follows:

	For the Three Months Ended March 31	
	2016	2015
Balance at January 1	\$ 1,068,810	\$ 1,080,628
Recognition of provisions	32,652	141,400
Usage	(51,434)	(105,251)
Effect of foreign currency exchange differences	<u>(2,271)</u>	<u>(3,120)</u>
Balance at March 31	<u>\$ 1,047,757</u>	<u>\$ 1,113,657</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.

22. RETIREMENT BENEFIT PLANS

The Group's retirement benefit plans include defined contribution and defined benefit plans. For the three months ended March 31, 2016 and 2015, employee benefit expenses in respect of the Group's defined benefit retirement plans were 10,425 thousand and 10,144 thousand, respectively, and were calculated using the actuarially determined pension cost discount rate as of December 31, 2015 and 2014.

23. EQUITY

a. Share capital

1) Common shares

	March 31, 2016	December 31, 2015	March 31, 2015
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>2,334,928</u>	<u>2,334,928</u>	<u>2,341,674</u>
Amount of shares issued	<u>\$ 23,349,283</u>	<u>\$ 23,349,283</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 March 31, 2016, December 31, 2015 and March 31, 2015, the outstanding GDRs were 5,217 thousand units, 5,217 thousand units and 5,213 thousand units, representing 52,168 thousand common share, 52,168 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 March 31, 2016, December 31, 2015 and March 31, 2015, the unredeemed GDRs amounted to 818 thousand units, 816 thousand units and 811 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 arising from share of changes in equities of subsidiaries, changes in equities of associates and joint ventures accounted for by the equity method and treasury share transactions from dividends according to the Parent Company's shares holding by subsidiaries may only be used to offset a deficit.

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 June 24, 2016 annual shareholders' meeting. For information about the accrual basis of the employee remuneration and remuneration to directors and supervisors, please refer to Note 27,b, on employee benefit expense.

Under Rule No. 1010012865, Rule No. 1010047490 and Rule No. 1030006415 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 2015 and 2014 had been approved in the board of directors' and the shareholders' meetings on March 25, 2016 and June 24, 2015, respectively. The appropriations and dividends per share were as follows:

	Appropriation of Earnings		Dividends Per Share (NT\$)	
	2015	2014	2015	2014
Legal reserve	\$ 722,290	\$ 646,166		
Special reserve	166,389	182,544		
Share dividends	116,746	117,084	\$ 0.05	\$ 0.05
Cash dividends	5,113,493	4,613,097	2.19	1.97

d. Other equity items

Movements in other equity items were as follows:

	For the Three Months Ended March 31, 2016		
	Foreign Currency Translation Reserve	Unrealized Gain (Loss) from Available-for- sale Financial Assets	Total
Balance at January 1	\$ 3,347,902	\$ (152,714)	\$ 3,195,188
Exchange differences arising on translating the financial statements of foreign operations	(1,020,853)	-	(1,020,853)
Gain arising on changes in the fair value of available-for-sale financial assets	-	5,784	5,784
Reclassification to income from disposal of available-for-sale financial assets	-	(2,528)	(2,528)
Share of other comprehensive income of associates	(66,657)	13,513	(53,144)
Income tax effect	<u>178,010</u>	<u>-</u>	<u>178,010</u>
Balance at March 31	<u>\$ 2,438,402</u>	<u>\$ (135,945)</u>	<u>\$ 2,302,457</u>

	For the Three Months Ended March 31, 2015			
	Foreign Currency Translation Reserve	Unrealized Gain 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 foreign operations	(1,019,680)	-	-	(1,019,680)
Loss arising on changes in the fair value of available-for-sale financial assets	-	(59,284)	-	(59,284)

(Continued)

For the Three Months Ended March 31, 2015

	Foreign Currency Translation Reserve	Unrealized Gain from Available-for- sale Financial Assets	Cash Flow Hedges Reserve	Total
Reclassification to income from disposal of available-for-sale financial assets	\$ -	\$ (15,150)	\$ -	\$ (15,150)
Gain arising on changes in the fair value of hedging instruments	-	-	5,861	5,861
Share of other comprehensive income of subsidiaries and associates	(43,915)	8,013	-	(35,902)
Income tax effect	<u>129,742</u>	<u>-</u>	<u>-</u>	<u>129,742</u>
Balance at March 31	<u>\$ 3,191,244</u>	<u>\$ 72,651</u>	<u>\$ (6,128)</u>	<u>\$ 3,257,767</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 Three Months Ended March 31	
	2016	2015
Balance at January 1	\$ 3,695,082	\$ 4,198,430
Attributable to non-controlling interests:		
Share of profit (loss) for the year	(46,562)	47,034
Exchange difference arising on translation of foreign entities	(8,542)	(130,886)
Unrealized gains and losses on available-for-sale financial assets	(157)	4
Related tax benefit	356	22,251
Decrease in non-controlling interests	<u>(4,548)</u>	<u>(4,141)</u>
Balance at March 31	<u>\$ 3,635,629</u>	<u>\$ 4,132,692</u>

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 March 31
<u>For the three months ended March 31, 2016</u>				
Shares held by subsidiaries	<u>26,708</u>	<u>-</u>	<u>-</u>	<u>26,708</u>
<u>For the three months ended March 31, 2015</u>				
Shares held by subsidiaries	<u>26,575</u>	<u>-</u>	<u>-</u>	<u>26,575</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>March 31, 2016</u>			
Lite-On Capital Inc.	15,041	\$ 718,857	\$ 591,104
LTC International Ltd.	6,969	297,469	273,708
Yet Foundate Ltd.	2,260	126,881	88,673
Lite-On Electronics Co., Ltd.	2,438	<u>105,515</u>	<u>95,675</u>
		<u>\$ 1,248,722</u>	<u>\$ 1,049,160</u>
<u>December 31, 2015</u>			
Lite-On Capital Inc.	15,041	\$ 718,857	\$ 479,049
LTC International Ltd.	6,969	297,469	221,759
Yet Foundate Ltd.	2,260	126,881	71,820
Lite-On Electronics Co., Ltd.	2,438	<u>105,515</u>	<u>77,491</u>
		<u>\$ 1,248,722</u>	<u>\$ 850,119</u>
<u>March 31, 2015</u>			
Lite-On Capital Inc.	14,966	\$ 718,857	\$ 606,870
LTC International Ltd.	6,935	297,469	286,411
Yet Foundate Ltd.	2,248	126,881	94,860
Lite-On Electronics Co., Ltd.	2,426	<u>105,515</u>	<u>102,350</u>
		<u>\$ 1,248,722</u>	<u>\$ 1,090,491</u>

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.

24. REVENUE

	For the Three Months Ended March 31	
	2016	2015
Revenue from the sale of goods	\$ 49,806,884	\$ 51,486,791
Rental income from property	28,241	31,631
Solar power	<u>6,930</u>	<u>21,980</u>
	<u>\$ 49,842,055</u>	<u>\$ 51,540,402</u>

For segment revenue information, refer to Note 36.

25. INCOME TAX

a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	For the Three Months Ended March 31	
	2016	2015
Current income tax expense	\$ 565,008	\$ 405,446
Deferred tax	<u>2,442</u>	<u>9,080</u>
Income tax expense recognized in profit or loss	<u>\$ 567,450</u>	<u>\$ 414,526</u>

b. Income tax recognized in other comprehensive income

	For the Three Months Ended March 31	
	2016	2015
<u>Deferred tax</u>		
Income tax recognized in other comprehensive income		
Translation of foreign operations	<u>\$ 178,366</u>	<u>\$ 151,993</u>

c. Integrated income tax

	March 31, 2016	December 31, 2015	March 31, 2015
Unappropriated earnings			
Unappropriated earnings generated before January 1, 1997	\$ 2,215	\$ 2,215	\$ 2,215
Unappropriated earnings generated on and after January 1, 1998	<u>14,716,801</u>	<u>13,008,858</u>	<u>13,076,074</u>
	<u>\$ 14,719,016</u>	<u>\$ 13,011,073</u>	<u>\$ 13,078,289</u>
Imputation credits accounts	<u>\$ 1,484,782</u>	<u>\$ 1,485,076</u>	<u>\$ 1,604,093</u>

The estimated and actual creditable ratio for distribution of earnings of 2015 and 2014 were 11.41% and 11.18%, respectively.

Under the Income Tax Law, for distribution of earnings generated after January 1, 1998, the imputation credits allocated to ROC resident shareholders of the Parent Company was calculated based on the creditable ratio as of the date of dividend distribution. The actual imputation credits allocated to shareholders of the Parent Company was based on the balance of the Imputation Credit Accounts (ICA) as of the date of dividend distribution. Therefore, the expected creditable ratio for the 2015 earnings may differ from the actual creditable ratio to be used in allocating imputation credits to the shareholders.

d. Income tax assessments

Except those for 2012 and 2014, tax returns of the Parent Company prior to 2011 have been assessed by the tax authorities. The Parent Company disagreed with the tax authorities' assessment of 2013 tax return and applied for a reexamination. Nevertheless, to be conservative, the Parent Company provided for the possible income tax.

26. EARNINGS PER SHARE

Unit: NT\$ Per Share

	For the Three Months Ended March 31	
	2016	2015
Basic earnings per share	<u>\$ 0.74</u>	<u>\$ 0.71</u>
Diluted earnings per share	<u>\$ 0.74</u>	<u>\$ 0.71</u>

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

Net Profit for the Period

	For the Three Months Ended March 31	
	2016	2015
Earnings used in the computation of basic earnings per share	\$ 1,707,943	\$ 1,645,748
Effect of potentially dilutive ordinary shares:		
Bonus issue to employees or employee remuneration	<u> -</u>	<u> -</u>
Earnings used in the computation of diluted earnings per share from continuing operations	<u>\$ 1,707,943</u>	<u>\$ 1,645,748</u>

Weighted Average Number of Ordinary Shares Outstanding

	Unit: In Thousands of Shares	
	For the Three Months Ended March 31	
	2016	2015
Weighted average number of ordinary shares outstanding in computation of basic earnings per share	2,308,575	2,326,772
Effect of potentially dilutive ordinary shares:		
Bonus issue to employees or employee remuneration	<u>10,058</u>	<u>7,460</u>
Weighted average number of ordinary shares outstanding in computation of dilutive earnings per share	<u>2,318,633</u>	<u>2,334,232</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.

27. ADDITIONAL INFORMATION ON EXPENSES

	For the Three Months Ended March 31	
	2016	2015
a. Depreciation and amortization		
Property, plant and equipment	\$ 1,644,121	\$ 1,644,412
Investment property	8,235	8,225
Intangible assets	<u>117,017</u>	<u>145,752</u>
	<u>\$ 1,769,373</u>	<u>\$ 1,798,389</u>
An analysis of deprecation by function		
Recognized in cost of revenue	\$ 1,437,118	\$ 1,405,672
Recognized in operating expenses	<u>215,238</u>	<u>246,965</u>
	<u>\$ 1,652,356</u>	<u>\$ 1,652,637</u>
An analysis of amortization by function		
Recognized in cost of revenue	\$ 12,494	\$ 17,667
Recognized in operating expenses	<u>104,523</u>	<u>128,085</u>
	<u>\$ 117,017</u>	<u>\$ 145,752</u>

	For the Three Months Ended March 31	
	2016	2015
b. Employee benefit expenses		
Post-employment benefits		
Defined contribution plans	\$ 197,490	\$ 169,088
Defined benefit plans (Note 22)	<u>10,425</u>	<u>10,144</u>
	207,915	179,232
Termination benefits	16,962	3,349
Other employee benefits	<u>5,835,239</u>	<u>5,818,169</u>
	<u>\$ 6,060,116</u>	<u>\$ 6,000,750</u>
Employee benefit expenses summarized by function		
Recognized in cost of revenue	\$ 3,708,820	\$ 3,672,664
Recognized in operating expenses	<u>2,351,296</u>	<u>2,328,086</u>
	<u>\$ 6,060,116</u>	<u>\$ 6,000,750</u>

The existing Company Act stipulate to distribute bonus to employees and remuneration to directors at a certain percentage of net profit after income tax. For the three months ended March 31, 2015, the bonus to employees and remuneration to directors were \$270,964 thousand and \$13,995 thousand, respectively.

To be in compliance with the Company Act as amended in May 2015, the proposed amended Articles of Incorporation of the Company by board of directors on March 25, 2016 stipulate to distribute employees' compensation and remuneration to directors at the rate no less than 1% and no higher than 1.5%, respectively, of net profit before income tax, employees' compensation and remuneration to directors. For the three months ended March 31, 2016, the employees' compensation and remuneration to directors were \$241,674 thousand and \$14,518 thousand, respectively.

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 employees' compensation and remuneration to directors for 2015 having been resolved by the board of directors on March 25, 2016, and the appropriations of bonus to employees and remuneration to directors for 2014 having been approved in the shareholders' meetings on June 24, 2015, respectively, were stated as below. The employees' compensation and remuneration to directors for 2015 are subject to the resolution of the amendments to the Company's Articles of Incorporation for adoption by the shareholders in their meeting to be held on June 24, 2016, and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

	For the Year Ended December 31			
	2015		2014	
	Cash Dividends	Share Dividends	Cash Dividends	Share Dividends
Bonus to employees	\$ 858,514	\$ 163,526	\$ 768,033	\$ 146,292
Remuneration of directors	61,395	-	54,924	-

The 4,264 thousand shares of bonus to employees in 2015 was determined by dividing the amount of share bonus resolved in 2016 by the closing price of \$38.35 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 board of directors' meeting on March 25, 2016 and the shareholders' meeting on June 24, 2015 and the amounts recognized in the Company's separate consolidated financial statements for the years ended December 31, 2015 and 2014, respectively.

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

28. DISPOSAL OF SUBSIDIARY

On January 27, 2016, subsidiary Lite-On Green Energy B.V. disposed of its 100% ownership in Romeo Tetti PV1 S.R.L. Lite-On Green Energy B.V. lost its control over Romeo Tetti PV1 S.R.L.; thus, the relevant assets and liabilities had been derecognized.

- a. Consideration received from the disposal

**January 27,
2016**

Sales proceeds receivable	<u>\$ 297,778</u>
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- b. Analysis of asset and liabilities on the date control was lost

**January 27,
2016**

Current assets	
Cash and cash equivalents	\$ 3,957
Receivables	11,733
Prepayments	10,336
Others	5,542
Non-current assets	
Property, plant and equipment	320,256
Current liabilities	
Payables	(38,557)
Others	<u>(15,715)</u>
Net assets disposed of	<u>\$ 297,552</u>

- c. Gain on disposal of subsidiary

**For the Three
Months Ended
March 31, 2016**

Consideration received	\$ 297,778
Less: Net assets disposed of	<u>297,552</u>
Gain on disposal (recorded as nonoperating income and expense: Other income)	<u>\$ 226</u>

d. Net cash inflow on disposal of subsidiary

**For the Three
Months Ended
March 31, 2016**

Consideration received in cash and cash equivalents	\$ 297,778
Less: Cash and cash equivalent balances disposed of	<u>3,957</u>
	<u>\$ 293,821</u>

29. 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.

30. FINANCIAL INSTRUMENTS

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

For certain financial instruments-including notes receivable, trade receivables, trade receivables - related parties, other receivables, other receivables - related parties, debt investments with no active market, short-term borrowings, notes payable, trade payables, trade payables - related parties, other payables, 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

March 31, 2016

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	<u>\$ -</u>	<u>\$ 218,280</u>	<u>\$ -</u>	<u>\$ 218,280</u>
Financial liabilities at FVTPL				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 63,752</u>	<u>\$ -</u>	<u>\$ 63,752</u>
Available-for-sale financial assets				
Securities listed in ROC - equity securities	\$ 321,714	\$ -	\$ -	\$ 321,714
Securities listed in other countries - equity securities	2,825	-	-	2,825
Unlisted securities - ROC - equity securities	-	-	83,923	83,923
Unlisted securities - other countries - equity securities	-	-	26,528	26,528
Mutual funds	-	53,744	-	53,744
Emerging market stocks	<u>-</u>	<u>178,716</u>	<u>-</u>	<u>178,716</u>
	<u>\$ 324,539</u>	<u>\$ 232,460</u>	<u>\$ 110,451</u>	<u>\$ 667,450</u>

December 31, 2015

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	<u>\$ -</u>	<u>\$ 53,211</u>	<u>\$ -</u>	<u>\$ 53,211</u>
Financial liabilities at FVTPL				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 55,945</u>	<u>\$ -</u>	<u>\$ 55,945</u>
Available-for-sale financial assets				
Securities listed in ROC - equity securities	\$ 316,426	\$ -	\$ -	\$ 316,426
Securities listed in other countries - equity securities	11,546	-	-	11,546
Unlisted securities - ROC - equity securities	-	-	83,923	83,923
Unlisted securities - other countries - equity securities	-	-	26,539	26,539
Mutual funds	-	53,178	-	53,178
Emerging market stocks	<u>-</u>	<u>178,716</u>	<u>-</u>	<u>178,716</u>
	<u>\$ 327,972</u>	<u>\$ 231,894</u>	<u>\$ 110,462</u>	<u>\$ 670,328</u>

March 31, 2015

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Derivative financial assets	<u>\$ -</u>	<u>\$ 46,205</u>	<u>\$ -</u>	<u>\$ 46,205</u>
Financial liabilities at FVTPL				
Derivative financial liabilities	<u>\$ -</u>	<u>\$ 4,348</u>	<u>\$ -</u>	<u>\$ 4,348</u>
Available-for-sale financial assets				
Securities listed in ROC - equity securities	\$ 533,957	\$ -	\$ -	\$ 533,957
Securities listed in other countries - equity securities	11,360	-	-	11,360
Unlisted securities - ROC - equity securities	-	-	144,617	144,617
Unlisted securities - other countries - equity securities	-	-	219,770	219,770
Mutual funds	-	71,574	-	71,574
Emerging market stocks	<u>-</u>	<u>178,716</u>	<u>-</u>	<u>178,716</u>
	<u>\$ 545,317</u>	<u>\$ 250,290</u>	<u>\$ 364,387</u>	<u>\$ 1,159,994</u>

There were no transfers between Levels 1 and 2 as of the three months ended March 31, 2016 and 2015.

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

	Investments on Equity Instruments <u>Unlisted Quotes</u>
<u>March 31, 2016</u>	
Balance at January 1, 2016	\$ 110,462
Total gains or losses	
In other comprehensive income (loss)	<u>(11)</u>
Balance at March 31, 2016	<u>\$ 110,451</u>
<u>March 31, 2015</u>	
Balance at January 1, 2015	\$ 366,428
Total gains or losses	
In other comprehensive income (loss)	<u>(2,041)</u>
Balance at March 31, 2015	<u>\$ 364,387</u>

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	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.
Financial assets at FVTPL - Cross-currency swap contracts	Estimation of fair value of a currency swap contract is based on its principal and interest rate on mutual agreement and the suitable discount rate that reflects the credit risk of various counterparties at the end of the reporting period.
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 information can be obtained by the Group.

c. Categories of financial instruments

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Financial assets</u>			
Fair value through profit or loss (FVTPL)			
Derivative instruments	\$ 218,280	\$ 53,211	\$ 46,205
Loans and receivables (1)	108,237,127	117,944,438	105,569,989
Available-for-sale financial assets	667,450	670,328	1,159,994
<u>Financial liabilities</u>			
Fair value through profit or loss (FVTPL)			
Derivative instruments	63,752	55,945	4,348
Derivative instruments in designated hedge accounting relationships	-	-	6,128
Amortized cost			
Short-term borrowings	14,610,442	17,670,878	17,002,350
Long-term loans (included current portion of long-term borrowings)	20,998,829	21,151,871	21,510,326
Payables (2)	70,698,363	80,392,074	72,123,811

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, other payables, and other payables - inter.

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 34).

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 Three Months Ended	
	March 31	
	2016	2015
Profit or loss	<u>\$ 119,555</u>	<u>\$ 51,988</u>

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:

	March 31, 2016	December 31, 2015	March 31, 2015
Fair value interest rate risk			
Financial assets (i)	\$ 26,300,251	\$ 28,172,474	\$ 23,368,903
Financial liabilities (ii)	10,900,160	15,645,260	15,599,599
Cash flow interest rate risk			
Financial assets (iii)	36,114,886	36,787,305	34,291,256
Financial liabilities (iv)	24,785,273	23,278,388	23,074,908

- 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 three months ended March 31, 2016 and 2015 would increase by \$7,081 thousand and increase \$7,010 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 three months ended March 31, 2016 and 2015 would increase by \$32,454 thousand and \$54,532 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.

March 31, 2016

	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	-	\$ 70,698,363	\$ 78,093	\$ -	\$ 980
Finance lease liabilities	3.49-7.11	71,277	4,885	-	-
Variable interest rate liabilities	0.4-2.375	10,986,581	13,784,402	-	14,290
Fixed interest rate liabilities	0.9306-4.4	<u>10,779,053</u>	<u>40,857</u>	<u>4,088</u>	<u>-</u>
		<u>\$ 92,535,274</u>	<u>\$ 13,908,237</u>	<u>\$ 4,088</u>	<u>\$ 15,270</u>

December 31, 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	-	\$ 80,392,074	\$ 90,022	\$ -	\$ 990
Finance lease liabilities	2.36-7.11	95,501	5,398	-	-
Variable interest rate liabilities	0.4-2.375	6,975,190	16,289,583	-	13,615
Fixed interest rate liabilities	0.8565-4.4	<u>15,491,806</u>	<u>48,077</u>	<u>4,478</u>	<u>-</u>
		<u>\$ 102,954,571</u>	<u>\$ 16,433,080</u>	<u>\$ 4,478</u>	<u>\$ 14,605</u>

March 31, 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	-	\$ 72,123,811	\$ 79,047	\$ -	\$ 886
Finance lease liabilities	2.36-7.11	85,457	76,374	-	-
Variable interest rate liabilities	0.4-1.6669	7,307,257	14,794,651	960,000	13,000
Fixed interest rate liabilities	0.8-2.673	<u>15,355,797</u>	<u>75,713</u>	<u>4,767</u>	<u>1,491</u>
		<u>\$ 94,872,322</u>	<u>\$ 15,025,785</u>	<u>\$ 964,767</u>	<u>\$ 15,377</u>

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

March 31, 2016

	On Demand or Less than 1 Year	1-3 Years	Over 3 Years to 5 Years	5+ Years
Forward exchange contracts				
Inflows	\$ 11,425,177	\$ -	\$ -	\$ -
Outflows	<u>(11,245,510)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>179,667</u>	<u>-</u>	<u>-</u>	<u>-</u>
Currency swap contracts				
Inflows	3,274,947	-	-	-
Outflows	<u>(3,251,462)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>23,485</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 203,152</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2015

	On Demand or Less than 1 Year	1-3 Years	Over 3 Years to 5 Years	5+ Years
Forward exchange contracts				
Inflows	\$ 7,387,884	\$ -	\$ -	\$ -
Outflows	<u>(7,410,193)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(22,309)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Currency swap contracts				
Inflows	3,235,000	-	-	-
Outflows	<u>(3,212,900)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>22,100</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ (209)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

March 31, 2015

	On Demand or Less than 1 Year	1-3 Years	Over 3 Years to 5 Years	5+ Years
Forward exchange contracts				
Inflows	\$ 3,536,951	\$ -	\$ -	\$ -
Outflows	<u>(3,575,494)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(38,543)</u>	<u>-</u>	<u>-</u>	<u>-</u>

31. 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 March 31	
	2016	2015
<u>Related parties categories</u>		
Associates	\$ 38,138	\$ 15,847
Other related parties	<u>250</u>	<u>432</u>
	<u>\$ 38,388</u>	<u>\$ 16,279</u>

For the three months ended March 31, 2016 and 2015, 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 the same as the sales terms with non-related parties.

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 March 31	
	2016	2015
<u>Related parties categories</u>		
Associates	\$ 978,782	\$ 1,042,444
Other related parties	<u>107,011</u>	<u>168,074</u>
	<u>\$ 1,085,793</u>	<u>\$ 1,210,518</u>

The cost of the Group's purchases from Lite-On Semiconductor Corp. for the three months ended March 31, 2016 and 2015 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

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Related parties categories</u>			
Accounts receivable			
Associates	\$ 44,726	\$ 66,243	\$ 40,759
Other related parties	<u>95</u>	<u>95</u>	<u>95</u>
	<u>\$ 44,821</u>	<u>\$ 66,338</u>	<u>\$ 40,854</u>
Other receivable			
Associates	\$ 10,161	\$ 10,462	\$ 1,918
Other related parties	<u>159</u>	<u>19</u>	<u>161</u>
	<u>\$ 10,320</u>	<u>\$ 10,481</u>	<u>\$ 2,079</u>

The outstanding trade receivables from related parties are unsecured. For the three months ended March 31, 2016 and 2015, no impairment loss was recognized for trade receivables from related parties.

d. Payables to related parties

	March 31, 2016	December 31, 2015	March 31, 2015
<u>Related parties categories</u>			
Accounts payable			
Associates	\$ 514,660	\$ 575,365	\$ 465,301
Other related parties	<u>195,723</u>	<u>281,580</u>	<u>229,452</u>
	<u>\$ 710,383</u>	<u>\$ 856,945</u>	<u>\$ 694,753</u>
Other payable			
Associates	\$ 105	\$ 4	\$ 731
Other related parties	<u>11,679</u>	<u>12,937</u>	<u>4,164</u>
	<u>\$ 11,784</u>	<u>\$ 12,941</u>	<u>\$ 4,895</u>

The outstanding trade payables from related parties are unsecured.

e. Operating expense

	For the Three Months Ended March 31	
	2016	2015
<u>Related parties categories</u>		
Associates	\$ 2	\$ -
Other related parties	<u>14,236</u>	<u>9,825</u>
	<u>\$ 14,238</u>	<u>\$ 9,825</u>

f. Other revenues

	For the Three Months Ended March 31	
	2016	2015
<u>Related parties categories</u>		
Associates	\$ 1,436	\$ 949
Other related parties	<u>387</u>	<u>446</u>
	<u>\$ 1,823</u>	<u>\$ 1,395</u>

g. Compensation of key management personnel

	For the Three Months Ended March 31	
	2016	2015
Short-term employee benefits	\$ 99,512	\$ 99,057
Post-employment benefits	5,868	5,834
Termination benefits	<u>-</u>	<u>17</u>
	<u>\$ 105,380</u>	<u>\$ 104,908</u>

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

32. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

	March 31, 2016	December 31, 2015	March 31, 2015
Pledge-time deposits	<u>\$ 275,132</u>	<u>\$ 270,870</u>	<u>\$ 307,312</u>

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

33. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

- a. From the fourth quarter of 2009, CMP Consulting Service, Inc., KI, Inc., Aaron Wagner, The Stereo Shop, David Carney, Jr., Aaron Deshaw, Don Cheung and other indirect U.S. consumers filed several antitrust group lawsuits 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 - with a court in the United States. The Parent Company has assigned lawyers in the United States as its representative in these lawsuits and has already accrued a reasonable amount in case of a loss on this lawsuit. The Parent Company will continue to recognize the losses quarterly on the basis of a reasonable estimation of the lawsuit until the settlement of this lawsuit.

- b. 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 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.
- c. 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. In the fourth quarter of 2015, Peter Kravitz, the bankruptcy trustee of RadioShack Corporation, 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.
- d. 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 on the basis of a reasonable estimation of the lawsuit until the settlement of this lawsuit.

34. 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:

March 31, 2016

	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 1,149,655	32.135 (USD:NTD)	\$ 36,944,151
USD	1,083,309	6.4532 (USD:CNY)	34,812,146
USD	59,282	7.7541 (USD:HKD)	1,905,021
USD	23,558	35.21 (USD:THB)	757,031
EUR	10,420	1.134 (EUR:USD)	<u>379,705</u>
			<u>\$ 74,798,054</u>
Non-monetary items			
Investments accounted for using equity method			
USD	1,501	32.135 (USD:NTD)	<u>\$ 48,249</u>

Financial liabilities

Monetary items			
USD	1,075,247	32.135 (USD:NTD)	\$ 34,553,048
USD	983,881	6.4532 (USD:CNY)	31,617,015
USD	68,707	7.7541 (USD:HKD)	2,207,906
USD	23,237	35.21 (USD:THB)	746,729
USD	18,485	0.8818 (USD:EUR)	<u>594,007</u>
			<u>\$ 69,718,705</u>

December 31, 2015

	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 1,224,396	32.775 (USD:NTD)	\$ 40,129,571
USD	1,228,619	6.4766 (USD:CNY)	40,267,999
USD	217,913	7.7503 (USD:HKD)	7,142,101
USD	22,764	36 (USD:THB)	746,087
USD	11,980	0.9154 (USD:EUR)	<u>392,646</u>
			<u>\$ 88,678,404</u>

(Continued)

	Foreign Currencies	Exchange Rate	Carrying Amount
Non-monetary items			
Investments accounted for using equity method			
USD	\$ 1,396	32.775 (USD:NTD)	<u>\$ 45,749</u>
<u>Financial liabilities</u>			
Monetary items			
USD	1,204,987	32.775 (USD:NTD)	\$ 39,493,433
USD	1,169,165	6.4766 (USD:CNY)	38,319,388
USD	234,776	7.7503 (USD:HKD)	7,694,775
USD	35,295	66.19 (USD:INR)	1,156,789
USD	22,764	36 (USD:THB)	830,918
USD	19,972	0.9154 (USD:EUR)	<u>654,583</u>
			<u>\$ 88,149,886</u>
			(Concluded)

March 31, 2015

	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 813,873	31.25 (USD:NTD)	\$ 25,433,531
USD	1,160,728	6.1864 (USD:CNY)	36,272,754
USD	25,405	32.54 (USD:THB)	793,919
EUR	19,747	1.0755 (EUR:USD)	<u>663,688</u>
			<u>\$ 63,163,892</u>
Non-monetary items			
Investments accounted for using equity method			
USD	343	31.25 (USD:NTD)	<u>\$ 10,713</u>
Monetary items			
USD	780,601	31.25 (USD:NTD)	\$ 24,393,786
USD	1,002,862	6.1864 (USD:CNY)	31,339,450
USD	27,026	32.54 (USD:THB)	844,560
USD	144,357	0.9298 (USD:EUR)	<u>4,511,144</u>
			<u>\$ 61,088,940</u>

For the three months ended March 31, 2016 and 2015 net foreign exchange losses were \$31,428 thousand and \$51,803 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.

35. 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 30 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

36. 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 Three Months Ended March 31, 2016					
	Optoelectronics	IT	Storage	Mobile Mechanics and Others	Elimination	Total
Sales from external customers	\$ 11,638,891	\$ 23,469,382	\$ 9,934,133	\$ 4,799,649	\$ -	\$ 49,842,055
Sales among segments	314,350	330,610	836	150,561	(796,357)	-
Operating profit (loss)	414,073	1,608,880	739,734	(478,470)	-	2,284,217

	For the Three Months Ended March 31, 2015					
	Optoelectronics	IT	Storage	Mobile Mechanics and Others	Elimination	Total
Sales from external customers	\$ 13,108,748	\$ 23,844,526	\$ 8,164,712	\$ 6,422,416	\$ -	\$ 51,540,402
Sales among segments	421,810	481,896	-	164,171	(1,067,877)	-
Operating profit (loss)	354,967	1,289,594	566,351	(269,280)	-	1,941,632

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 Three Months Ended March 31	
	2016	2015
Reportable segments' profit	\$ 2,284,217	\$ 1,941,632
Unclassified loss	(247,152)	(232,406)
Nonoperating income and expenses	<u>191,766</u>	<u>398,082</u>
Profit before income tax	<u>\$ 2,228,831</u>	<u>\$ 2,107,308</u>

- 3) Segment profit represented the profit before tax earned by each segment without unclassified of headquarter administration costs, share of profits of associates, gain or loss on disposal of investments, dividend income, interest income, gain or loss on disposal of property, plant and equipment, exchange gain or loss, valuation gain or loss on financial instruments, finance costs, impairment loss, other expense and income tax expense. This was the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

FINANCING PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2016
(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	Lite-On Opto Technology (Changzhou) Co., Ltd.	Changzhou Leotek New Energy Trade Limited	Receivables from related parties	Yes	\$ 178,098	\$ 174,290	\$ 174,290	3.045%	b	\$ -	Operating capital	\$ -	None	\$ -	\$ 2,852,180	\$ 2,852,180	
2	Lite-On Technology (Changzhou) Co., Ltd.	Zhuhai Lite-On Mobile Technology Co., Ltd.	Receivables from related parties	Yes	1,272,125	1,244,925	1,244,925	3.57%	b	-	Operating capital	-	None	-	4,272,996	4,272,996	
3	Lite-On Electronics (Tianjin) Co., Ltd.	Lite-On Medical Device (Changzhou) Ltd. Lite-On Opto Technology (Guangzhou) Ltd.	Receivables from related parties	Yes	22,898	22,409	22,409	3.22%	b	-	Operating capital	-	None	-	2,920,513	2,920,513	
			Receivables from related parties	Yes	254,425	248,985	248,985	3.57%	b	-	Operating capital	-	None	-	2,920,513	2,920,513	
4	Dongguan Lite-On Computer Co., Ltd.	Yantai Lite-On Mobile Electronic Components Co., Ltd.	Receivables from related parties	Yes	50,885	49,797	49,797	3.395%	b	-	Operating capital	-	None	-	109,967	109,967	
5	DongGuan G-Pro Computer Co., Ltd.	Lite-On Electronics (Dongguan) Co., Ltd.	Receivables from related parties	Yes	254,425	248,985	248,985	3.045%	b	-	Operating capital	-	None	-	859,298	859,298	
6	Lite-On Auto Electric Technology (Guangzhou) Ltd.	Yantai Lite-On Mobile Electronic Components Co., Ltd.	Receivables from related parties	Yes	50,885	49,797	49,797	3.395%	b	-	Operating capital	-	None	-	129,736	129,736	
7	Lite-On Mobile Oyj (formerly: Perlos Oyj)	Lite-On Mobile India Private Limited	Receivables from related parties	Yes	163,219	-	-	2.833%	b	-	Operating capital	-	None	-	1,135,093	1,135,093	
8	Lite-On Mobile Pte. Ltd.	Lite-On Mobile India Private Limited	Receivables from related parties	Yes	957,030	-	-	2.583%	b	-	Operating capital	-	None	-	549,075	549,075	
9	Lite-On Technology (Europe) B.V.	Lite-On Green Energy B.V.	Receivables from related parties	Yes	14,516	-	-	1%	b	-	Operating capital	-	None	-	2,857,813	2,857,813	
10	Lite-On Singapore Pte. Ltd.	Lite-On Mobile Pte. Ltd.	Receivables from related parties	Yes	1,332,400	1,285,400	1,285,400	0.86%	b	-	Operating capital	-	None	-	15,991,154	15,991,154	
11	Guangzhou Lite-On Mobile Engineering Plastics Co., Ltd.	Zhuhai Lite-On Mobile Technology Co., Ltd.	Receivables from related parties	Yes	-	-	-	4.2%	b	-	Operating capital	-	None	-	4,786,834	4,786,834	
12	Lite-On Green Energy B.V.	Romeo Tetti PVI S.R.L.	Receivables from related parties	Yes	-	-	-	2.235%	b	-	Operating capital	-	None	-	340,531	340,531	
13	Lite-On Electronics (Guangzhou) Co., Ltd.	Zhuhai Lite-On Mobile Technology Co., Ltd.	Receivables from related parties	Yes	1,526,550	1,493,910	1,493,910	3.22%	b	-	Operating capital	-	None	-	13,594,063	13,594,063	
14	LTC International Ltd.	Lite-On Automotive Electronics Mexico, S.A. DE C.V.	Receivables from related parties	Yes	99,930	96,405	96,405	4.08%	b	-	Operating capital	-	None	-	355,113	355,113	
15	Lite-On Automotive (Wuxi) Co., Ltd.	Lite-On Green Technologies (Nanjing) Corporation	Receivables from related parties	Yes	55,974	54,777	54,777	3.395%	b	-	Operating capital	-	None	-	586,300	586,300	
16	Li Shin Technology (Huizhou) Ltd.	Lite-On Technology (Xianning) Co., Ltd.	Receivables from related parties	Yes	76,328	74,696	74,696	3.045%	b	-	Operating capital	-	None	-	415,799	415,799	

(Continued)

Note 1: Reasons for financing are as follows:

- a. Business relationship.
- b. 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.

(Concluded)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

ENDORSEMENT/GUARANTEE PROVIDED
FOR THE THREE MONTHS ENDED MARCH 31, 2016
(Amounts in Thousands of New Taiwan Dollars)

No.	Endorsement/ 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.	b	\$ 7,679,717	\$ 69,651	\$ 69,238	\$ 69,238	\$ -	0.09	\$ 30,718,868	Yes	No	No	
		Lite-On Mobile Pte. Ltd. (Note 3)	b	7,679,717	7,994,400	7,712,400	6,427,000	-	10.04	30,718,868	Yes	No	No	
		Silitek Elec. (Dongguan) Co., Ltd.	c	7,679,717	1,332,400	1,285,400	1,285,400	-	1.67	30,718,868	Yes	No	Yes	
		Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	c	7,679,717	866,060	835,510	514,160	-	1.09	30,718,868	Yes	No	Yes	
1	Lite-On Mobile Oyj (formerly: Perlos Oyj)	Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	c	181,615	809,146	-	-	-	-	454,037	No	No	Yes	
2	Lite-On Capital Corp.	Lite-On Green Technologies B.V.	c	2,148,264	859,933	854,835	854,835	-	1.11	2,148,264	No	No	No	
		Lite-On Green Energy B.V.	c	2,148,264	344,565	342,522	342,522	-	0.45	2,148,264	No	No	No	

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

- a. Business relationship.
- b. A subsidiary in which the Company holds directly over 50% of equity interest.
- c. 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

MARCH 31, 2016

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

Held Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	March 31, 2016				Note
				Shares/Units (In Thousands)	Carrying Value (Foreign Currencies in Thousands)	Percentage of Ownership (%)	Fair Value (Foreign Currencies in Thousands)	
Lite-On Technology Corporation	<u>Common stock</u>							
	EPiSTAR Corporation	Member of the board of directors	Available-for-sale financial assets - non-current	5,908	\$ 137,360	0.54	\$ 137,360	
	Wistron Corporation	-	"	4,981	99,123	0.19	99,123	
	CO-TECH Development Corp.	Chairman of the board is the same person	"	1,530	19,202	0.73	19,202	
	Com2B Corp.	-	"	5,000	19,009	11.11	19,009	
	Avamax Corp.	-	"	559	-	6.99	-	Note
	Aetas 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	32,774	4.10	32,774	
	Fong Han Electronics Co., Ltd.	-	"	1,167	-	6.67	-	Note
	Xepex Electronics Co., Ltd.	-	"	-	-	-	-	Note
	AOPEN, Inc.	-	"	100	802	0.08	802	
	Oplink Communications, Inc.	-	"	1	908	0.01	908	
	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	
	<u>Preferred stock</u>							
	Arkologic Holdings Limited	-	"	11,111	-	7.66	-	Note
	PI-CORAL	-	"	1,139	-	10.65	-	Note
	<u>Convertible bond</u>							
Xepex Electronics Co., Ltd.	-	"	Debt investments with no active market - non-current	150	-	-	-	Note
Lite-On Capital Corp.	<u>Common stock</u>							
	Lite-On Technology Corporation	The Parent Company	Available-for-sale financial assets - non-current	15,041	591,104	0.64	591,104	
	Lead Data, Inc.	-	"	865	5,879	0.59	5,879	
	Compound Solar Technology Co., Ltd.	-	"	2,000	-	2.86	-	Note
	Z-Com, Inc.	-	"	2,631	26,574	3.33	26,574	
Auden Techno Corp.	Member of the board of directors	"	8,124	178,716	19.90	178,716		

(Continued)

Held Company Name	Marketable Securities Type and Name	Relationship with the Company	Financial Statement Account	March 31, 2016				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 Binhu Thin Film Solar Greenhouse Co., Ltd.	-	Available-for-sale financial assets - non-current	-	US\$ 140	19.9	US\$ 140	
Lite-On Electronics Co., Ltd.	<u>Share certificates</u> Lite-On Technology Corporation GDR	The Parent Company	"	244	\$ 95,675	0.10	\$ 95,675	
Yet Foundate Ltd.	<u>Share certificates</u> Lite-On Technology Corporation GDR	"	"	226	88,673	0.10	88,673	
	<u>Common stock</u> Northen Lights Semiconductor	-	"	3,000	-	5.91	-	Note
LTC Group Ltd. (BVI)	<u>Common stock</u> VIZIO, Inc.	-	"	437	-	2.9	-	Note
LTC International Ltd.	<u>Common stock</u> Lite-On Technology Corporation	The Parent Company	"	3,774	148,329	0.16	148,329	
	<u>Share certificates</u> Lite-On Technology Corporation GDR	"	"	320	125,379	0.14	125,379	
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\$ 6,336	-	HK\$ 6,336	
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 68,138	13.00 9.46	\$ 11,165 68,138	
Silitech (Bermuda) Holding Ltd.	<u>Common stock</u> Innovation Works Development Fund, L.P.	-	"	-	US\$ 851	-	US\$ 851	
Lite-On Japan Ltd.	<u>Common stock</u> Tamura Corporation	-	Available-for-sale financial assets - non-current	19,250	JPY 5,756	0.03	JPY 5,756	
	The Dai-ichi Life Insurance Company, Limited With Corporation	- -	" "	7 9,000	JPY 954 JPY 5,400	- 14.20	JPY 954 JPY 5,400	
Lite-On Mobile Oyj (formerly: Perlos Oyj)	<u>Common stock</u> Kontiolahti Golf Oy	-	"	1	EUR 9	-	EUR 9	

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

(Concluded)

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 THREE MONTHS ENDED MARCH 31, 2016
(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	Carrying Amount	Gain (Loss) on Disposal	Shares/Units (In Thousands)	Amount
Lite-On Mobile Pte. Ltd.	Lite-On Mobile India Private Limited.	Investment accounted for using equity method	-	-	59,095	US\$ (9,652)	196,635	US\$ 31,207 (Note 1)	-	\$ -	US\$ 8,504 (Note 1)	\$ -	255,730	US\$ 13,051
Lite-on Green Energy B.V.	Romeo Tetti PV1 S.R.L.	"	IKAV EE Sarl	-	-	EUR 8,317	-	EUR (6) (Note 2)	-	EUR 8,317	EUR 8,311	EUR 6	-	\$ -
Silitech Technology (SuZhou) Co., Ltd.	Fixed Income Instruments	Debt investments with no active market - current	-	-	-	\$ 424,399 (CNY 83,810)	-	\$ 912,693 (CNY 182,400)	-	\$ 577,824 (CNY 110,472)	\$ 554,011 (CNY 109,710)	\$ 3,813 (CNY 762)	-	\$ 783,081 (CNY 156,500)

Note 1: The acquisition amount of US\$28,731 thousand is from the capital injection funded by debt and the amount of US\$2,476 thousand is from changes in equities for using equity method; the US\$68 thousand in the disposal is from the loss accounted for using equity method and the US\$8,436 thousand in the disposal is from the other comprehensive income for using equity method.

Note 2: The acquisition amount of EUR6 thousand is from the loss accounted 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 THREE MONTHS ENDED MARCH 31, 2016

(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	\$ (1,020,516)	(3)	About 90 days	Cost-plus pricing	No significant difference	\$ 1,048,831	4		
	Lite-On Japan Ltd.	Note 1	Sale	(152,003)	-	About 90 days	Cost-plus pricing	No significant difference	163,094	1		
	Philip & Lite-On Digital Solutions Corp.	Note 1	Sale	(3,912,374)	(12)	About 90 days	Cost-plus pricing	No significant difference	4,268,286	14		
	Lite-On Singapore Pte. Ltd.	Note 1	Sale	(760,321)	(2)	About 90 days	Cost-plus pricing	No significant difference	1,029,591	3		
	China Bridge Express (Wuxi) Co., Ltd.	Note 2	Sale	(188,237)	(1)	About 90 days	Cost-plus pricing	No significant difference	272,424	1		
	Lite-On Technology (Changzhou) Co., Ltd.	Note 2	Sale	(235,301)	(1)	About 90 days	Cost-plus pricing	No significant difference	356,173	1		
	Lite-On Sales & Distribution Inc.	Note 2	Sale	(324,815)	(1)	About 90 days	Cost-plus pricing	No significant difference	378,227	1		
	Lite-On Technology (Changzhou) Co., Ltd.	Note 2	Purchase	249,644	1	About 90 days	Cost-plus pricing	No significant difference	(249,707)	(1)		
	Lite-On Singapore Pte. Ltd.	Note 1	Purchase	4,934,439	17	About 90 days	Cost-plus pricing	No significant difference	(6,449,056)	(23)		
	Li Shin International Enterprise Corp.	Note 1	Purchase	755,722	3	About 90 days	Cost-plus pricing	No significant difference	(400,949)	(1)		
	Lite-On Overseas Trading Co., Ltd.	Note 1	Purchase	16,623,942	59	About 90 days	Cost-plus pricing	No significant difference	(11,926,563)	(42)		
	Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	Note 2	Purchase	177,409	1	About 90 days	Cost-plus pricing	No significant difference	(247,365)	(1)		
	Philip & Lite-On Digital Solutions Corp.	Philips & Lite-On Digital Solutions USA Inc.	Note 4	Sale	(975,813)	(23)	About 90 days	Cost-plus pricing	No significant difference	1,400,911	31	
		Philips & Lite-On Digital Solutions Germany GmbH	Note 4	Sale	(424,054)	(10)	About 90 days	Cost-plus pricing	No significant difference	526,952	12	
Lite-On Network Communication (Dongguan) Limited	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(2,472,444)	(98)	About 90 days	Cost-plus pricing	No significant difference	980,863	91		
Lite-On Electronics (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(1,811,212)	(100)	About 90 days	Cost-plus pricing	No significant difference	699,383	100		
Silitek Elec. (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(1,651,956)	(95)	About 90 days	Cost-plus pricing	No significant difference	982,346	90		
Lite-On Electronics (Guangzhou) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(7,375,189)	(63)	About 90 days	Cost-plus pricing	No significant difference	6,701,453	55		
Dong Guan G-Tech Computers Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(899,556)	(96)	About 90 days	Cost-plus pricing	No significant difference	435,013	86		
Lite-On Electronics (Thailand) Co., Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	Sale	(770,608)	(97)	About 90 days	Cost-plus pricing	No significant difference	749,815	96		
Lite-On Power Technology (Dongguan) Co., Ltd.	Lite-On Electronic Co., Ltd.	Note 4	Sale	(235,719)	(100)	About 90 days	Cost-plus pricing	No significant difference	-	-		
Lite-On Singapore Pte. Ltd.	Lite-On Electronics H.K. Ltd.	Note 3	Sale	(408,833)	(3)	About 90 days	Cost-plus pricing	No significant difference	292,637	2		
	Lite-On Japan Ltd.	Note 3	Sale	(352,529)	(2)	About 90 days	Cost-plus pricing	No significant difference	492,916	3		
	Lite-On, Inc.	Note 4	Sale	(201,158)	(1)	About 90 days	Cost-plus pricing	No significant difference	166,006	1		
	Lite-On Trading USA, Inc.	Note 4	Sale	(1,110,034)	(8)	About 90 days	Cost-plus pricing	No significant difference	1,540,205	9		
	China Bridge Express (Wuxi) Co., Ltd.	Note 4	Sale	(172,090)	(1)	About 90 days	Cost-plus pricing	No significant difference	277,842	2		
	Leotek Electronics USA LLC	Note 4	Sale	(271,405)	(2)	About 90 days	Cost-plus pricing	No significant difference	476,439	3		
	Lite-On Technology (Shanghai) Ltd.	Note 4	Sale	(164,723)	(1)	About 90 days	Cost-plus pricing	No significant difference	160,052	1		
Lite-On Overseas Trading Co., Ltd.	Lite-On Network Communication (Dongguan) Limited	Note 4	Sale	(2,239,192)	(5)	About 90 days	Cost-plus pricing	No significant difference	1,647,496	5		
	Lite-On Technology (Changzhou) Co., Ltd.	Note 4	Sale	(2,533,520)	(6)	About 90 days	Cost-plus pricing	No significant difference	3,816,350	11		
	Lite-On Electronics (Dongguan) Co., Ltd.	Note 4	Sale	(1,702,679)	(4)	About 90 days	Cost-plus pricing	No significant difference	821,232	2		
	Silitek Elec. (Dongguan) Co., Ltd.	Note 4	Sale	(1,214,371)	(3)	About 90 days	Cost-plus pricing	No significant difference	255,791	1		
	Dong Guan G-Tech Computers Co., Ltd.	Note 4	Sale	(438,265)	(1)	About 90 days	Cost-plus pricing	No significant difference	659,354	2		
	DongGuan G-Pro Computer Co., Ltd.	Note 4	Sale	(1,243,102)	(3)	About 90 days	Cost-plus pricing	No significant difference	1,124,562	3		
	Lite-On Singapore Pte. Ltd.	Note 3	Sale	(4,145,704)	(10)	About 90 days	Cost-plus pricing	No significant difference	1,730,754	5		
	Lite-On Electronics (Guangzhou) Co., Ltd.	Note 4	Sale	(9,058,568)	(21)	About 90 days	Cost-plus pricing	No significant difference	8,647,396	25		
	Huizhou Li Shin Electronic Co., Ltd.	Note 4	Sale	(201,872)	-	About 90 days	Cost-plus pricing	No significant difference	209,083	1		
	Lite-On Opto Technology (Guangzhou) Co., Ltd.	Note 4	Sale	(273,072)	(1)	About 90 days	Cost-plus pricing	No significant difference	264,739	1		
	Lite-On IT Opto Tech (BH) Co., Ltd.	Note 4	Sale	(2,480,519)	(6)	About 90 days	Cost-plus pricing	No significant difference	2,412,288	7		
	Lite-Space Technology Company Limited	Note 5	Purchase	740,985	2	About 90 days	Cost-plus pricing	No significant difference	(245,655)	(1)		

(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 Electronics Co., Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	Sale	\$ (235,720)	(100)	About 90 days	Cost-plus pricing	No significant difference	\$ -	-	
DongGuan G-Pro Computer Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(1,534,310)	(100)	About 90 days	Cost-plus pricing	No significant difference	69,353	100	
Lite-On Electronics (Tianjin) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(372,340)	(100)	About 90 days	Cost-plus pricing	No significant difference	224,911	100	
Lite-On Auto Electric Technology (Guangzhou) Ltd.	Lite-On Technology (Shanghai) Ltd.	Note 4	Sale	(201,598)	(98)	About 90 days	Cost-plus pricing	No significant difference	95,233	96	
Lite-On IT Opto Tech (BH) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(2,875,465)	(100)	About 90 days	Cost-plus pricing	No significant difference	1,064,567	83	
Lite-On Opto Technology (Guangzhou) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	Sale	(657,110)	(97)	About 90 days	Cost-plus pricing	No significant difference	314,321	89	
Huizhou Li Shin Electronic Co., Ltd.	Li Shin International Enterprise Corp.	Note 3	Sale	(295,675)	(68)	About 90 days	Cost-plus pricing	No significant difference	127,977	57	
Lite-On Li Shin Technology (Ganzhou) Co., Ltd.	Li Shin International Enterprise Corp.	Note 3	Sale	(181,463)	(100)	About 90 days	Cost-plus pricing	No significant difference	133,770	97	
Lite-On Technology (Ying Tan) Co., Ltd.	Li Shin International Enterprise Corp.	Note 3	Sale	(143,736)	(100)	About 90 days	Cost-plus pricing	No significant difference	153,466	100	
Lite-On Technology (Xianging) Co., Ltd.	Li Shin International Enterprise Corp.	Note 3	Sale	(127,703)	(100)	About 90 days	Cost-plus pricing	No significant difference	76,535	100	
Lite-On Opto Technology (Changzhou) Co., Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	Sale	(759,653)	(100)	About 90 days	Cost-plus pricing	No significant difference	182,651	98	
Lite-On Technology (Changzhou) Co., Ltd.	Lite-On Overseas Trading Co., Ltd. Lite-On Singapore Pte. Ltd.	Note 3 Note 3	Sale Sale	(1,653,448) (2,707,017)	(36) (59)	About 90 days About 90 days	Cost-plus pricing Cost-plus pricing	No significant difference No significant difference	233,263 501,296	24 51	
Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	Lite-On Singapore Pte. Ltd. Lite-On Technology (Shanghai) Ltd.	Note 3 Note 4	Sale Sale	(346,045) (201,141)	(37) (22)	About 90 days About 90 days	Cost-plus pricing Cost-plus pricing	No significant difference No significant difference	436,004 298,082	33 22	
Lite-On Technology (Shanghai) Ltd.	Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd.	Note 4	Sale	(225,381)	(28)	About 90 days	Cost-plus pricing	No significant difference	93,411	12	
Lite-On Japan Ltd.	Lite-On Semiconductor Corp.	Note 5	Purchase	JPY 400,738	13	About 90 days	Cost-plus pricing	No significant difference	JPY (292,183)	(10)	
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Lite-On Mobile Pte. Ltd.	Note 3	Sale	\$ (347,357)	(29)	About 90 days	Cost-plus pricing	No significant difference	\$ 337,513	31	
Zhuhai Lite-On Mobile Technology Co., Ltd.	Lite-On Mobile Pte. Ltd.	Note 3	Sale	(395,110)	(58)	About 90 days	Cost-plus pricing	No significant difference	382,818	59	
Silitech Technology Corp. Ltd.	Silitech Technology Corp.	Note 3	Sale	US\$ (3,929) JPY (2,634)	(83)	About 90 days	No significant difference	90-120 days	US\$ 5,824 JPY 3,222	89	
Xurong Electronic (Shenzhen) Co., Ltd.	Silitech Technology Corp. Ltd.	Note 4	Sale	US\$ (4,658) JPY (2,634)	(55)	About 90 days	No significant difference	90-120 days	US\$ 7,023 JPY 3,222	77	

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)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL

MARCH 31, 2016

(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	\$ -	\$ 4,268,286	\$ 3,214	3.69	\$ -	-	\$ 1,115,213	\$ -
	Lite-On Technology (Changzhou) Co., Ltd.	Note 2	-	356,173	1,671	2.25	-	-	246	-
	China Bridge Express (Wuxi) Co., Ltd.	Note 2	-	272,424	-	2.61	-	-	90,723	-
	Lite-On Singapore Pte. Ltd.	Note 1	-	1,029,591	314,168	3.24	-	-	185,253	-
	Lite-On Japan Ltd.	Note 1	-	163,094	12,358	3.71	4,743	-	6,984	-
	Lite-On Trading USA, Inc.	Note 2	-	1,048,831	5,736	3.83	-	-	67,427	-
	Lite-On Sales & Distribution Inc.	Note 4	-	378,227	8	5.12	-	-	71,407	-
	Lite-On Overseas Trading Co., Ltd.	Note 1	-	3,239,788	-	-	-	-	1,020,081	-
Philip & Lite-On Digital Solutions Corp.	Philips & Lite-On Digital Solutions USA Inc.	Note 4	-	1,400,911	2,905	3.15	-	-	469,216	-
	Philips & Lite-On Digital Solutions Germany GmbH.	Note 4	-	526,952	-	4.12	-	-	115,766	-
Lite-On Electronics (Tianjinn) Co., Ltd.	Lite-On Opto Technology (Guangzhou) Ltd.	Note 4	-	-	255,454	-	-	-	-	-
	Lite-On Overseas Trading Co., Ltd.	Note 3	-	224,911	-	5.66	-	-	116,181	-
Lite-On Network Communication (Dongguan) Limited	Lite-On Overseas Trading Co., Ltd.	Note 3	-	980,863	-	9.94	-	-	884,912	-
Dong Guan G-Tech Computers Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	-	435,013	-	9.64	-	-	211,733	-
Lite-On Electronics (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	-	699,383	-	8.02	-	-	699,383	-
G&W Technology (BVI) Limited	G&W Technology Limited	Note 4	-	-	170,514	-	-	-	-	-
Silitek Elec. (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	-	982,346	7,171	6.06	-	-	618,284	-
DongGuan G-Pro Computer Co., Ltd.	Lite-On Electronics (Dongguan) Co., Ltd.	Note 4	-	-	250,754	-	-	-	-	-
Lite-On Electronics (Thailand) Co., Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	-	749,815	7,244	4.15	-	-	249,716	-
Lite-On Singapore Pte. Ltd.	Lite-On Technology (Shanghai) Ltd.	Note 4	-	160,052	-	8.21	-	-	490	-
	China Bridge Express (Wuxi) Co., Ltd.	Note 4	-	277,842	-	1.77	-	-	109,921	-
	Lite-On Electronics H.K. Ltd.	Note 3	-	292,637	156	4.78	-	-	62,972	-
	Lite-On Japan Ltd.	Note 3	-	492,916	988	2.74	6,416	-	48,722	-
	Lite-On, Inc.	Note 4	-	166,006	1,034	5.33	17,767	-	110,099	-
	Lite-On Trading USA, Inc.	Note 4	-	1,540,205	3,656	2.82	-	-	587,602	-
	Leotek Electronics USA LLC	Note 4	-	476,439	-	2.15	-	-	-	-
	Lite-On Overseas Trading Co., Ltd.	Note 3	-	462,554	1,421	0.47	-	-	196,399	-
	Lite-On Mobile Pte. Ltd.	Note 3	-	-	1,285,891	-	-	-	-	-
	Lite-On Technology (Changzhou) Co., Ltd.	Lite-On Singapore Pte. Ltd.	Note 3	-	501,296	-	13.34	150	-	492,281
	Lite-On Overseas Trading Co., Ltd.	Note 3	-	233,263	-	14.79	-	-	233,263	-
	Zhuhai Lite-On Mobile Technology Co., Ltd.	Note 4	-	-	1,271,097	-	-	-	-	-

(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 Opto Technology (Changzhou) Co., Ltd.	Changzhou Leotek New Energy Trade Limited Lite-On Singapore Pte. Ltd.	Note 4	\$ -	\$ -	\$ 175,764	-	\$ -	-	\$ -	\$ -
		Note 3	-	182,651	2,271	17.06	-	-	169,459	-
Lite-On Electronics (Guangzhou) Co., Ltd.	Lite-On Overseas Trading Co., Ltd. Zhuhai Lite-On Mobile Technology Co., Ltd.	Note 3	-	6,701,453	-	4.43	-	-	2,601,994	-
		Note 4	-	-	1,505,669	-	-	-	-	-
Huizhou Li Shin Electronic Co., Ltd.	Li-Shin International Enterprise Corp.	Note 3	-	127,977	-	4.21	-	-	-	-
Lite-On Technology (Ying Tan) Co., Ltd.	Li-Shin International Enterprise Corp.	Note 3	-	153,466	-	2.98	-	-	-	-
Lite-On Li Shin Technology (Ganzhou) Co., Ltd.	Li-Shin International Enterprise Corp.	Note 3	-	133,770	-	4.05	-	-	-	-
LET (HK) Ltd.	Lite-On Opto Technology (Guangzhou) Co., Ltd. Lite-On IT Opto Tech (BH) Co., Ltd.	Note 4	-	158,600	1,918	-	-	-	158,600	-
		Note 4	-	1,105,543	1,917	-	-	-	499,936	-
Lite-On Overseas Trading Co., Ltd.	Lite-On Network Communication (Dongguan) Limited Lite-On Technology (Changzhou) Co., Ltd. Silitek Elec. (Dongguan) Co., Ltd. Lite-On Electronics (Dongguan) Co., Ltd. Dong Guan G-Tech Computers Co., Ltd. I-Solutions Limited Lite-On Li Shin Technology (Ganzhou) Co., Ltd. DongGuan G-Pro Computer Co., Ltd. Lite-On Electronics (Guangzhou) Co., Ltd. Lite-On Opto Technology (Guangzhou) Co., Ltd. Lite-On IT Opto Tech (BH) Co., Ltd. Lite-On Singapore Pte. Ltd.	Note 4	-	1,647,496	-	5.24	-	-	6,873	-
		Note 4	-	3,816,350	-	2.21	-	-	9,866	-
		Note 4	-	255,791	45	10.64	-	-	17,037	-
		Note 4	-	821,232	-	6.70	-	-	604,505	-
		Note 4	-	659,354	-	2.69	102,087	-	976	-
		Note 4	-	150,152	-	2.48	-	-	58,589	-
		Note 4	-	209,083	-	4.14	-	-	82,463	-
		Note 4	-	1,124,562	5,415	4.10	-	-	-	-
		Note 4	-	8,647,396	-	4.04	-	-	2,611,949	-
		Note 4	-	264,739	-	8.25	-	-	234	-
		Note 4	-	2,412,288	1,820	8.23	-	-	936	-
		Note 3	-	1,730,754	-	3.21	-	-	1,724,698	-
		Lite-On Opto Technology (Guangzhou) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	Note 3	-	314,321	-	16.70	-	-
Lite-On IT Opto Tech (BH) Co., Ltd.	LET (HK) Ltd. Lite-On Overseas Trading Co., Ltd.	Note 3	-	219,320	-	-	-	-	-	-
		Note 3	-	1,064,567	-	21.61	-	-	620,293	-
Lite-On Automotive (Wuxi) Co., Ltd.	Lite-On Technology (Shanghai) Ltd.	Note 4	-	194,617	1,454	1.85	-	-	58,695	-
Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	Lite-On Technology (Shanghai) Ltd. Lite-On Singapore Pte. Ltd.	Note 4	-	298,082	-	3.39	6,086	-	67,362	-
		Note 3	-	436,004	75	3.48	-	-	89,849	-
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Lite-On Mobile Pte. Ltd.	Note 3	-	337,513	-	4.70	-	-	69,823	-
Zhuhai Lite-On Mobile Technology Co., Ltd.	Lite-On Mobile Pte. Ltd.	Note 3	-	382,818	-	2.86	-	-	161,430	-
Silitech Technology Corp.	Silitech (BVI) Holding Ltd.	Note 3	-	-	364,354	-	-	-	364,354	-
Silitech (BVI) Holding Ltd.	Silitech (Bermuda) Holding Ltd.	Note 4	-	-	US\$ 10,987	-	-	-	US\$ 10,987	-
Silitech Technology Corp. Ltd.	Silitech Technology Corp.	Note 3	-	US\$ 5,824 JPY 3,222	-	2.73	-	-	US\$ 1,895 JPY 587	-
		Note 4	-	US\$ 7,023 JPY 3,222	-	2.69	-	-	US\$ 1,895 JPY 587	-

(Continued)

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 EQUITY-METHOD INVESTEEES
FOR THE THREE MONTHS ENDED MARCH 31, 2016
(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 March 31, 2016			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				March 31, 2016	December 31, 2015	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	\$ 1,460,884	\$ (66,583)	\$ (22,552)	Subsidiary
	Lite-On Integrated Service Inc.	Taipei City, Taiwan	Information outsourcing and system integrate	25,886	25,886	3,400	100.00	48,456	2,133	2,133	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	1,049,318	20,733	6,142	Associate
	Logah Technology Corp.	Kaohsiung City, Taiwan	Development, manufacture and sale of LCD TV inverters	402,787	402,787	31,683	28.10	233,502	(29,186)	(6,313)	Associate
	Lite-On Capital Corp.	Taipei City, Taiwan	Investment activities	4,096,367	4,096,367	209,545	100.00	1,576,818	(4,748)	(4,748)	Subsidiary
	Lite-On Electronics H.K. Ltd.	Hong Kong	Sale of LED optical products	7,339,481	7,339,481	17,865	100.00	11,185,698	HK\$ 25,439	142,196	Subsidiary
	Lite-On Electronics (Thailand) Co., Ltd.	Thailand	Manufacture and sale of LED optical products	529,106	529,106	5,030	100.00	1,335,642	THB 30,789	28,520	Subsidiary
	Lite-On Japan Ltd.	Japan	Sale of LED optical products and power supplies	248,305	248,305	6,162	49.49	356,358	JPY 10,098	1,627	Subsidiary
	Lite-On International Holding Co., Ltd.	British Virgin Islands	Investment activities	US\$ 335,825	US\$ 335,825	335,825	100.00	24,698,481	US\$ 3,279	(2,695)	Subsidiary
	LTC Group Ltd.	British Virgin Islands	Investment activities	\$ 1,380,308	\$ 1,380,308	41,916	100.00	580,892	US\$ 5	154	Subsidiary
	Lite-On Technology USA, Inc.	USA	Investment activities	US\$ 55,172	US\$ 55,172	470	100.00	2,238,501	US\$ 129	8,125	Subsidiary
	Lite-On Electronics (Europe) Ltd.	United Kingdom	Manufacture and sale of power supplies	\$ 44,559	\$ 44,559	300	100.00	52,106	GBP 39	1,863	Subsidiary
	Lite-On Technology (Europe) B.V.	Netherlands	Market research and after-sales service	2,543,184	2,543,184	331	54.00	271,695	EUR (287)	(5,626)	Subsidiary
	Lite-On Overseas Trading Co., Ltd.	British Virgin Islands	Merchandising business	168,947	168,947	5,143	100.00	276,109	US\$ 1,201	39,795	Subsidiary
	Lite-On Singapore Pte. Ltd.	Singapore	Manufacture and supply computer peripheral products	US\$ 63,788	US\$ 63,788	51,777	100.00	15,934,894	US\$ 25,466	846,330	Subsidiary
	Lite-On Vietnam Co., Ltd.	Vietnam	Electronic contract manufacturing	US\$ 3,000	US\$ 3,000	-	100.00	65,466	US\$ (111)	(3,688)	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	8,791,330	US\$ (3,587)	(118,918)	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	(66,530)	US\$ -	(9)	Subsidiary
	Eagle Rock Investment Ltd.	British Virgin Islands	Import and export business and investment activities	341	341	10	100.00	1,200,388	US\$ (5,815)	(193,509)	Subsidiary
	Lite-On Semiconductor Corp.	New Taipei City, Taiwan	Manufacture of image sensor and rectifier	773,618	773,618	57,204	18.51	1,534,103	\$ 20,598	1,002	Associate
	Canfield Ltd.	Apia, Samoa	Import and export business and investment activities	7,142	7,142	200	33.33	4,929	US\$ 29	318	Associate
	High Yield Group Co., Ltd.	British Virgin Islands	Holding company	2,271,806	2,271,806	68,138	100.00	5,708,255	US\$ 1,976	505,444	Subsidiary
	Lite-On Information Technology B.V.	Netherlands	Market research and customer service	1,597,319	1,597,319	11,018	100.00	18,266	EUR (3)	(111)	Subsidiary
	Philip & Lite-On Digital Solutions Corp.	Taiwan	Sale of optical disc drives	267,113	267,113	17,150	49.00	344,040	\$ 10,245	5,020	Subsidiary
	Lite-Space Technology Company Limited	Hong Kong	Sale of computer components	149,968	149,968	5,100	39.23	43,320	US\$ 245	3,165	Associate
	LET (HK) Ltd.	Hong Kong	Sale of optical disc drives	42	42	10	100.00	(280,756)	HK\$ (189)	(788)	Subsidiary
	Leotek Electronics Holding Limited	Hong Kong	Holding company	US\$ 1,010	US\$ 1,010	25,000	100.00	9,480	HK\$ 1	4	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	42,845	EUR (11)	(409)	Subsidiary
	Lite-On Automotive Service USA Inc.	USA	Sale of automotive parts and other electronic products	US\$ 60	US\$ 60	1	100.00	12,650	US\$ -	(6)	Subsidiary
	Lite-On Automotive International (Cayman) Co., Ltd.	Cayman	Investment activities	US\$ 100,626	US\$ 100,626	11,967	100.00	1,906,395	US\$ 1,634	40,241	Subsidiary
Lite-On Automotive Electronics Mexico, S.A. DE C.V.	Mexico	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\$ 4,950	US\$ 4,950	-	99.00	89,648	MXN (3,094)	(5,866)	Subsidiary	
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	109,177	\$ (66,583)	-	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	261,917	153	-	Subsidiary
	Lite-On Green Energy (HK) Limited	Hong Kong	Investment activities	US\$ 3,000	US\$ 3,000	3,000	100.00	3,741	US\$ (1)	-	Subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of March 31, 2016			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				March 31, 2016	December 31, 2015	Shares (In Thousands)	Percentage of Ownership (%)	Carrying Value			
Lite-On Green Technologies Inc.	Lite-On Technology (Europe) B.V.	Netherlands	Market research and after-sales service	\$ 2,126,479	\$ 2,126,479	282	46.00	\$ 229,594	EUR (287)	\$ -	- Subsidiary
	Lite-On Semiconductor Corp.	New Taipei City, Taiwan	Manufacture of image sensor and rectifier	-	-	6,486	2.10	202,474	\$ 20,598	\$ -	- Associate
	Lite-On Green Energy (Singapore) Pte. Ltd.	Singapore	Investment activities	440,974	440,974	11,150	100.00	327,239	EUR 95	\$ -	- Subsidiary
	Logah Technology Corp.	Kaohsiung City, Taiwan	Development, manufacture and sale of LCD TV inverters	74,538	74,538	4,141	3.67	30,519	\$ (29,186)	\$ -	- 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	39,127	JPY (4,802)	\$ -	- 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	218,605	EUR (13)	\$ -	- Subsidiary
	Lite-On Green Technologies (HK) Limited	Hong Kong	Solar energy engineering	US\$ 760	US\$ 760	4,000	100.00	(3,233)	US\$ 1,699	\$ -	- 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 9,041	EUR 103	\$ -	- Subsidiary
Lite-On Green Technologies B.V.	Kompaksolar GmbH	Berlin, Germany	Solar energy engineering	EUR 401	EUR 401	51	51.00	EUR -	EUR -	\$ -	- Associate
Lite-On Green Energy B.V.	Romeo Tetti PV1 S.R.L.	Italy	Solar energy engineering	EUR -	EUR 9,847	-	-	EUR -	EUR (6)	\$ -	- Subsidiary (Note 1)
	Lite-On Green Energy S.R.L.	Italy	Solar energy engineering	EUR 60	EUR 60	10	100.00	EUR (2)	EUR (3)	\$ -	- Subsidiary
China Bridge (China) Co., Ltd.	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 72,111	CNY (1,153)	\$ -	- Subsidiary
	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 98,458	CNY 874	\$ -	- Subsidiary
Lite-On Electronics (Jiangsu) Co., Ltd.	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 332,038	CNY 332,038	-	100.00	CNY 858,083	CNY 31,804	\$ -	- Subsidiary
	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 500,651	CNY (1,153)	\$ -	- Subsidiary
	Lite-On Medical Device (Changzhou) Ltd.	Changzhou, China	Manufacture and sale of medical equipment	CNY 30,640	CNY 30,640	-	100.00	CNY 27,108	CNY (1,336)	\$ -	- 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\$ 62,707	HK\$ 12,677	\$ -	- Subsidiary
Lite-On Technology USA, Inc.	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\$ 4,763	US\$ 43	\$ -	- Subsidiary
	Lite-On Trading USA, Inc.	California, USA	Sale of optical products	US\$ 31,500	US\$ 31,500	315	100.00	US\$ 32,536	US\$ 82	\$ -	- Subsidiary
	Lite-On Service USA, Inc.	California, USA	After-sales service of optical products	US\$ 1,000	US\$ 1,000	10	100.00	US\$ 1,087	US\$ -	\$ -	- Subsidiary
	Leotek Electronics USA LLC.	USA	Sale of LED products	US\$ 5,792	US\$ 5,792	-	100.00	US\$ 8,288	US\$ 19	\$ -	- Subsidiary
	Power Innovations International, Inc.	USA	Development, design and manufacture of power control and energy management	US\$ 15,756	US\$ 15,756	12,916	95.25	US\$ 17,605	US\$ (133)	\$ -	- Subsidiary
	Lite-On Sales & Distribution Inc.	USA	Sale of optical disc drives	US\$ 4,765	US\$ 4,765	1	100.00	US\$ 5,191	US\$ 107	\$ -	- Subsidiary
	Lite-On Technology Service, Inc.	USA	After-sales service of optical products	US\$ 1,500	US\$ 1,500	1	100.00	US\$ 1,566	US\$ 31	\$ -	- Subsidiary
Lite-On International Holding Co., Ltd.	Lite-On China Holding Co., Ltd.	British Virgin Islands	Manufacture and sale of computer cases	US\$ 399,441	US\$ 399,441	399,442	100.00	US\$ 819,879	US\$ 3,280	\$ -	- Subsidiary
LTC Group Ltd.	Titanic Capital Services Ltd.	British Virgin Islands	Investment activities	\$ 810,662	\$ 810,662	17,655	100.00	US\$ 10,223	US\$ (17)	\$ -	- Subsidiary
	LTC International Ltd.	British Virgin Islands	Manufacture and sale of system products	485,514	485,514	15,120	100.00	US\$ 12,392	US\$ 21	\$ -	- 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 9,559	EUR (298)	\$ -	- Subsidiary

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of March 31, 2016			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				March 31, 2016	December 31, 2015	Shares (In Thousands)	Percentage of Ownership (%)	Carrying Value			
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 9,268	EUR (347)	\$ -	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\$ 50	2 -	20.19 1.00	US\$ 26,438 US\$ 29	\$ (48,487) MXN (3,094)	-	Associate Subsidiary
Lite-On Technology (Shanghai) Ltd.	Lite-On Intelligent Technology (Yencheng) Corp.	Yancheng, China	Wholesale, import and export and installation of street lights, signal lights, scenery lights and new-type electronic components	CNY 19,427	CNY 19,427	-	100.00	CNY 22,403	CNY 309	-	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\$ 360,760 CNY 73,220	2,966,233 68,430	100.00 100.00	US\$ 774,419 US\$ 18,317	HK\$ 14,571 CNY (378)	-	Subsidiary Subsidiary
	I-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
	Fordgood 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\$ 14,650 US\$ 4,065	HK\$ 10,725 US\$ 163	-	Subsidiary Subsidiary
G&W Technology (BVI) Limited	G&W Technology Limited	Hong Kong	Leasing business	US\$ 65	US\$ 65	500	100.00	US\$ 976	US\$ 188	-	Subsidiary
High Yield Group Co., Ltd.	Lite-On IT International (HK) Ltd.	Hong Kong	Sale of optical disc drives	US\$ 102,400	US\$ 102,400	102,400	100.00	US\$ 210,164	US\$ 1,979	-	Subsidiary
Lite-On Information Technology B.V.	Lite-On Information Technology GmbH	Germany	Sale of optical disc drives	EUR 25	EUR 25	-	100.00	EUR 37	EUR (2)	-	Subsidiary
Philip & Lite-On Digital Solutions Corp.	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	\$ 898,501 227,797 32,889 48,729	EUR 191 US\$ 84 KRW 11,667 EUR 13	-	Subsidiary Subsidiary Subsidiary Subsidiary
Silitech Technology Corp.	Silitech (BVI) Holding Ltd. Lite-On Japan Ltd.	British Virgin Islands Japan	Investment activities Sale of LED optical products and power supplies	US\$ 95,182 JPY 197,040	US\$ 95,182 JPY 197,040	95,182 980	100.00 7.87	\$ 3,747,908 71,324	US\$ (1,650) JPY 10,098	-	Subsidiary Subsidiary
Silitech (BVI) Holding Ltd.	Silitech (Bermuda) Holding Ltd.	Bermuda	Investment activities	US\$ 95,132	US\$ 95,132	95,132	100.00	US\$ 113,349	US\$ (1,653)	-	Subsidiary
Silitech (Bermuda) Holding Ltd.	Silitech Technology Corp. Ltd. Silitech Technology Corp. Sdn. Bhd. Silitech (Hong Kong) Holding Ltd. Silitech International (India) Private Limited	Hong Kong Malaysia Hong Kong India	Manufacture of plastic and computer peripheral products Manufacture of computer peripheral products Investment activities Development, manufacture and sale of automotive parts	US\$ 8,000 US\$ 5,632 US\$ 77,200 US\$ 3,002	US\$ 8,000 US\$ 5,632 US\$ 77,200 US\$ 3,002	62,400 21,400 77,200 4,173	100.00 100.00 100.00 100.00	US\$ 32,454 US\$ 12,578 US\$ 58,724 US\$ 1,421	CNY (16,359) MYR 2,765 CNY (4,020) INR 1,111	-	Subsidiary Subsidiary Subsidiary Subsidiary
Lite-On Japan Ltd.	Lite-On Japan (S) Pte. Ltd. L&K Industries Philippines, Inc. Lite-On Japan (H.K.) Limited	Singapore Philippines Hong Kong	Import and export business of electronic components Import and export business of electronic components Import and export business of electronic components	JPY 68,811 JPY 261,944 JPY 70,000	JPY 68,811 JPY 261,944 JPY 70,000	988 1,000 50	100.00 100.00 100.00	JPY 68,811 JPY 261,944 JPY 70,000	JPY - JPY 1,806 JPY 4,550	-	Subsidiary (Note 2) Subsidiary (Note 2) Subsidiary (Note 2)

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		Balance as of March 31, 2016			Net Income (Losses) of the Investee	Share of Profits/Losses of Investee	Note
				March 31, 2016	December 31, 2015	Shares (In Thousands)	Percentage of Ownership (%)	Carrying Value			
Lite-On Japan (H.K.) Limited	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 22,593	JPY -	\$ -	Subsidiary (Note 2)
	Lite-On Japan (Thailand) Co., Ltd.	Thailand	Import and export business of electronic components	JPY 65,939	JPY 65,939	200	100.00	JPY 65,939	JPY 19,207	-	Subsidiary (Note 2)
	NL (Shanghai) Co., Ltd.	China	Import and export business of electronic components	JPY 35,655	JPY 35,655	30	100.00	JPY 35,655	JPY 6,426	-	Subsidiary (Note 2)
Lite-On Mobile Oyj (formerly: Perlos Oyj)	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	EUR 303	SEK 68	-	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	3.08	EUR 274	BRL (851)	-	Subsidiary
	Lite-On Mobile India Private Limited.	India	Manufacture and sale of mobile phone modules and design for assembly line	EUR 4,436	EUR -	33,536	11.59	EUR 1,317	INR (80,179)	-	Subsidiary (Note 3)
Lite-On Mobile Pte. Ltd.	Lite-On Mobile Indústria e Comércio de Plásticos Ltda.	Brazil	Manufacture and sale of mobile phone modules and design for assembly line	US\$ 105,802	US\$ 104,702	204,802	96.92	US\$ 9,711	BRL (851)	-	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	US\$ 3,792	EUR (65)	-	Subsidiary
	Lite-On Mobile India Private Limited.	India	Manufacture and sale of mobile phone modules and design for assembly line	US\$ 47,239	US\$ 18,508	255,730	88.41	US\$ 13,051	INR (80,179)	-	Subsidiary (Note 3)
	Lite-On Young Fast Pte. Ltd.	Singapore	Investment activities	US\$ 7,864	US\$ 7,864	10	100.00	US\$ 3,510	US\$ (3)	-	Subsidiary
	Yamada-Lom Fabricacao De Artefatos De Material Plastico Ltda.	Brazil	Manufacture and sale of mobile phone modules and design for assembly line	US\$ 540	US\$ 540	-	25.00	US\$ (58)	BRL (326,796)	-	Associate
Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	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 29,788	CNY 2,742	-	Subsidiary

Note 1: Disposed in January 2016.

Note 2: Investment income/losses and adjustment for changes in equities for using equity method recognized by Lite-On Japan Ltd.

Note 3: Loan to Lite-On Mobile India Private Limited from Lite-On Mobile Oyj and Lite-On Mobile Pte. Ltd. was reclassified to additional capital investment in Lite-On Mobile India Private Limited because of the uncollectibility of the loan in March 2016.

Note 4: Please refer to Table 8 for information on investment in Mainland China.

(Concluded)

Investor Company	Investee Company	Main Businesses and Products	Total Amount of Paid-in Capital	Method of Investment	Accumulated Outflow of Investment from Taiwan as of January 1, 2016	Investment of Flows		Accumulated Outflow of Investment from Taiwan as of March 31, 2016	Net Income (Losses) of the Investee Company (Note 2)	Percentage of Ownership	Share of Profits/Losses (Note 2)	Carrying Amount as of March 31, 2016	Accumulated Inward Remittance of Earnings as of March 31, 2016	Note	
						Outflow	Inflow								
Lite-On Technology Corporation	Shenzhen Lite-On Mobile Precision Molds Co., Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	\$ 265,235 (HK\$ 64,000)	Note 1	\$ 419,394 (US\$ 13,051)	-	-	\$ 419,394 (US\$ 13,051)	\$ (47,939) (CNY -9,446)	100.00%	\$ (47,939) (CNY -9,446)	\$ 426,367 (US\$ 13,268)	\$ -	-	
	Zhuhai Lite-On Mobile Technology Company Ltd.	Manufacture and sale of mobile phone modules and design for assembly line	597,775 (US\$ 18,602)	Note 1	499,024 (US\$ 15,529)	-	-	499,024 (US\$ 15,529)	(127,877) (CNY -25,197)	100.00%	(127,877) (CNY -25,197)	1,570,169 (US\$ 315,314)	-	-	
	Lite-On Young Fast (Huizhou) Co., Ltd.	Modules of touch panels	321,350 (US\$ 10,000)	Note 1	208,878 (US\$ 6,500)	-	-	208,878 (US\$ 6,500)	-	100.00%	-	(18,253) (US\$ -568)	-	-	
	Lite-on Green Technologies (Nanjing) Corporation	Solar energy engineering	24,101 (US\$ 750)	Note 1	24,101 (US\$ 750)	-	-	24,101 (US\$ 750)	56,268 (CNY 11,087)	100.00%	56,268 (CNY 11,087)	(9,512) (US\$ -296)	-	-	
	Changzhou Binhu Thin Film Solar Greenhouse Co., Ltd.	Manufacture and sale of solar energy engineering	298,533 (CNY 59,950)	Note 1	96,309 (US\$ 2,997)	-	-	96,309 (US\$ 2,997)	-	19.90%	-	4,499 (US\$ 140)	-	-	
	Epicrystal (Changzhou) Co., Ltd.	Manufacture, design and sale of light-emitting diode products	4,498,900 (US\$ 140,000)	Note 1	867,645 (US\$ 27,000)	-	-	867,645 (US\$ 27,000)	13,191 (CNY 2,599)	22.40%	2,954 (CNY 582)	944,774 (CNY 189,725)	-	-	
	Dongguan Lite-On Computer Co., Ltd.	Manufacture and sale of computer hosts and components	64,270 (US\$ 2,000)	Note 1	64,270 (US\$ 2,000)	-	-	64,270 (US\$ 2,000)	(218) (CNY -43)	100.00%	(218) (CNY -43)	105,181 (CNY 21,122)	-	-	
	Huizhou Li Shin Electronic Co., Ltd.	Manufacture of computer peripheral products	202,708 (US\$ 6,308)	Note 1	130,757 (US\$ 4,069)	-	-	130,757 (US\$ 4,069)	35,977 (CNY 7,089)	100.00%	35,977 (CNY 7,089)	642,539 (US\$ 19,995)	-	-	
	Huizhou Fu Tai Electronic Co., Ltd.	Manufacture of computer peripheral products	31,139 (US\$ 969)	Note 1	2,089 (US\$ 65)	-	-	2,089 (US\$ 65)	787 (CNY 155)	100.00%	787 (CNY 155)	65,812 (US\$ 2,048)	-	-	
	Li Shin Technology (Huizhou) Ltd.	Manufacture and sale of new-type electronic components and peripheral materials	192,810 (US\$ 6,000)	Note 1	-	-	-	-	2,187 (CNY 431)	100.00%	2,187 (CNY 431)	438,739 (US\$ 13,653)	-	-	
	Lite-On Opto Technology (Guangzhou) Co., Ltd.	Manufacture and sale of optical disc drives	1,381,805 (US\$ 43,000)	Note 1	1,381,805 (US\$ 43,000)	-	-	1,381,805 (US\$ 43,000)	(24,569) (CNY -4,841)	100.00%	(24,569) (CNY -4,841)	2,608,173 (US\$ 81,163)	-	-	
	Lite-On Auto Electric Technology (Guangzhou) Ltd.	Manufacture and sale of optical disc drives	64,270 (US\$ 2,000)	Note 1	64,270 (US\$ 2,000)	-	-	64,270 (US\$ 2,000)	14,063 (CNY 2,771)	100.00%	14,063 (CNY 2,771)	150,328 (US\$ 4,678)	-	-	
	Lite-On IT Opto Tech (BH) Co., Ltd.	Manufacture and sale of optical disc drives	1,767,425 (US\$ 55,000)	Note 1	1,767,425 (US\$ 55,000)	-	-	1,767,425 (US\$ 55,000)	76,492 (CNY 15,072)	100.00%	76,492 (CNY 15,072)	3,941,004 (US\$ 122,639)	-	-	
	Lite-On Automotive (Wuxi) Co., Ltd.	Manufacture, sale and processing of electronic products	160,675 (US\$ 5,000)	Note 1	160,675 (US\$ 5,000)	-	-	160,675 (US\$ 5,000)	20,930 (CNY 4,124)	100.00%	20,930 (CNY 4,124)	634,136 (HK\$ 153,014)	-	-	
	Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	Manufacture, sale and processing of electronic products	199,237 (US\$ 6,200)	Note 1	188,632 (US\$ 5,870)	-	-	188,632 (US\$ 5,870)	32,805 (CNY 6,464)	100.00%	32,805 (CNY 6,464)	1,378,991 (HK\$ 332,744)	-	-	
	Changzhou Leotek New Energy Trade Limited	Wholesale, import and export and installation of street lights, signal lights, scenery lights and new-type electronic components	32,135 (US\$ 1,000)	Note 1	32,135 (US\$ 1,000)	-	-	32,135 (US\$ 1,000)	1,066 (CNY 210)	100.00%	1,066 (CNY 210)	15,273 (CNY 3,067)	-	-	
	Lite-On Technology (Shanghai) Ltd.	Manufacture and sale of energy saving equipment	2,088,775 (US\$ 65,000)	Note 1	2,088,775 (US\$ 65,000)	-	-	2,088,775 (US\$ 65,000)	60,845 (CNY 11,989)	100.00%	60,845 (CNY 11,989)	2,287,144 (US\$ 71,173)	-	-	
	Philip & Lite-On Digital Solutions Corp.	Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd.	Sale of optical disc drives	32,135 (US\$ 1,000)	Note 1	32,135 (US\$ 1,000)	-	-	32,135 (US\$ 1,000)	8,303 (CNY 1,636)	100.00%	8,303 (CNY 1,636)	513,358	-	-
	Silitech Technology Corp.	Xurong Electronic (Shenzhen) Co., Ltd.	Manufacture of automotive parts, touch panels and plastic & rubber assembly	90,390 (US\$ 2,800)	Note 1	203,354	-	-	203,354	(65,619) (CNY -12,912)	100.00%	(65,619) (CNY -12,912)	992,816 (CNY 198,416)	-	-
		Silitech Technology (SuZhou) Co., Ltd.	Manufacture and sale of automotive parts	2,517,996 (US\$ 78,000)	Note 1	2,517,996 (US\$ 78,000)	-	-	2,517,996 (US\$ 78,000)	(21,619) (CNY -4,254)	100.00%	(21,619) (CNY -4,254)	1,792,159 (CNY 358,166)	-	-
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)	145,269 (US\$ 4,500)	Note 1	-	-	-	-	(29,100) (CNY -5,726)	60.00%	(17,462) (CNY -3,436)	(3,373) (CNY -674)	-	-	

Accumulated Investment in Mainland China as of March 31, 2016	Investment Amounts Authorized by Investment Commission, MOEA	Upper Limit on Investment
\$36,205,830 (US\$1,126,679)	\$37,660,613 (US\$1,171,950)	Note 4

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., Lite-On Opto Technology (Changzhou) Co., Ltd., Guangzhou Lite-On Mobile Electronic Components Co., Ltd., Zhuhai Lite-On Mobile Technology Company Ltd.

Note 3: Lite-On Electronics (Guangzhou) Co., Ltd. merged with Lite-On Tech (Guangzhou) Co., Ltd., Lite-On (Guangzhou) Precision Tooling 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 March 31, 2016, the change in the amount of investment in Mainland China has not yet been registered with the Ministry of Economic Affairs.

Note 4: 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)

LITE-ON TECHNOLOGY CORPORATION AND SUBSIDIARIES

INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2016
(Amounts in Thousands of New Taiwan Dollars)

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	
0	Lite-On Technology Corporation	Philip & Lite-On Digital Solutions Corp.	a.	Sales	\$ 3,912,374	Cost-plus pricing	8
		Philip & Lite-On Digital Solutions Corp.	a.	Accounts receivable	4,268,286	Cost-plus pricing	2
		LET (HK) Ltd.	a.	Accounts payable	280,590	Cost-plus pricing	-
		Lite-On Technology (Changzhou) Co., Ltd.	a.	Sales	235,301	Cost-plus pricing	-
		Lite-On Technology (Changzhou) Co., Ltd.	a.	Accounts receivable	356,173	Cost-plus pricing	-
		Lite-On Technology (Changzhou) Co., Ltd.	a.	Purchases	249,644	Cost-plus pricing	1
		Lite-On Technology (Changzhou) Co., Ltd.	a.	Accounts payable	249,707	Cost-plus pricing	-
		China Bridge Express (Wuxi) Co., Ltd.	a.	Sales	188,237	Cost-plus pricing	-
		China Bridge Express (Wuxi) Co., Ltd.	a.	Accounts receivable	272,424	Cost-plus pricing	-
		Titanic Capital Services Ltd.	a.	Other payable	297,908	No significant difference	-
		Lite-On Singapore Pte. Ltd.	a.	Sales	760,321	Cost-plus pricing	2
		Lite-On Singapore Pte. Ltd.	a.	Accounts receivable	1,029,591	Cost-plus pricing	1
		Lite-On Singapore Pte. Ltd.	a.	Other receivable	314,168	No significant difference	-
		Lite-On Singapore Pte. Ltd.	a.	Purchases	4,934,439	Cost-plus pricing	10
		Lite-On Singapore Pte. Ltd.	a.	Accounts payable	6,449,056	Cost-plus pricing	3
		Lite-On Japan Ltd.	a.	Sales	152,003	Cost-plus pricing	-
		Lite-On Japan Ltd.	a.	Accounts receivable	163,094	No significant difference	-
		Lite-On Trading USA, Inc.	a.	Sales	1,020,516	Cost-plus pricing	2
		Lite-On Trading USA, Inc.	a.	Accounts receivable	1,048,831	Cost-plus pricing	1
		Lite-On Sales & Distribution Inc.	a.	Sales	324,815	Cost-plus pricing	1
		Lite-On Sales & Distribution Inc.	a.	Accounts receivable	378,227	Cost-plus pricing	-
		Lite-On Overseas Trading Co., Ltd.	a.	Accounts receivable	3,239,788	Cost-plus pricing	2
		Lite-On Overseas Trading Co., Ltd.	a.	Purchases	16,623,942	Cost-plus pricing	33
		Lite-On Overseas Trading Co., Ltd.	a.	Accounts payable	11,926,563	Cost-plus pricing	6
		Li Shin International Enterprise Corp.	a.	Purchases	755,722	Cost-plus pricing	2
		Li Shin International Enterprise Corp.	a.	Accounts payable	400,949	Cost-plus pricing	-
		Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	a.	Purchases	177,409	Cost-plus pricing	-
Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	a.	Accounts payable	247,365	Cost-plus pricing	-		
1	Philip & Lite-On Digital Solutions Corp.	Philips & Lite-On Digital Solutions USA Inc.	c.	Purchases	975,813	Cost-plus pricing	2
		Philips & Lite-On Digital Solutions USA Inc.	c.	Accounts payable	1,400,911	Cost-plus pricing	1
		Philips & Lite-On Digital Solutions Germany GmbH	c.	Purchases	424,054	Cost-plus pricing	1
		Philips & Lite-On Digital Solutions Germany GmbH	c.	Accounts payable	526,952	Cost-plus pricing	-

(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	
2	Lite-On Electronics (Tianjinn) 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	\$ 372,340 224,911 255,454	Cost-plus pricing Cost-plus pricing No significant difference	1 - -
3	Lite-On Network Communication (Dongguan) Limited	Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd.	c. c.	Sales Accounts receivable	2,472,444 980,863	Cost-plus pricing Cost-plus pricing	5 -
4	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	175,764 759,653 182,651	No significant difference Cost-plus pricing Cost-plus pricing	- 2 -
5	Lite-On Li Shin Technology (Ganzhou) Co., Ltd.	Li Shin International Enterprise Corp. Li Shin International Enterprise Corp.	c. c.	Sales Accounts receivable	181,463 133,770	Cost-plus pricing Cost-plus pricing	- -
6	Lite-On Technology (Changzhou) Co., 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.	Sales Accounts receivable Sales Accounts receivable Other receivable	2,707,017 501,296 1,653,448 233,263 1,271,097	Cost-plus pricing Cost-plus pricing Cost-plus pricing Cost-plus pricing No significant difference	5 - 3 - 1
7	Lite-On Technology (Ying Tan) Co., Ltd.	Li Shin International Enterprise Corp. Li Shin International Enterprise Corp.	c. c.	Sales Accounts receivable	143,736 153,466	Cost-plus pricing Cost-plus pricing	- -
8	Lite-On Technology (Xianging) Co., Ltd.	Li Shin International Enterprise Corp.	c.	Sales	127,703	Cost-plus pricing	-
9	Lite-On Technology (Shanghai) Ltd.	Philip & Lite-On Digital Solutions (Shanghai) Co., Ltd.	c.	Sales	225,381	Cost-plus pricing	-
10	Lite-On Electronics (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd.	c. c.	Sales Accounts receivable	1,811,212 699,383	Cost-plus pricing Cost-plus pricing	4 -
11	Silitek Elec. (Dongguan) Co., Ltd.	Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd.	c. c.	Sales Accounts receivable	1,651,956 982,346	Cost-plus pricing Cost-plus pricing	3 -
12	Lite-On Power Technology (Dongguan) Co., Ltd.	Lite-On Electronics Co., Ltd.	c.	Sales	235,719	Cost-plus pricing	-
13	Lite-On Electronics Co., Ltd.	Lite-On Singapore Pte. Ltd.	c.	Sales	235,720	Cost-plus pricing	-
14	Dong Guan G-Tech Computers Co., Ltd.	Lite-On Overseas Trading Co., Ltd. Lite-On Overseas Trading Co., Ltd.	c. c.	Sales Accounts receivable	899,556 435,013	Cost-plus pricing Cost-plus pricing	2 -
15	Huizhou Li Shin Electronic Co., Ltd.	Li Shin International Enterprise Corp. Li Shin International Enterprise Corp.	c. c.	Sales Accounts receivable	295,675 127,977	Cost-plus pricing Cost-plus pricing	1 -
16	DongGuan G-Pro Computer Co., Ltd.	Lite-On Overseas Trading Co., Ltd. Lite-On Electronics (Dongguan) Co., Ltd.	c. c.	Sales Other receivable	1,534,310 250,754	Cost-plus pricing No significant difference	3 -

(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	
17	Lite-On Electronics (Guangzhou) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	c.	Sales	\$ 7,375,189	Cost-plus pricing	15
		Lite-On Overseas Trading Co., Ltd.	c.	Accounts receivable	6,701,453	Cost-plus pricing	3
		Zhuhai Lite-On Mobile Telecommunication Co., Ltd.	c.	Other receivable	1,505,669	No significant difference	1
18	Lite-On Opto Technology (Guangzhou) Co., Ltd.	Lite-On Overseas Trading Co., Ltd.	c.	Sales	657,110	Cost-plus pricing	1
		Lite-On Overseas Trading Co., Ltd.	c.	Accounts receivable	314,321	Cost-plus pricing	-
19	Lite-On Auto Electric Technology (Guangzhou) Ltd.	Lite-On Technology (Shanghai) Ltd.	c.	Sales	201,598	Cost-plus pricing	-
20	Lite-On IT Opto Tech (BH) Co., Ltd.	LET (HK) Ltd.	c.	Accounts receivable	219,320	Cost-plus pricing	-
		Lite-On Overseas Trading Co., Ltd.	c.	Sales	2,875,465	Cost-plus pricing	6
		Lite-On Overseas Trading Co., Ltd.	c.	Accounts receivable	1,064,567	Cost-plus pricing	1
21	LET (HK) Ltd.	Lite-On Opto Technology (Guangzhou) Co., Ltd.	c.	Accounts receivable	158,600	Cost-plus pricing	-
		Lite-On IT Opto Tech (BH) Co., Ltd.	c.	Accounts receivable	1,105,543	Cost-plus pricing	1
22	Lite-On Electronics (Thailand) Co., Ltd.	Lite-On Singapore Pte. Ltd.	c.	Sales	770,608	Cost-plus pricing	2
		Lite-On Singapore Pte. Ltd.	c.	Accounts receivable	749,815	Cost-plus pricing	-
23	Lite-On Singapore Pte. Ltd.	Lite-On Technology (Shanghai) Ltd.	c.	Sales	164,723	Cost-plus pricing	-
		Lite-On Technology (Shanghai) Ltd.	c.	Accounts receivable	160,052	Cost-plus pricing	-
		China Bridge Express (Wuxi) Co., Ltd.	c.	Sales	172,090	Cost-plus pricing	-
		China Bridge Express (Wuxi) Co., Ltd.	c.	Accounts receivable	277,842	Cost-plus pricing	-
		Lite-On Electronics H.K. Ltd.	c.	Sales	408,833	Cost-plus pricing	1
		Lite-On Electronics H.K. Ltd.	c.	Accounts receivable	292,637	Cost-plus pricing	-
		Lite-On Japan Ltd.	c.	Sales	352,529	Cost-plus pricing	1
		Lite-On Japan Ltd.	c.	Accounts receivable	492,916	Cost-plus pricing	-
		Lite-On, Inc.	c.	Sales	201,158	Cost-plus pricing	-
		Lite-On, Inc.	c.	Accounts receivable	166,006	Cost-plus pricing	-
		Lite-On Trading USA, Inc.	c.	Sales	1,110,034	Cost-plus pricing	2
		Lite-On Trading USA, Inc.	c.	Accounts receivable	1,540,205	Cost-plus pricing	1
		Leotek Electronics USA LLC	c.	Sales	271,405	Cost-plus pricing	1
		Leotek Electronics USA LLC	c.	Accounts receivable	476,439	Cost-plus pricing	-
		Lite-On Overseas Trading Co., Ltd.	c.	Sales	462,554	Cost-plus pricing	-
Lite-On Mobile Pte. Ltd.	c.	Other receivable	1,285,891	No significant difference	1		
24	G&W Technology (BVI) Limited	G&W Technology Limited	c.	Other receivable	170,514	No significant difference	-
25	Lite-On Overseas Trading Co., Ltd.	Lite-On Network Communication (Dongguan) Limited	c.	Sales	2,239,192	Cost-plus pricing	4
		Lite-On Network Communication (Dongguan) Limited	c.	Accounts receivable	1,647,496	Cost-plus pricing	1
		Lite-On Technology (Changzhou) Co., Ltd.	c.	Sales	2,533,520	Cost-plus pricing	5
		Lite-On Technology (Changzhou) Co., Ltd.	c.	Accounts receivable	3,816,350	Cost-plus pricing	2
		Lite-On Electronics (Dongguan) Co., Ltd.	c.	Sales	1,702,679	Cost-plus pricing	3
		Lite-On Electronics (Dongguan) Co., Ltd.	c.	Accounts receivable	821,232	Cost-plus pricing	-
		Silitek Elec. (Dongguan) Co., Ltd.	c.	Sales	1,214,371	Cost-plus pricing	2

(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	
		Silitek Elec. (Dongguan) Co., Ltd. Dong Guan G-Tech Computers Co., Ltd. Dong Guan G-Tech Computers Co., Ltd.	c. c. c.	Accounts receivable Sales Accounts receivable	\$ 255,791 438,265 659,354	Cost-plus pricing Cost-plus pricing Cost-plus pricing	- 1 -
25	Lite-On Overseas Trading Co., Ltd.	I-Solutions Limited Huizhou Li Shin Electronic Co., Ltd. Huizhou Li Shin Electronic Co., Ltd. DongGuan G-Pro Computer Co., Ltd. DongGuan G-Pro Computer Co., Ltd. Lite-On Electronics (Guangzhou) Co., Ltd. Lite-On Electronics (Guangzhou) Co., Ltd. Lite-On Opto Technology (Guangzhou) Co., Ltd. Lite-On Opto Technology (Guangzhou) Co., 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. c. c. c. c. c.	Accounts receivable Sales Accounts receivable Sales Accounts receivable Sales Accounts receivable Sales Accounts receivable Sales Accounts receivable Sales Accounts receivable	150,152 201,872 209,083 1,243,102 1,124,562 9,058,568 8,647,396 273,072 264,739 2,480,519 2,412,288 4,145,704 1,730,754	Cost-plus pricing Cost-plus pricing Cost-plus pricing Cost-plus pricing Cost-plus pricing Cost-plus pricing Cost-plus pricing Cost-plus pricing Cost-plus pricing Cost-plus pricing Cost-plus pricing Cost-plus pricing Cost-plus pricing	- - - 2 1 18 4 1 - 5 1 8 1
26	Lite-On Automotive (Wuxi) Co., Ltd.	Lite-On Technology (Shanghai) Ltd.	c.	Accounts receivable	194,617	Cost-plus pricing	-
27	Lite-On Automotive Electronics (Guangzhou) Co., Ltd.	Lite-On Technology (Shanghai) Ltd. Lite-On Technology (Shanghai) Ltd. Lite-On Singapore Pte. Ltd. Lite-On Singapore Pte. Ltd.	c. c. c. c.	Sales Accounts receivable Sales Accounts receivable	201,141 298,082 346,045 436,004	Cost-plus pricing Cost-plus pricing Cost-plus pricing Cost-plus pricing	- - 1 -
28	Guangzhou Lite-On Mobile Electronic Components Co., Ltd.	Lite-On Mobile Pte. Ltd. Lite-On Mobile Pte. Ltd.	c. c.	Sales Accounts receivable	347,357 337,513	Cost-plus pricing Cost-plus pricing	1 -
29	Zhuhai Lite-On Mobile Technology Co., Ltd.	Lite-On Mobile Pte. Ltd. Lite-On Mobile Pte. Ltd.	c. c.	Sales Accounts receivable	395,110 382,818	Cost-plus pricing Cost-plus pricing	1 -
30	Silitech Technology Corp.	Silitech (BVI) Holding Ltd. Silitech Technology Corporation Ltd. Silitech Technology Corporation Ltd.	c. c. c.	Other receivable Purchases Accounts payable	364,354 131,472 188,932	No significant difference No significant difference No significant difference	- - -
31	Silitech (BVI) Holding Ltd.	Silitech (Bermuda) Holding Ltd.	c.	Other receivable	354,670	No significant difference	-
32	Xurong Electronic (Shenzhen) Co., Ltd.	Silitech Technology Corporation Ltd. Silitech Technology Corporation Ltd.	c. c.	Accounts receivable Sales	227,653 155,911	No significant difference No significant difference	- -

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

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

(Continued)

Note 2: Nature of relationship is as follows:

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

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 March 31, 2016. For profit or loss items, cumulative amounts are shown as a percentage to consolidated total operating revenues for the three months ended March 31, 2016.

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)