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You are reminded that this Offering Circular has been delivered to you on the basis that you are a person into whose possession this Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to forward, deliver or otherwise provide access of this Offering Circular to any other person.

The materials relating to the offering of securities to which this Offering Circular relates do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licenced broker or dealer and the underwriters or any affiliate of the underwriters is a licenced broker or dealer in that jurisdiction, the offering shall be deemed to be made by the underwriters or such affiliate on behalf of the Issuers (as defined below) in such jurisdiction.

This Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of Foxconn (Far East) Limited, Competition Team Technologies Limited (together, the "Issuers"), Hon Hai Precision Industry Co., Ltd. (the "Guarantor"), Barclays Bank PLC and Mizuho Securities Asia Limited (the "Arrangers"), Barclays Bank PLC, Mizuho Securities Asia Limited, Bank of China (Hong Kong) Limited, Citigroup Global Markets Limited, The Hongkong and Shanghai Banking Corporation Limited and J.P. Morgan Securities plc (the "Dealers"), any person who controls the Arrangers or the Dealers, any director, officer, employee nor agent of the Issuers or the Guarantor or the Arrangers or the Dealers, or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any such alteration or change to the Offering Circular distributed to you in electronic format or any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request from the Arrangers or the Dealers.

Restrictions: Nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of any of the Issuers, the Guarantor, the Arrangers or the Dealers to subscribe or purchase any of the securities described therein. Any securities to be issued will not be registered under the Securities Act and may not be offered or sold in the United States unless registered under the Securities Act or pursuant to an exemption from such registration. Access has been limited so that it shall not constitute a general solicitation in the United States or elsewhere. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

If you receive the Offering Circular by e-mail, you should not reply by e-mail to the Offering Circular, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected. You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



Foxconn (Far East) Limited

(incorporated under the laws of the Cayman Islands with limited liability)

Competition Team Technologies Limited

(incorporated under the laws of the Bahamas with limited liability)

(as Issuers)

U.S.\$3,500,000,000

Medium Term Note Programme

Unconditionally and Irrevocably Guaranteed by

Hon Hai Precision Industry Co., Ltd.

(incorporated as a company limited by shares in the Republic of China)

(as Guarantor)

Under the U.S.\$3,500,000,000 Medium Term Note Programme described in this Offering Circular (the "Programme"), Foxconn (Far East) Limited ("FFE") and Competition Team Technologies Limited ("CTT") (each an "Issuer" or "Relevant Issuer" (as applicable and as specified in the relevant pricing supplement) and together the "Issuers"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue medium term notes (the "Notes") unconditionally and irrevocably guaranteed (the "Guarantee") by Hon Hai Precision Industry Co., Ltd. (the "Guarantor" or the "Company"). Notes may be issued in bearer or registered form. With effect from 13 November 2014, the size of the Programme was increased from U.S.\$2,000,000,000 to U.S.\$3,500,000,000 in accordance with the terms of the Programme. The aggregate principal amount of Notes outstanding will not at any time exceed U.S.\$3,500,000,000 (or its equivalent in other currencies), subject to increase as described herein. The Notes may be issued on a continuing basis to one or more of the Dealers specified under "Summary of the Programme" and any additional Dealer appointed under the Programme from time to time by the Issuers (each a "Dealer" and together the "Dealers"), which appointment may be for a specific issue or on an ongoing basis. References in this Offering Circular to the "relevant Dealer" shall, in the case of an issue of Notes being (or intended to be) subscribed for by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

Approval in principle has been received from the Singapore Exchange Securities Trading Limited (the "SGX-ST") for permission to deal in and quotation for any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. Unlisted series of Notes may also be issued pursuant to the Programme. The relevant Pricing Supplement (as defined herein) in respect of any series of Notes will specify whether or not such Notes will be listed on the SGX-ST (or any other stock exchange). There is no assurance that the application will be approved. Admission to the Official List of the SGX-ST and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Programme, the Issuers, the Guarantor, their subsidiary companies (if any), their associated companies (if any) or such Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Notice of the aggregate principal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under "Terms and Conditions of the Notes") of Notes will be set out in a final terms (the "Pricing Supplement") which, with respect to Notes to be listed on the Official List of the SGX-ST, will be delivered to the SGX-ST, on or before the date of issue of the Notes of such Tranche.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or market(s) as may be agreed between the relevant Issuer, the Guarantor and the relevant Dealer(s).

The Notes of each Series issued in bearer form ("Bearer Notes") will be represented on issue by a temporary global note in bearer form (each a "Temporary Global Note") or a permanent global note in bearer form (each a "Permanent Global Note") (collectively, the "Global Notes"). Notes in registered form ("Registered Notes") will be represented by registered certificates (each a "Certificate"), one Certificate being issued in respect of each Noteholder's entire holding of Notes in registered form of one Series. Global Notes and Certificates may be deposited on the relevant issue date with a common depository on behalf of Euroclear Bank S.A./N.V. ("Euroclear") and/or Clearstream Banking S.A. ("Clearstream, Luxembourg"), or with a sub-custodian for the Central Moneymarkets Unit Service ("CMU") operated by the Hong Kong Monetary Authority. The provisions governing the exchange of interests in Global Notes for other Global Notes and Notes in definitive form ("Definitive Notes") are described in "Summary of Provisions Relating to the Notes while in Global Form".

The Notes and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Notes may include Bearer Notes (as defined herein) that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold, or, in the case of Bearer Notes, delivered within the United States. Registered Notes are subject to certain restrictions on transfer, see "Subscription and Sale".

The Issuers and the Guarantor may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a supplementary Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

Investing in Notes issued under the Programme involves certain risks and may not be suitable for all investors. Investors should have sufficient knowledge and experience in financial and business matters to evaluate the information contained in this Offering Circular and in the applicable Pricing Supplement and the merits and risks of investing in a particular issue of Notes in the context of their financial position and particular circumstances. Investors also should have the financial capacity to bear the risks associated with an investment in Notes. Investors should not purchase Notes unless they understand and are able to bear risks associated with Notes. The principal risk factors that may affect the ability of the Issuers and the Guarantor to fulfil their respective obligations in respect of the Notes are discussed under "Risk Factors" below.

S&P Global Ratings, a division of the McGraw Hill Companies Inc., has assigned a rating of A- to the Programme. The rating is only correct as of the date of this Offering Circular. Notes issued under the Programme may be rated or unrated. Where an issue of Notes is rated, its rating will not necessarily be the same as the rating applicable to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Arrangers

Barclays

Mizuho Securities

Dealers

**Bank of China
HSBC**

**Barclays
J.P. Morgan**

**Citigroup
Mizuho Securities**

Each of the Issuers and the Guarantor, having made all reasonable enquiries, confirms that (i) this Offering Circular contains all information with respect to the Issuers, the Guarantor and their respective subsidiaries (collectively, the “Group”), the Notes and the Guarantee, which is material in the context of the issue and offering of the Notes, (ii) the statements contained in it relating to the Issuers, the Guarantor and the Group are in every material respect true and accurate and not misleading, (iii) the opinions and intentions expressed in this Offering Circular with regard to the Issuers, the Guarantor and the Group are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions, (iv) there are no other facts in relation to the Issuers, the Guarantor, the Group, the Notes or the Guarantee the omission of which would, in the context of the issue and offering of the Notes and the Guarantee, make any statement in this Offering Circular misleading in any material respect and (v) all reasonable enquiries have been made by the Issuers and the Guarantor to ascertain such facts and to verify the accuracy of all such information and statements. In addition, the Issuers and the Guarantor accept full responsibility for the accuracy of the information contained in this Offering Circular.

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under “Terms and Conditions of the Notes” (the “Conditions”) as amended and/or supplemented by the Pricing Supplement specific to such Tranche. This Offering Circular must be read and construed together with any amendments or supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes, must be read and construed together with the relevant Pricing Supplement.

The distribution of this Offering Circular and any Pricing Supplement and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuers, the Guarantor, the Arrangers and the Dealers to inform themselves about and to observe any such restrictions. None of the Issuers, the Guarantor, the Arrangers or the Dealers represents that this Offering Circular or any Pricing Supplement may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuers, the Guarantor, the Arrangers or the Dealers which would permit a public offering of any Notes or distribution of this Offering Circular or any Pricing Supplement in any jurisdiction where action for such purposes is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and none of this Offering Circular, any Pricing Supplement or any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

There are restrictions on the offer and sale of the Notes and the circulation of documents relating thereto, in certain jurisdictions including, but not limited to, the United States of America, the European Economic Area, the United Kingdom, the ROC, the PRC, Hong Kong, Japan, Singapore, the Cayman Islands and the Bahamas, and to persons connected therewith. The Notes and the Guarantee have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or, in the case of Bearer Notes, delivered within the United States. The Notes are being offered and sold outside the United States in reliance on Regulation S. For a description of certain restrictions on offers, sales and transfers of Notes and on the distribution of this Offering Circular, see “Subscription and Sale”.

This Offering Circular is an advertisement and is not a prospectus for the purposes of the Prospectus Directive (as defined in this Offering Circular).

This Offering Circular is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “Information Incorporated by Reference”). This Offering Circular shall be read and construed on the basis that such documents are incorporated in and form part of this Offering Circular.

Listing of the Notes on the Official List of the SGX-ST is not to be taken as an indication of the merits of the Issuers, the Guarantor, the Group or the Notes. In making an investment decision, investors must rely on their own examination of the Issuers, the Guarantor, the Group and the terms of the offering, including the merits and risks involved. See “Risk Factors” for a discussion of certain factors to be considered in connection with an investment in the Notes.

The contents of this Offering Circular have not been reviewed by any regulatory authority in Singapore. Investors are advised to exercise caution in relation to the offer. If any investor is in any doubt about any of the contents of this Offering Circular, that investor should obtain independent professional advice.

No person has been or is authorised by the Issuers and the Guarantor to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other document entered into in relation to the Programme and the sale of Notes and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuers, the Guarantor, any Dealer, the Arrangers or their respective affiliates.

Neither the delivery of this Offering Circular or any Pricing Supplement nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Offering Circular is true subsequent to the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuers, the Guarantor or the Group since the date thereof or, if later, the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Neither this Offering Circular nor any Pricing Supplement constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by the Issuers, the Guarantor, the Arrangers, the Dealers, Citicorp International Limited (the “Trustee”), the Agents (as defined in this Offering Circular) or any director, officer, employee, agent or affiliate of any such person or any of them that any recipient of this Offering Circular or any Pricing Supplement should subscribe for or purchase any Notes. Each potential purchaser of the Notes should determine for itself the relevance of the information contained in this Offering Circular or any Pricing Supplement and its purchase of the Notes should be based upon such investigations with its own tax, legal and business advisers as it deems necessary.

The maximum aggregate principal amount of Notes outstanding and guaranteed at any one time under the Programme will not exceed U.S.\$3,500,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into U.S.\$ at the date of the agreement to issue such Notes calculated in accordance with the provisions of the Dealer Agreement). The maximum aggregate principal amount of Notes which may be outstanding and guaranteed at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement as defined under “Subscription and Sale”.

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the stabilising manager(s) (the “Stabilising Manager”) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Pricing Supplement may, to the extent permitted by applicable laws and rules, over allot the Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be discontinued at any time, and must be brought to an end after a limited period. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

None of the Arrangers, the Dealers, the Trustee and the Agents has separately verified the information contained in this Offering Circular. To the fullest extent permitted by law, none of the Arrangers, the Dealers, the Trustee, the Agents or any of their respective directors, officers, employees,

agents or affiliates makes any representation, warranty or undertaking, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Offering Circular. To the fullest extent permitted by law, none of the Arrangers, the Dealers, the Trustee or the Agents, or any directors, officers, employees, agents or affiliates of any such person, accepts any responsibility for the contents of this Offering Circular or for any other statement made or purported to be made by the Arrangers, the Dealers, the Trustee, an Agent or any directors, officers, employees, agents or affiliates of any such person or on its behalf in connection with the Issuers, the Guarantor, the Group or the issue and offering of the Notes. Each of the Arrangers, the Dealers, the Trustee and the Agents accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Offering Circular or any such statement.

This Offering Circular does not describe all of the risks and investment considerations (including those relating to each investor's particular circumstances) of an investment in Notes of a particular issue. Each potential purchaser of Notes should refer to and consider carefully the relevant Pricing Supplement for each particular issue of Notes, which may describe additional risks and investment considerations associated with such Notes. The risks and investment considerations identified in this Offering Circular and the applicable Pricing Supplement are provided as general information only. Investors should consult their own financial and legal advisors as to the risks and investment considerations arising from an investment in an issue of Notes and should possess the appropriate resources to analyse such investment and the suitability of such investment in their particular circumstances.

Neither this Offering Circular nor any other information provided or incorporated by reference in connection with the Programme is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuers, the Guarantor, the Arrangers, the Dealers, the Trustee or the Agents, or any of their respective directors, officers, employees, agents or affiliates that any recipient of this Offering Circular or of any such information should purchase the Notes. Each potential purchaser of Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuers, the Guarantor and the Group. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Arrangers, the Dealers, the Trustee or the Agents or agent or affiliate of any such person undertakes to review the financial condition or affairs of the Issuers, the Guarantor or the Group during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Arrangers, the Dealers, the Trustee or the Agents or any of them.

In this Offering Circular, where information has been presented in thousands or millions of units, amounts may have been rounded up or down. Accordingly, totals of columns or rows of numbers in tables may not be equal to the apparent total of the individual items and actual numbers may differ from those contained herein due to rounding.

Except as otherwise indicated in this Offering Circular, all non-company specific statistics and data relating to the industries in which the Group operates in and the economic development of certain regions within the PRC have been extracted or derived from publicly available information and industry publications. The information has not been independently verified by the Issuers, the Guarantor, the Arrangers, the Dealers, the Trustee, the Agents or by their respective directors, officers, employees and advisors, and none of the Issuers, the Guarantor, the Arrangers, the Dealers or the Trustee or their respective directors and advisors make any representation as to the correctness, accuracy or completeness of that information. In addition, third-party information providers may have obtained information from market participants and such information may not have been independently verified.

In this Offering Circular, unless otherwise specified or the context otherwise requires, all references to "U.S.\$" and to "U.S. dollars" are to the currency of the United States of America; all references to "NT dollars" and "NT\$" are to New Taiwan dollars; all references to "Renminbi" and "RMB" are to the currency of the PRC; all references to "HK\$" or "Hong Kong dollar" are to the currency of the Hong Kong Special Administrative Region; all references to "£" are to the currency of the United Kingdom; all references to "euro" and "€" are to the currency introduced at the start of the third stage of the European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro as amended from time to

time; all references to “S\$” are to the currency of the Republic of Singapore; all references to “JPY” are to the currency of Japan; all references to “United States” or “U.S.” are to the United States of America; references to “China”, “Mainland China” and the “PRC” in this Offering Circular are to the People’s Republic of China and for geographical reference only (unless otherwise stated) exclude Taiwan, Macau and Hong Kong; references to “PRC Government” are to the government of the PRC; references to “Taiwan” or the “ROC” are to the island of Taiwan and other areas under the effective control of the Republic of China; references to “European Community” are to the territory comprised by the member states of the European Community as constituted from time to time; references to “United Kingdom” are to the United Kingdom of Great Britain and Northern Ireland; and references to “CMU Notes” are to Global Notes or Certificates that will be deposited with a sub-custodian for the CMU.

For convenience only and unless otherwise noted, in this Offering Circular, all translations from NT dollars into U.S. dollars were made at the rate of NT\$32.85700 to U.S.\$1.00 and all translations from RMB into U.S. dollars were made at the rate of RMB6.4936 to U.S.\$1.00. The convenience translation is not audited and is not prepared in accordance with generally accepted accounting principles in Taiwan. No representation is made that the NT dollar amounts or Renminbi amounts referred to in this Offering Circular could have been or could be converted into U.S. dollars at any particular rate or at all. All amounts in the consolidated financial statements of the Group expressed in U.S. dollars are provided solely for the convenience of the reader and such amounts do not form part of such financial statements.

FORWARD LOOKING STATEMENTS

Certain statements under “Risk Factors”, “Description of the Company” and elsewhere in this Offering Circular constitute “forward-looking statements”. The words including “believe”, “expect”, “plan”, “anticipate”, “schedule”, “estimate” and similar words or expressions identify forward-looking statements. In addition, all statements other than statements of historical facts included in this Offering Circular, including, but without limitation, those regarding the financial position, business strategies, prospects, capital expenditure and investment plans of the Group and the plans and objectives of the Group’s management for its future operations (including development plans and objectives relating to the Group’s operations), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results or performance of the Group to differ materially from those expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group’s present and future business strategies and the environment in which the Group will operate in the future. Although the Issuers and the Guarantor believe that the expectations reflected in the forward-looking statements are reasonable, no assurance is given that such expectations will prove correct.

The Issuers and the Guarantor expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Issuers’, the Guarantor’s or the Group’s expectations with regard thereto or any change of events, conditions or circumstances, on which any such statements were based. This Offering Circular discloses, under “Risk Factors” and elsewhere, important factors that could cause actual results to differ materially from the Issuers’ or the Guarantor’s expectations. The forward-looking events in this Offering Circular are no guarantee of future performance and might not occur. All subsequent written and forward-looking statements attributable to the Issuers or the Guarantor or persons acting on behalf of the Issuers or the Guarantor are expressly qualified in their entirety by such cautionary statements.

INFORMATION INCORPORATED BY REFERENCE

This Offering Circular should be read and construed in conjunction with each relevant Pricing Supplement, the most recently published audited consolidated annual accounts and any unaudited consolidated interim accounts, including the English translations thereof, published subsequently to the annual accounts of the Guarantor from time to time (if any) and all amendments and supplements from time to time to this Offering Circular, which shall be deemed to be incorporated in, and to form part of, this Offering Circular and which shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with such contents. Unaudited consolidated interim accounts which have not been audited by the auditors of the Guarantor or any other person are not necessarily indicative of the results that may be expected for the full financial year or any period thereafter. Consequently, potential investors must exercise caution when using such data to evaluate the Group's financial condition and results of operations.

Copies of all such documents which are so deemed to be incorporated in, and to form part of, this Offering Circular will be available free of charge during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the office of the Trustee, set out at the end of this Offering Circular.

As of the date of this Offering Circular, each of the Issuers has not published and does not propose to publish, any financial statements.

The Guarantor has prepared consolidated financial statements as of and for the years ended 31 December 2014 and 2015 in accordance with the reporting requirements of the International Financial Reporting Standards, International Accounting Standards, and relevant interpretations and interpretative bulletins recognized by the Financial Supervisory Commission, R.O.C. (the "FSC") and the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" ("Taiwan IFRS"), which have been audited by PricewaterhouseCoopers Taiwan. Taiwan IFRS differs in certain material respects with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The Company has identified the differences between Taiwan IFRS and IFRS, see "Risk Factors – Risks Relating to the ROC – Financial reporting requirements and accounting standards in the ROC differ from those of other countries".

TABLE OF CONTENTS

	Page
SUMMARY OF THE PROGRAMME	1
SUMMARY FINANCIAL INFORMATION OF THE GUARANTOR	6
RISK FACTORS	10
USE OF PROCEEDS	29
CLEARANCE AND SETTLEMENT	30
TERMS AND CONDITIONS OF THE NOTES	32
FORM OF PRICING SUPPLEMENT	57
SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM	65
CAPITALISATION AND INDEBTEDNESS	70
RECENT DEVELOPMENTS	71
DESCRIPTION OF FFE	72
DESCRIPTION OF CTT	73
DESCRIPTION OF THE COMPANY	74
PRINCIPAL SHAREHOLDER OF THE COMPANY	89
MANAGEMENT OF THE COMPANY	90
TAXATION	93
ENFORCEABILITY OF FOREIGN JUDGMENTS IN THE ROC	98
REMITTANCE OF RENMINBI INTO AND OUT OF THE PRC	99
SUBSCRIPTION AND SALE	102
GENERAL INFORMATION	107
INDEX TO FINANCIAL STATEMENTS	F-1

SUMMARY OF THE PROGRAMME

This summary must be read as an introduction to this Offering Circular and any decision to invest in the Notes should be based on a consideration of the Offering Circular as a whole, including any information incorporated by reference. Words and expressions defined in the “Terms and Conditions of the Notes” below or elsewhere in this Offering Circular have the same meanings in this summary.

Issuers	Foxconn (Far East) Limited. Competition Team Technologies Limited.
Guarantor	Hon Hai Precision Industry Co., Ltd.
Programme Size	Up to U.S.\$3,500,000,000 (or the equivalent in other currencies calculated as described in the Dealer Agreement) outstanding at any time. The Issuers and the Guarantor may increase the amount of the Programme in accordance with the terms of the Dealer Agreement.
Risk Factors	Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the abilities of the Issuers and the Guarantor to fulfil their respective obligations in respect of the Notes are discussed under the section “Risk Factors” below.
Arrangers	Barclays Bank PLC. Mizuho Securities Asia Limited.
Dealers	Barclays Bank PLC, Mizuho Securities Asia Limited, Bank of China (Hong Kong) Limited, Citigroup Global Markets Limited, The Hongkong and Shanghai Banking Corporation Limited and J.P. Morgan Securities plc.
Trustee	Citicorp International Limited.
Issuing Paying Agent and Transfer Agent for Notes other than CMU Notes	Citibank, N.A., London Branch.
Registrar for Notes other than CMU Notes	Citigroup Global Markets Deutschland AG.
CMU Lodging and Paying Agent	Citicorp International Limited.
Registrar and Transfer Agent for CMU Notes	Citicorp International Limited.
Method of Issue	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “Series”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “Tranche”) on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment date of interest and principal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the Pricing Supplement.

Clearing Systems

Euroclear, Clearstream, Luxembourg and/or the CMU and, in relation to any Tranche, such other clearing system as may be agreed between the Relevant Issuer, the Guarantor, the Trustee (or the CMU Lodging and Paying Agent, as the case may be), and the relevant Dealer.

Form of Notes

Notes may be issued in bearer form (“Bearer Notes”) or in registered form (“Registered Notes”). Registered Notes will not be exchangeable for Bearer Notes and vice versa.

Each Tranche of Bearer Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Pricing Supplement. Each Global Note will be deposited on or around the relevant issue date with a common depositary or sub-custodian for Euroclear, Clearstream, Luxembourg and/or, as the case may be, the CMU and/or any other relevant clearing system. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Pricing Supplement, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Pricing Supplement as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.

Registered Notes will initially be represented by Registered Global Notes. Registered Global Notes representing Registered Notes will be registered in the name of a nominee for one or more of Euroclear, Clearstream, Luxembourg and the CMU.

Currencies

Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.

Status of the Notes

The obligations of the Relevant Issuer under the Notes shall at all time rank at least equally with all its other present and future unsecured and unsubordinated obligations, save for such obligations as may be provided by applicable legislation and subject to Condition 4 (Negative Pledge).

Status of the Guarantee

The obligations of the Guarantor under the Guarantee shall at all time rank at least equally with all its other present and future unsecured and unsubordinated obligations, save for such obligations as may be provided by applicable legislation and subject to Condition 4 (Negative Pledge). Payments under the Guarantee are effectively subordinated to all existing and future liabilities of each of the Guarantor’s subsidiaries (other than the Issuers).

Issue Price

Notes may be issued at their principal amount or at a discount or premium to their principal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.

Maturities	Any maturity, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Redemption	Notes may be redeemable at par or at such other Redemption Amount (detailed in a formula, index or otherwise) as may be specified in the relevant Pricing Supplement. Notes may also be redeemable in two or more instalments on such dates and in such manner as may be specified in the relevant Pricing Supplement. Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Relevant Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 must have a minimum redemption amount of £100,000 (or its equivalent in other currencies). See Condition 6(a) (Redemption, Purchase and Options – Redemption by Instalments and Final Redemption).
Optional Redemption	Notes may be redeemed before their stated maturity at the option of the Relevant Issuer (either in whole or in part) and/or the Noteholders to the extent (if at all) specified in the relevant Pricing Supplement. See Condition 6(d) (Redemption, Purchase and Options – Redemption at the Option of the Issuer).
Change of Control Redemption	Notes may be redeemed before their stated maturity at the option of the Noteholders to the extent (if at all) specified in the relevant Pricing Supplement upon the occurrence of a Change of Control, as further described in Condition 6(e) (Redemption, Purchase and Options – Redemption following Change of Control).
Tax Redemption	Early redemption will be permitted for tax reasons as described in Condition 6(c) (Redemption, Purchase and Options – Redemption for Taxation Reasons).
Interest	Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or other variable rate or be index-linked and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series. All such information will be set out in the relevant Pricing Supplement.
Denominations	Notes will be issued in such denominations as may be specified in the relevant Pricing Supplement, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
Use of Proceeds	The net proceeds from each issue of Notes will be on-lent by the Relevant Issuer to the Guarantor and/or its subsidiaries for financing the capital expenditure, refinancing existing debt obligations and other general corporate purposes of the Group. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Pricing Supplement.
Negative Pledge	The Notes will contain a negative pledge provision as described in Condition 4 (Negative Pledge).

Cross Default

The Notes will contain a cross default provision as further described in Condition 10 (Events of Default).

Withholding Tax

All payments of principal and interest by or on behalf of the Relevant Issuer or the Guarantor in respect of the Notes or under the Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Cayman Islands (in the case of a payment by FFE), the Bahamas (in the case of payment by CTT) or the ROC (in the case of a payment by the Guarantor) or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In such event, the Relevant Issuer or, as the case may be, the Guarantor shall, subject to the limited exceptions specified in the Conditions, pay such additional amounts as will result in receipt by the Noteholders of such amounts as would have been received by them had no such withholding or deduction been required.

Listing and Trading

Approval in principle has been received from the SGX-ST for permission to deal in and quotation of any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. There is no assurance that the application will be approved. For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies).

Unlisted Series of Notes may also be issued pursuant to the Programme. The Notes may also be listed on such other or further stock exchange(s) as may be agreed between the Relevant Issuer and the relevant Dealer in relation to each series of Notes. The Pricing Supplement relating to each Series of Notes will state whether or not the Notes of such Series will be listed on any stock exchange(s) and, if so, on which stock exchange(s) the Notes are to be listed.

Ratings

S&P Global Ratings, a division of the McGraw Hill Companies Inc., has assigned a rating of A- to the Programme.

Tranches of Notes will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the relevant Pricing Supplement. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Governing Law

The Notes, the Guarantee of the Notes and any non-contractual obligations arising out of or in connection with the Notes and the Guarantee of the Notes will be governed by, and construed in accordance with, English law.

Selling Restrictions

For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States, the European Economic Area, the United Kingdom, the ROC, the PRC, Hong Kong, Japan, Singapore, the Bahamas and the Cayman Islands, see “Subscription and Sale” below.

Initial Delivery of Notes

On or before the issue date for each Tranche, the Global Note(s) representing Bearer Notes or the Global Certificate representing Registered Notes may be deposited with a common depository for Euroclear and Clearstream, Luxembourg or deposited with a sub-custodian for the CMU or any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Relevant Issuer, the Trustee and the relevant Dealers. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of, or in the name of nominees or a common nominee or a sub-custodian for, such clearing systems.

SUMMARY FINANCIAL INFORMATION OF THE GUARANTOR

The consolidated financial information for the years ended 31 December 2014 and 2015 set forth below are derived from the audited consolidated financial statements of the Group for the years ended 31 December 2014 and 2015. The above consolidated financial statements have been audited by PricewaterhouseCoopers, Taiwan, which issued a modified unqualified opinion. These consolidated financial statements are included elsewhere in this Offering Circular and should be read in conjunction with, and are qualified in their entirety by reference to, such financial statements, including the notes thereto.

The audited consolidated financial statements as of and for the years ended 31 December 2014 and 2015 have been prepared and presented in accordance with Taiwan IFRS. Taiwan IFRS differs in certain material respects from IFRS or the generally accepted accounting principles of certain other countries. All amounts in the consolidated financial statements expressed in U.S. dollars are provided solely for the convenience of the reader and such amounts do not form part of the audited financial statements.

Consolidated Statement of Comprehensive Income

	For the Year Ended 31 December		
	2014	2015	
	NT\$ (Audited)	NT\$ (Audited) (consolidated)	U.S.\$
	<i>(in thousands, except per share data)</i>		
Operating revenue	4,213,172,321	4,482,145,967	136,413,731
Operating costs	<u>(3,921,228,465)</u>	<u>(4,161,553,998)</u>	<u>(126,656,542)</u>
Net operation margin	<u>291,943,856</u>	<u>320,591,969</u>	<u>9,757,189</u>
Operating expenses			
Selling expenses	(26,146,194)	(25,989,320)	(790,983)
General and administrative expenses	(73,752,491)	(77,842,389)	(2,369,126)
Research and development expenses	<u>(48,853,760)</u>	<u>(52,491,689)</u>	<u>(1,597,580)</u>
Total operating expenses	<u>(148,752,445)</u>	<u>(156,323,398)</u>	<u>(4,757,689)</u>
Operating profit	<u>143,191,411</u>	<u>164,268,571</u>	<u>4,999,500</u>
Non-operating income and expenses			
Other income	31,872,566	33,128,050	1,008,249
Other gains and losses	11,083,457	15,603,891	474,903
Finance costs	(15,007,075)	(18,870,539)	(574,323)
Share of profit of associates and joint ventures accounted for under equity method	<u>2,980,013</u>	<u>4,908,342</u>	<u>149,385</u>
Total non-operating income and expenses	<u>30,928,961</u>	<u>34,769,744</u>	<u>1,058,214</u>
Profit before income tax	174,120,372	199,038,315	6,057,714
Income tax expense	<u>(41,638,550)</u>	<u>(48,836,899)</u>	<u>(1,486,347)</u>
Profit for the year	<u><u>132,481,822</u></u>	<u><u>150,201,416</u></u>	<u><u>4,571,367</u></u>

	For the Year Ended 31 December		
	2014	2015	
	NT\$ (Audited)	NT\$ (Audited) (consolidated)	U.S.\$
	<i>(in thousands, except per share data)</i>		
Other comprehensive income			
Components of other comprehensive loss that will not be reclassified to profit or loss			
Remeasurement of defined benefit plan	(39,784)	(154,574)	(4,705)
Income tax relating to components of other comprehensive income	<u>6,763</u>	<u>26,278</u>	<u>800</u>
Components of other comprehensive loss that will not be reclassified to profit or loss	<u>(33,021)</u>	<u>(128,296)</u>	<u>(3,905)</u>
Components of other comprehensive income (loss) that will be reclassified to profit or loss			
Financial statements translation differences of foreign operations	36,576,979	(12,294,193)	(374,173)
Unrealised gain (loss) on valuation of available-for-sale financial assets	18,419,522	(16,168,326)	(492,081)
Share of other comprehensive income (loss) of associates and joint ventures accounted for under equity method	<u>606,016</u>	<u>(482,017)</u>	<u>(14,670)</u>
Components of other comprehensive income (loss) that will be reclassified to profit or loss	<u>55,602,517</u>	<u>(28,944,536)</u>	<u>(880,924)</u>
Other comprehensive income (loss) for the year	<u>55,569,496</u>	<u>(29,072,832)</u>	<u>(884,829)</u>
Total comprehensive income for the year	<u>188,051,318</u>	<u>121,128,584</u>	<u>3,686,538</u>
Profit attributable to:			
Owners of the parent	130,534,729	146,866,977	4,469,884
Non-controlling interests	<u>1,947,093</u>	<u>3,334,439</u>	<u>101,483</u>
	<u>132,481,822</u>	<u>150,201,416</u>	<u>4,571,367</u>
Comprehensive income attributable to:			
Owners of the parent	182,370,027	123,263,182	3,751,504
Non-controlling interests	<u>5,681,291</u>	<u>(2,134,598)</u>	<u>(64,966)</u>
	<u>188,051,318</u>	<u>121,128,584</u>	<u>3,686,538</u>
Earnings per share (in dollars)			
Basic earnings per share	<u>8.40</u>	<u>9.42</u>	<u>0.29</u>
Diluted earnings per share	<u>8.32</u>	<u>9.31</u>	<u>0.28</u>

Consolidated Balance Sheet

	As of 31 December		
	2014	2015	
	NT\$ (Audited)	NT\$ (Audited) (consolidated) <i>(in thousands)</i>	U.S.\$
Current assets			
Cash and cash equivalents	679,037,301	657,137,721	19,999,931
Financial assets at fair value through profit or loss – current	3,438,255	6,114,913	186,107
Available-for-sale financial assets – current . . .	1,035,704	627,508	19,098
Accounts receivable – net	748,286,815	564,705,314	17,186,758
Accounts receivable – related parties	24,093,966	26,203,276	797,494
Other receivables	45,923,820	43,779,955	1,332,439
Inventory	369,196,813	424,625,017	12,923,426
Prepayments	10,413,141	14,444,295	439,611
Non-current assets held for sale – net	9,902,089	–	–
Other current assets	41,093,451	50,580,974	1,539,428
Total current assets	<u>1,932,421,355</u>	<u>1,788,218,973</u>	<u>54,424,292</u>
Non-current assets			
Available-for-sale financial assets – non-current	52,792,228	38,997,120	1,186,874
Financial assets carried at cost – non-current . .	5,792,900	18,795,163	572,029
Investments accounted for under equity method	63,412,270	77,634,937	2,362,813
Property, plant and equipment	358,868,558	336,738,466	10,248,606
Investment property – net	3,164,666	3,014,648	91,751
Intangible assets	4,440,091	3,253,837	99,030
Deferred income tax assets	17,376,159	18,303,571	557,068
Other non-current assets	24,446,522	23,343,162	710,447
Total non-current assets	<u>530,293,394</u>	<u>520,080,904</u>	<u>15,828,618</u>
Total assets	<u>2,462,714,749</u>	<u>2,308,299,877</u>	<u>70,252,910</u>
Current liabilities			
Short-term loans	226,500,507	70,233,209	2,137,542
Short-term notes and bills payable	–	7,000,000	213,044
Financial liabilities at fair value through profit or loss – current	1,271,012	484,773	14,754
Accounts payable	694,315,259	613,195,241	18,662,545
Accounts payable – related parties	41,014,601	30,862,535	939,299
Other payables	223,575,519	197,024,433	5,996,422
Current income tax liabilities	31,690,222	32,684,113	994,738
Provisions for liabilities – current	2,674,879	2,332,882	71,001
Liabilities directly related to non-current assets held for sale	2,054,833	–	–
Other current liabilities	79,504,965	102,305,015	3,113,644
Total current liabilities	<u>1,302,601,797</u>	<u>1,056,122,201</u>	<u>32,142,989</u>
Non-current liabilities			
Corporate bonds payable	134,644,413	161,789,254	4,924,042
Long-term loans	24,197,727	10,221,175	311,081
Deferred income tax liabilities	7,089,517	9,580,816	291,591
Other non-current liabilities	9,504,493	10,195,352	310,295
Total non-current liabilities	<u>175,436,150</u>	<u>191,786,597</u>	<u>5,837,009</u>
Total liabilities	<u>1,478,037,947</u>	<u>1,247,908,798</u>	<u>37,979,998</u>

	As of 31 December		
	2014	2015	
	NT\$ (Audited)	NT\$ (Audited) (consolidated) <i>(in thousands)</i>	U.S.\$
Equity			
Equity attributable to owners of parent			
Share capital.			
Share capital – common stock	147,934,068	156,382,881	4,759,500
Capital surplus			
Capital surplus	71,659,908	81,736,538	2,487,645
Retained earnings			
Legal reserve	80,126,455	93,179,928	2,835,923
Undistributed earnings	546,932,523	616,227,711	18,754,838
Other equity interest			
Other equity interest	83,597,180	60,121,681	1,829,797
Treasury stocks.	<u>(18,901)</u>	<u>(18,901)</u>	<u>(575)</u>
Equity attributable to owners of the parent.	<u>930,231,233</u>	<u>1,007,629,838</u>	<u>30,667,128</u>
Non-controlling interest	<u>54,445,569</u>	<u>52,761,241</u>	<u>1,605,784</u>
Total equity	<u>984,676,802</u>	<u>1,060,391,079</u>	<u>32,272,912</u>
Total liabilities and equity	<u>2,462,714,749</u>	<u>2,308,299,877</u>	<u>70,252,910</u>

RISK FACTORS

Prior to making any investment decision, prospective investors should consider carefully all of the information contained in this Offering Circular, including the risks and uncertainties described below. The businesses, financial condition or results of operations of the Group could be materially adversely affected by any of these risks. The Issuers and the Company believe that the following factors may affect their ability to fulfil their obligations under the Notes and the Guarantee. Additional considerations and uncertainties not presently known to the Issuers or the Company, or which the Issuers or the Company currently deems immaterial, may also have an adverse effect on an investment in the Notes. All of these factors are contingencies which may or may not occur and neither the Issuers nor the Company is in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuers and the Company believe may be material for the purpose of assessing the market risks associated with an investment in the Notes are also described below. The Issuers and the Company believe that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuers (failing whom, the Company) to repay principal, pay interest or other amounts or fulfil other obligations on or in connection with the Notes may occur for other reasons and neither the Issuers nor the Company represents that the statements below regarding the risks of holding the Notes are exhaustive.

Risks Relating to the Group's Industry and Business

The Group's profitability and results of operations could be materially and adversely affected by increases in labour costs and changes in labour laws and regulations.

A large majority of the Group's workforce is employed in the PRC. The average wages paid for manufacturing labour in the PRC have increased recently and may continue to increase as a result of the enactment of new labour laws and social development. The enactment of labour laws and regulations may further impose liabilities on employers and stipulate stricter requirements in terms of signing labour contracts, paying remuneration and dissolving labour contracts. These may put upward pressure on wages and increase the Group's operating costs and expenses.

In addition, inflation in the PRC has increased in recent years and there have been indications that the PRC's inflation rates may continue to rise. If the Group is unable to offset the increase in labour costs or pass along these increased labour costs to its customers, its profitability and results of operations could be materially and adversely affected.

The Group is dependent on its key customers for a substantial portion of its revenues.

The Group is dependent on its key customers, such as Apple, Cisco, Dell, HP Inc. and Sony, for a substantial portion of its total sales. The loss of these customers, or a reduction or delay in their orders would have a material adverse effect on the business, financial condition and results of operations of the Group.

The Group's ability to maintain close relationships with its key customers is essential to its strategy and to the ongoing growth of its business. The Group has entered into corporate purchase agreements with certain of its key customers, but such agreements do not obligate the customers to place an order with the Group. The precise terms for each shipment, such as pricing and quantities, are normally confirmed at the time each order is placed.

In addition, the Group generates significant accounts receivable in connection with providing manufacturing services to its key customers. If the Group's customers were to become insolvent or otherwise were unable to pay for the manufacturing services provided by the Group, this could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's business is dependent on the computer, communication and consumer electronics ("3C") industries.

Substantially all of the Group's products and services, whether in the form of components, modules or full system assembly, have end-use applications in the 3C industries. Accordingly, the Group's financial performance is dependent upon the continued growth of the 3C industries. These industries have historically been characterised by rapid technological changes and short product life cycles. In recent years, there have been significant shifts in demand for 3C products. Continuing adverse market conditions may lead the Group's customers to implement cost-cutting strategies such as consolidating with other manufacturers, reducing production and increasing price pressure on suppliers.

As a result of the foregoing, any loss of certain key customers, decline in sales, or decline in operating margins could have a material adverse effect on the business, financial condition, results of operations and future prospects of the Group.

The Group operates in a highly competitive industry.

The markets for the Group's products are highly competitive with intense pressure on prices and margins for its products. The Group competes against many manufacturers, certain of which may have better research and development capabilities, greater global logistics, financial, marketing and other resources than the Group. Current and prospective customers of the Group also evaluate the Group's capabilities against the merits of manufacturing products internally.

There can be no assurance that the Group will be able to compete successfully in these markets and failure to do so could have a material adverse effect on the business, financial condition and results of operations of the Group.

The Group's overall margins may fluctuate as a result of the product mix manufactured by the Group.

The Group's overall margins had generally declined due to the fact that the Group generated a greater proportion of its revenues from the sales of systems, which typically generate higher revenues but lower margins compared to components or modules. In general, the overall margins may fluctuate depending on the product mix manufactured. For example, the gross margin of any given product could depend on the product's end market, total volume manufactured, complexity of manufacturing processes, stage of lifecycle, maturity of technology, and other factors. As a result, a change in product mix may decrease the gross margins and operating margins of the Group, which could have a material adverse effect on the business, financial condition and results of operations of the Group.

Volatile global economic conditions may put downward pressure on demand for the Group's products and services.

Since the second half of 2008, the global financial system has experienced significant difficulties and disruptions, leading to reduced liquidity, greater volatility, widening credit spreads, and a lack of price transparency in the global financial markets. The global credit markets have experienced significant volatility, such as that caused in recent years by the global financial and economic crisis, including the European debt crisis, the potential withdrawal of countries from the Euro-zone, the results of the referendum in the United Kingdom on 23 June 2016 in favour of the United Kingdom leaving the European Union and volatility in the PRC stock market, which have led to less favourable financial and economic conditions. In particular, there has been significant volatility in the PRC stock markets during the second half of 2015 and the PRC government has taken unprecedented steps to support the markets. These volatile market conditions may continue to adversely affect the demand for 3C products. The potential sustained decrease and slowdown in demand for 3C products may inflict significant downward pressure on prices.

As a result, the brands producing these products may reduce their orders with the Group or the prices with which these orders are placed. The reduced orders and prices may lead to reduced revenues, lower profit margins and/or loss of market share, any of which would have a material adverse effect on the Group's business, financial condition and results of operations.

If the economies of the PRC, Europe, the U.S. or the Group's other core markets continue to grow at a slow rate, or experience a double-dip recession, the prospects of the 3C industry may be adversely affected, which may in turn have a material adverse effect on the Group's business, financial condition and results of operations. However, even if the global economy experiences a full recovery, it cannot be assured that the demand for the Group's products and services will increase, or even be maintained.

The Group generally does not obtain long-term volume purchase commitments from customers, and therefore, cancellations, reductions in production quantities and delays in production by customers could adversely affect the Group's operating results.

The Group generally does not obtain firm, long-term purchase commitments from customers. See "Business – Sales and Marketing". Some of the Group's customers have in the past experienced and may in the future experience significant decreases in demand for their products and services. The uncertain economic conditions in several of the markets in which the Group's customers operate have prompted and may prompt some of the customers to cancel orders, delay the delivery of some of the products that the Group manufacture or place or purchase orders for fewer products than the Group previously anticipated. Cancellations, reductions or delay of orders by customers would:

- adversely affect the Group's operating results by reducing the volumes of products that the Group manufactures for its customers;
- delay or eliminate recoupment of the Group's expenditures for inventory purchased in preparation for customer orders; and
- lower the Group's asset utilisation, which would affect the Group's results of operations.

The Group is subject to risks arising from international operations.

The Group conducts its international operations in Asia, Europe and Americas, and the Group continues to consider additional opportunities to make foreign acquisitions and construct new foreign facilities. As a result of its international operations, the Group is affected by economic and political conditions in foreign countries, including the imposition of government controls, political and economic instability, trade restrictions, changes in tariffs, laws and policies affecting trade and investment, the lack of development of local infrastructure, labour unrest and difficulties in staffing, coordinating communications among and managing international operations, fluctuations in currency exchange rates, earnings expatriation restrictions, difficulties in obtaining export licenses, and misappropriation of intellectual property.

To respond to customer requirements, the Group may further expand internationally. If the Group pursues expansion in these locations, it may incur additional capital expenditures. The Group cannot assure investors that it will realise the anticipated strategic benefits of its international operations or that its international operations will contribute positively to, and not adversely affect, the Group's business and operating results.

The Group may not be able to successfully develop new production processes and new products.

The Group is continually evaluating new products and production processes. The Group believes that its future success will depend in part upon its ability to develop new production processes and to develop and market new products which meet evolving customers' needs, maintain technological leadership and successfully anticipate or respond to technological changes in production processes in a cost-effective manner and on a timely basis. The Group has co-operated and intends to continue co-operating with 3C industry leaders and to continue engaging in research and development activities to keep pace with market developments and remain competitive. There can be no assurance that the Group will be successful in developing new production processes and new products. Failure to do so could have a material adverse effect on the business, financial condition and results of operations of the Group.

The markets in which the Group's customers compete are characterised by rapidly changing technology.

The markets in which the Group's customers compete are characterised by rapidly changing technology, evolving industry standards and continuous improvements in products and services. These conditions frequently result in short product life cycles. The Group's success is highly dependent on the success achieved by its customers in developing and marketing their products. If technologies or standards supported by the Group's customers become obsolete or fail to gain widespread commercial acceptance, this could have a material adverse effect on the business, financial condition, results of operations and future prospects of the Group.

The Group is vulnerable to natural disasters and other disruptive events that could severely disrupt the normal operation of its business and adversely affect earnings.

Several places in the world have in the past experienced and/or are currently experiencing outbreaks of contagious diseases such as severe acute respiratory syndrome or avian flu, which may potentially result in a quarantine of infected employees and related persons, and if uncontrolled, may affect the Group's operations at one or more of its facilities. The Group cannot predict the impact of any future outbreak could have on its business and results of operations.

Additionally, certain areas in the ROC and the PRC, are susceptible to earthquakes and typhoons. Some earthquakes in recent years caused damage to production facilities and adversely affected the operations of many companies. Although the Group did not experience significant structural damage to the facilities, there can be no assurance that future earthquakes will not occur and result in major damage to the facilities, which could have a material adverse effect on the Group's results of operations. The Group's major production facilities, as well as many of its suppliers and customers, are located in the ROC and the PRC. If the customers are affected by any earthquakes, typhoons, floods or other natural disasters, demand for the Group's products could decline. If the suppliers are affected, the Group's production schedule could be interrupted or delayed. As a result, a major earthquake, typhoon, flood, natural disaster or other disruptive events in the ROC, the PRC or elsewhere could severely disrupt the normal operations of the Group's business and have a material adverse effect on the financial condition and results of operations.

The Group's success depends on its ability to retain and attract its key and qualified personnel.

The Group is highly dependent on principal members of its management staff. The loss of the services of some of these key management staff could have a material adverse effect on the Group's business and results of operations. The Group does not maintain insurance with respect to the loss of any of its key personnel.

The Group's success also depends to a significant extent upon, among other factors, the continued service of its skilled technical, managerial and sales personnel and on its ability to continue to attract, retain and motivate such personnel. The loss of the services of any of these key personnel without adequate replacement or the inability to attract new qualified personnel could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may be exposed to risks as a result of strategic acquisitions or investments.

The Group has made, and will continue to consider making, strategic acquisitions or investments to expand or enhance its business. For example, in March 2016 the Company announced that the Board of Directors resolved for the Company and FFE to acquire in aggregate an approximately 44.55 per cent. interest in ordinary shares of Sharp Corporation ("Sharp"). It cannot be assured that the Group will be able to (1) identify future strategic acquisitions, (2) consummate these potential acquisitions on favourable terms, if at all, or (3) if consummated, successfully integrate the operations and management of future acquisitions.

Acquisitions involve significant risks, which could have a material adverse effect on the Group, including:

- Financial risks, such as (1) the payment of a purchase price that exceeds the future value that the Group may realise from the acquired operations and businesses; (2) an increase in the Group's expenses and working capital requirements, which could reduce the Group's return on invested capital; (3) potential known and unknown liabilities of the acquired businesses, particularly where the acquired business is loss-making; (4) costs associated with integrating acquired operations and businesses; (5) the dilutive effect of the issuance of additional equity securities; (6) the incurrence of additional debt; (7) the financial impact of valuing goodwill and other intangible assets involved in any acquisitions, potential future impairment write-downs of goodwill and indefinite life intangibles and the amortisation of other intangible assets; (8) possible adverse tax and accounting effects; (9) special risks associated with joint ventures or problems with joint venture partners, including, among other things, dissimilar business interests or one or more of the partners experiencing financial difficulties, and (10) the risk that the Group may spend substantial amounts on any such acquisition and as a result assume significant contractual and other obligations with no guaranteed levels of revenue or that the Group may have to exit at loss.
- Operating risks, such as (1) the diversion of management's attention to the assimilation of the businesses to be acquired; (2) the risk that the acquired businesses will fail to maintain the quality of services that the Group has historically provided; (3) the need to integrate or implement financial and other systems and add management resources; (4) the need to maintain customer, supplier or other favourable business relationships of acquired operations and restructure or terminate unfavourable relationships; (5) the potential for deficiencies in internal controls of the acquired operations; (6) the Group may not be able to attract and retain the employees necessary to support the acquired businesses; (7) unforeseen difficulties (including any unanticipated liabilities) in the acquired operations; and (8) the impact on the Group of any unionised work force it may acquire or any labour disruptions that might occur.

The Group may not be able to effectively manage its rapid expansion.

The Group has significantly expanded its production in recent years and, in conjunction with the execution of its strategy, expects to continue to expand its production in terms of geography, customers and end-use products. To manage its growth, the Group must continue to improve its managerial, technical, operational and other resources, and to implement an effective management information system. In order to fund the Group's ongoing operations and its future growth, the Group needs to have sufficient internal sources of liquidity or access to additional financing from external sources. Further, the Group will be required to manage relationships with a greater number of customers, suppliers, equipment vendors and other third parties. There can be no assurance that the Group will not experience issues such as shortages of raw materials and components, capacity constraints, construction delays, difficulties in ramping up production at new facilities or upgrading or expanding existing facilities and training an increasing number of personnel to manage and operate those facilities. In particular, failure of the Group to implement its expansion plans in a timely manner could adversely affect its ability to maintain, expand and diversify its customer base and to maintain the quality of its production. There can be no assurance that such expansion plans will not adversely affect the Group's existing operations, which could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may incur high costs in its expansion into new businesses.

As the Group continually expands the supply of new products and services, it expects to incur higher costs as it scale the "learning curve" in these new products and services. These new products and services may require expertise that the Group is still building up, and higher costs may be incurred due to efforts to gather the required expertise and capabilities. These higher costs may result in lower profit margins for the Group, which in turn may adversely affect the Group's business, financial condition, results of operations and prospects. In addition, there is no guarantee that the Group will be successful in expanding into these new businesses.

Negative publicity may have a material adverse effect on the Group's business.

From time to time there may be allegations, whether accurate or not, in the international media about the Group and its business practices, including allegations that it had not been in compliance with the relevant labour laws and regulations. While the Group has been implementing and will continue to implement various measures to ensure compliance with the relevant standards and to improve employee morale, welfare and working environment (see “Description of the Company – Employees”), it cannot be assured these measures are effective to address the issues mentioned in the allegations or to prevent future allegations from being made against the Company and the Group.

Allegations of such nature have led to negative publicity in the news, which could have a negative adverse effect on demand for the end products sold by brands that use the Group's manufacturing services, and may in turn have a material adverse effect on the Group's business if its customers are forced to decrease the amount of orders given to the Group. In addition, such negative publicity may inhibit the Group's ability to secure new orders from customers, which would have a material adverse effect on its results of operations and business prospects.

Raw materials and components shortages may adversely affect the Group.

The Group purchases certain of its key components and raw materials from certain suppliers which the Group believes currently satisfy the Group's quality standards and can meet its volume requirements. However, the capacity of certain of these suppliers may not be equipped to cope with increases in orders by the Group.

The Group is also required, in certain circumstances, to source certain key components from suppliers who have been qualified by its customers, and the Group may not be able to obtain satisfactory alternative sources of supply should such qualified suppliers be unable to supply the Group's requirements in the future. There can be no assurance that shortages of supply will not occur in the future and that, if such shortages occur, the Group will be able to obtain an adequate alternative supply of components and raw materials to meet production demand.

Principal shareholder's interests may differ from those of other shareholders.

As of 24 April 2016, Mr Gou Tai-ming directly or indirectly owned or controlled in aggregate 12.62 per cent. of the Company's outstanding shares. Mr Gou Tai-ming has, and is expected to continue to have, significant influence on certain of the Group's decisions and transactions. The interests of Mr Gou Tai-ming may differ from the interests of other shareholders.

The Group may be subject to increased taxes.

As the Group's overseas operations continue to expand, the Group may become subject to further taxation as a result of its overseas business in the future. Taxation by these and other overseas tax authorities could increase the Group's effective tax rate, and there can be no assurance that such taxation would not adversely affect the cash flow and results of operations of the Group in the future. In addition, if the tax rates applicable to the Group are rescinded or changed, the Group's taxes would increase and its results of operations and cash flow would be adversely affected.

The Group may be involved in intellectual property disputes.

The Group from time to time receives communications from third parties asserting patent rights to the Group's products and it enters into discussions with such third parties as to their respective positions and the terms of any possible licenses in respect of such patent rights. The Group may encounter future litigation by its customers or third parties based on claims that the Group's technologies, processes or products infringe the intellectual property rights of others or that the Group has misappropriated the trade secrets of others. The Group may also initiate lawsuits to defend the ownership of the Group's inventions and the Group's trade secrets. It is difficult, if not impossible, to predict how such disputes would be resolved. Litigation relating to intellectual property rights is costly and diverts technical and management personnel from their normal responsibilities. Furthermore, the Group may not be able to prevail in any such litigation or proceeding. A determination in an intellectual property litigation or proceeding that results in a finding of non-infringement by others to

the Group's intellectual property or an invalidation of the Group's patents may result in the use by competitors of the Group's technologies or processes and sale by competitors of products that resemble the Group's products.

Although the Group actively seeks to protect the intellectual property rights for its products and its internal know-how, there can be no assurance that claims will not be brought by its customers or third parties against the Group, its customers or its suppliers from time to time. If a claim is asserted, the Group cannot assure you that any resolution of the claim would permit the Group to continue to use the technologies or processes or produce the product in question on commercially reasonable terms. Any adverse outcome from such litigation, or the time and cost of the proceedings themselves, could materially and adversely affect the Group's business, financial condition and results of operation. In addition, there is a risk that some of the Group's confidential information could be compromised by disclosure during intellectual property litigation. Furthermore, there could be public announcements throughout the course of intellectual property litigation or proceedings as to the results of hearings, motions or other interim proceedings or developments in the litigation, any of which could materially harm the Group's reputation. See "Business – Intellectual Property" and "– Litigation".

The Group's patents and other non-patented intellectual property are valuable assets, and if the Group is unable to protect them from infringement, the Group's business prospects may be harmed.

The Group's success will depend in part on the Group's ability to obtain and maintain trade secret and patent protection for the Group's technologies, know-how, processes and products as well as to successfully enforce the Group's intellectual properties and to defend the Group's intellectual properties against third-party challenges. The Group will only be able to protect the Group's technologies, processes and products from unauthorised use by third parties to the extent that valid and enforceable intellectual property protections cover them. In the event that the Group's issued patents and the Group's applications do not adequately describe, enable or otherwise provide coverage for the Group's technologies, processes or products, the Group would not be able to exclude others from developing or commercialising these technologies, processes and products. Furthermore, the degree of future protection of the Group's proprietary rights is uncertain because legal means may only provide limited protection and may not adequately protect the Group's rights or permit the Group to gain or keep the Group's competitive advantage.

As some of the Group's technologies and production methods or processes involve unpatented, proprietary technology, processes, know-how or data, the Group also relies on trade secret protection and agreements to safeguard the Group's interests. However, trade secrets are difficult to protect. While the Group uses reasonable efforts to protect the Group's trade secrets, including requiring the Group's employees, contractors or scientific and other advisors to enter into confidentiality agreements with the Group, such persons may unintentionally or willfully disclose the Group's information to competitors. In addition, confidentiality agreements may not be enforceable or provide an adequate remedy in the event of unauthorised use or disclosure. It may be difficult to prove or enforce a claim that a third party had illegally obtained and used the Group's trade secrets. The Group's enforcement efforts would be expensive and time consuming and the outcome would be unpredictable. In addition, the Group's competitors may independently develop technologies that are equivalent to the Group's trade secrets, in which case, the Group would not be entitled to enforce the Group's trade secrets and the Group's business could be harmed.

The Group may experience losses on inventories.

The Group has purchased property damage and transportation insurance coverage from independent third party insurers to cover its inventories, including finished goods delivered to, and stored in, the Group's hubs as part of its global logistics delivery network. The Group's insurance policies have a maximum coverage limit. Although the Group can raise the maximum coverage limit of its insurance policies by providing notice to its insurers, any delay in notification to the insurers of an increase in its inventory level or a new inventory storage location could result in the Group being under-insured.

In addition, price fluctuations in the Group's raw materials, components and finalised goods could also result in a decline in the net realisable value of the Group's inventory, which may require inventory write-downs. If there is a shortage of raw materials or components, the prices of such raw materials or components may increase, which could have an adverse effect on the Group's profit margin to the extent it is not able to pass along these higher costs to its customers.

The Group is subject to operational risks.

The operation of manufacturing facilities involves many risks and hazards, including the breakdown, failure or substandard performance of equipment, delays in delivery of equipment or improper installation or operation of equipment, difficulties in upgrading or expanding existing facilities in changing manufacturing line technologies, capacity constraints, labour disturbances, fire, natural disasters such as earthquakes or typhoons, environmental hazards and industrial accidents. The occurrence of any such or other problems could materially and adversely affect the Group's manufacturing plants and cause delivery delays and reduced output, which would have a material and adverse effect on the Group's business, financial condition and results of operations. The Group does not maintain any business interruption insurance.

If the Group fails to comply with environmental regulations, the Group may be subject to adverse publicity and potentially monetary damages and fines.

Some of the Group's manufacturing processes employ or create various hazardous substances, including waste water. The Group is subject to a variety of regulations in the relevant jurisdictions relating to the use, storage, discharge and disposal of chemicals and waste used in its manufacturing processes. It cannot be assured that the Group will never fail to comply with these environmental regulations. Any failure to comply with present and future regulations or obtain the necessary certificates and permits could subject the Group to future fines and liabilities or other government sanctions. In addition, if more stringent regulations are adopted in the future, the costs of compliance with these new regulations could be substantial. Any failure to control the use of or to restrict adequately the discharge of hazardous substances could subject the Group to monetary fines and liabilities or other government sanctions. If the Group is held liable for damages in the event of contamination or injury, it could have a material and adverse effect on the Group's business, financial condition and results of operations.

In accordance with the environmental regulations, the Group is required to obtain relevant licenses and permits. The Group's ability to obtain, maintain, or renew such licenses and permits on acceptable terms is subject to change, as, among other things, the regulations and policies of applicable governmental authorities may change. It cannot be assured that the Group will be successful and timely in obtaining the required approvals, licenses and permits. Failure to do so may subject the Group to monetary fines and liabilities or government sanctions.

Foreign exchange fluctuations may adversely affect the Group's results of operations and financial conditions.

Historically, the Group's sales have been denominated primarily in U.S. dollars and, to a lesser extent, NT dollars and Japanese Yen. The Group's raw materials, component costs and labour costs are denominated mainly in U.S. dollars, Renminbi and NT dollars. Accordingly, the Group's gross margins are exposed to exchange rate fluctuations, primarily between the U.S. dollar and the NT dollar, between the U.S. dollar and the Renminbi and between the U.S. dollar and the Japanese Yen. Fluctuations in exchange rates may have an adverse impact on the Group's future gross and operating margins and results of operations. In addition, the Group has substantial investments in the PRC, and any devaluation in the value of Renminbi may have an adverse impact on the value of such investments in the PRC.

Under the current foreign exchange regime in the PRC, there can be no guarantee that sufficient foreign currency will be available at a given exchange rate to satisfy the demands of a particular enterprise in full. There can also be no assurance that shortages in the availability of foreign currency will not restrict the Group's ability to obtain sufficient foreign currency to satisfy the Group's foreign currency needs.

The impact of future exchange rate fluctuations among these currencies on the Group's results of operations and financial condition cannot be accurately predicted, and there can be no assurance that the Group's attempt to mitigate the adverse effects of exchange rate fluctuations will be successful or that such exchange rate fluctuations will not in the future have a material adverse effect on the Group's results of operations, financial condition and prospects.

The Group's insurance coverage may not adequately protect the Group against certain operating and other hazards which may have an adverse effect on its business.

The Group believes that the coverage from insurance policies for production facilities is in line with industry norms, adequate for present operations and include adequate coverage for risks relating to fires and public liability. However, there can be no assurance that any claim under the insurance policies maintained will be timely honoured in full or at all. To the extent that the Group suffers loss or damage that is not covered by insurance or exceeds insurance coverage, the Group's business, results of operations and financial condition may be materially and adversely affected. There can also be no assurance that insurance will continue to be available to provide reasonable, or any, coverage on reasonable commercial terms.

The Group may be sued for product liability or experience problems with product quality or performance which could result in adverse publicity or subject the Group to unexpected expenses, including potentially significant monetary damages.

The Group typically provides a warranty to its customers for its products, and parts of the Group's products are typically produced and sold to customers to meet their specifications. If the Group's products fail to meet the specifications, the Group will usually replace the Group's products. However, the Group is still subject to claims from the Group's customers that end products sold by the Group's customers failed to perform or caused injury, death or damage due to problems in the Group's products. While the Group had immaterial replacements for its products and has purchased product liability insurance coverage, the possibility of future product failures could cause the Group to incur substantial expense to replace defective products, provide refunds or resolve disputes with the Group's customers through litigation, arbitration or other means.

If any product liability claims are successfully asserted against the Group, the Group could be required to pay significant monetary damages. Even if a product liability claim does not result in a judgment in favour of a claimant, the Group may still incur substantial legal expenses defending against such a claim. In addition, product failures and the assertion of product liability claims against the Group, even if unsuccessful, could also result in adverse publicity that may damage the Group's reputation and customer relationships, which would have a material adverse effect on the Group's business.

Risks Relating to the ROC

Strained relations between the ROC and the PRC governments, and political developments in the ROC, could adversely affect the Group's business.

Certain of the Group's assets are located in Taiwan and the Company's shares are listed on the Taiwan Stock Exchange Corp. ("TWSE"). Accordingly, the Group's financial condition and results of operations may be affected by changes in the ROC governmental policies, taxation, inflation, interest rates, social instability and other political, economic, diplomatic or social developments in or affecting the ROC which are outside the Group's control. Taiwan has a unique international political status. Both the governments of the PRC and the ROC assert sovereignty over Taiwan. The PRC government does not recognise the legitimacy of the government of the ROC. Although significant economic and cultural relations have been established in the past decade between Taiwan and the PRC, the PRC has refused to renounce the possibility that it may use force to gain control over Taiwan if Taiwan declared independence or if a foreign power interfered in Taiwan's domestic affairs. Relations between the ROC and the PRC have at times been strained. Past developments in relations between the ROC and the PRC have on occasion depressed the market price of the securities of ROC companies. There is no assurance that relations between the ROC and the PRC will not deteriorate, or that future military actions or economic sanctions or other disruptive activities will not be undertaken by either government.

Financial reporting requirements and accounting standards in the ROC differ from those of other countries.

The Group is subject to financial reporting requirements in the ROC that differ in significant respects from those applicable to companies in certain other countries, including for example the countries in Europe. The Group has adopted Taiwan IFRS for presenting its consolidated financial statements for the years ended 31 December 2014 and 2015 included in this offering circular and its unaudited consolidated interim accounts incorporated by reference in this Offering Circular. Taiwan IFRS differs from IFRS in certain significant respects, including to the extent that any new or amended standards or interpretations applicable under IFRS may not be timely endorsed by the FSC. Potential investors should consult their own professional advisers for an understanding of such differences and how they might affect the financial information contained herein. Unaudited consolidated interim accounts which have not been audited by the auditors of the Guarantor or any other person are not necessarily indicative of the results that may be expected for the full financial year or any period thereafter. Consequently, potential investors must exercise caution when using such data to evaluate the Group's financial condition and results of operations.

Risks Relating to the PRC

The Group's results of operations and prospects are subject, to a significant extent, to legal, political and economic developments in the PRC.

A significant amount of the Group's products are manufactured in the PRC; consequently, the Group's results of operations and prospects are subject to legal, political and economic developments in the PRC. For instance, the PRC legal system is not fully developed and has inherent uncertainties that could limit the legal protections available to the Noteholders. In general, the PRC judiciary is relatively inexperienced in enforcing the laws and regulations that currently exist, leading to a degree of uncertainty as to the outcome of any litigation. Furthermore, it may be difficult to obtain swift and equitable enforcement, or to obtain enforcement of a judgment by a court of another jurisdiction. Another risk is that the introduction of new PRC laws and regulations and the interpretation of existing ones may be subject to policy changes reflecting domestic political or social changes. Also, the PRC government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures benefit the overall economy of the PRC, but may have a negative effect on the Group. For example, the Group's operating results and financial condition may be adversely affected by government control over capital investments or changes in tax regulations applicable to the Group.

The Group's facilities located in the PRC are subject to political, economic and social conditions, laws, regulations and policies of the PRC. The economy of the PRC differs from the economies of most developed countries in a number of respects, including:

- its structure;
- level of government involvement;
- level of development;
- level of capital reinvestment;
- control of capital reinvestment;
- control of foreign exchange; and
- allocation of resources.

Under the PRC Enterprise Income Tax Law (the “EIT Law”), the Issuers or the Guarantor (or any other overseas entity of the Group) may be treated as a PRC resident enterprise for PRC tax purposes, which will subject it to PRC enterprise income tax (“EIT”) on its worldwide income and PRC withholding taxes on interest it pays on the Notes.

The Group’s PRC subsidiaries are subject to EIT on the taxable income as reported in the PRC statutory accounts adjusted in accordance with relevant PRC income tax laws and are subject to an income tax rate of 25 per cent. Under the EIT Law and its implementing regulations, which became effective on 1 January 2008, enterprises organised under the laws of jurisdictions outside the PRC with their “de facto management bodies” located within the PRC are deemed to be “resident enterprises for PRC tax purposes”, meaning that they are treated in a manner similar to PRC enterprises for EIT purposes, and therefore subject to EIT at the rate of 25 per cent. on their worldwide income, although dividends paid from one resident to another may qualify as “tax-exempt income”. The implementing regulations defines the term “de facto management body” as a management body that exercises substantial and overall control and management over the production and operations, personnel, accounting and properties of an enterprise. The State Administration of Taxation issued a circular, which became effective on 1 September 2011, and which provides that a foreign enterprise controlled by a PRC company or a PRC company group shall be deemed a “resident enterprise” by the final decision of the State Administration of Taxation through the application of the foreign enterprise or the investigation of the relevant tax authorities.

As of the date of this Offering Circular, neither of the Issuers nor the Guarantor has been considered a PRC tax resident enterprise by the PRC tax authorities. There is however no assurance that the Issuers, the Guarantor or other overseas entities in the Group will not be treated as “resident enterprises” under the EIT Law, any aforesaid circulars or any amended regulations in the future. If the Relevant Issuer is treated as a PRC resident enterprise for EIT purposes, among other things, it would be subject to EIT at the rate of 25 per cent. on its worldwide income. Furthermore, if the Relevant Issuer were treated as a PRC resident enterprise, payments of interest by the Relevant Issuer may be regarded as derived from sources within the PRC and therefore the Relevant Issuer may be obligated to withhold PRC income tax at 10 per cent. on payments of interest on the Notes to non-PRC resident enterprise investors, unless any such non-PRC investor’s jurisdiction of incorporation has a tax treaty with the PRC that provides for preferential withholding tax treatment. In the case of non-PRC resident individual investors, the tax may be withheld at a rate of 20 per cent., unless a lower treaty rate is applicable. In addition, if the Relevant Issuer were treated as a PRC resident enterprise, any gain realised on the transfer of the Notes by non-PRC resident investors may be regarded as derived from sources within the PRC and may be subject to a 10 per cent. PRC income tax in the case of non-PRC resident enterprises or 20 per cent. in the case of non-PRC resident individuals (or a lower applicable treaty rate, if any). According to an arrangement between Mainland China and Hong Kong for the avoidance of double taxation, Noteholders who are Hong Kong residents, including both enterprise holders and individual holders, may be exempted from PRC income tax on capital gains derived from a sale or exchange of the Notes.

If the Relevant Issuer or the Guarantor is required to withhold PRC tax from interest payments on the Notes, the Relevant Issuer or the Guarantor (as the case may be) may be required, subject to certain exceptions, to pay such additional amounts as will result in receipt by the holders of the Notes of such amounts as would have been received had no such withholding been required. The requirement to pay additional amounts will increase the cost of servicing interest payments on the Notes and could have an adverse effect on the Relevant Issuer’s financial condition.

The Group is subject to risks associated with the PRC legal system.

Since 1979, many laws and regulations dealing with general economic matters or particular economic activities have been promulgated in the PRC. However, enforcement of existing laws and regulations may be uncertain and sporadic and implementation and interpretation thereof may be inconsistent. The PRC judiciary is relatively inexperienced in enforcing the laws and regulations that currently exist, leading to a degree of uncertainty as to the outcome of any litigation. Further, it may be difficult to obtain swift and equitable enforcement or to obtain enforcement of a judgment by a court of another jurisdiction. The PRC’s legal system is based on written statutes and, therefore, decided legal cases do not have binding legal effect, although they are often followed by judges as guidance. The introduction of new PRC laws and regulations and the interpretation of existing laws and regulations may be subject to policy changes reflecting domestic political or social changes. As the PRC legal

system develops, there can be no assurance that changes in such legislation or interpretation thereof will not have a materially adverse effect on the Group's business, financial condition and results of operations.

PRC regulation of loans and direct investment by offshore holding companies to PRC entities may delay or prevent the Group from making loans or additional capital contributions to the Group's PRC subsidiaries.

As an offshore holding company of its PRC subsidiaries, the Group may make loans to its PRC subsidiaries, or it may make additional capital contributions to its PRC subsidiaries. Any loans to the Group's PRC subsidiaries are subject to PRC regulations and approvals. For example, loans by the Group to its PRC subsidiaries in China, each of which is a foreign-invested enterprise, to finance their activities cannot exceed statutory limits.

The Group may also decide to finance its PRC subsidiaries through capital contributions. These capital contributions must be approved by the PRC Ministry of Commerce (the "MOFCOM") or its local counterpart. It cannot be assured that it will be able to obtain these government registrations or approvals on a timely basis, if at all, with respect to future loans or capital contributions by it to its subsidiaries or any of their respective subsidiaries. If the Group fails to receive such registrations or approvals, its ability to capitalise its PRC operations may be negatively affected, which could adversely and materially affect its liquidity and its ability to fund and expand its business.

If the Group is found to have failed to comply with applicable laws, the Group may incur additional expenditures or be subject to significant fines and penalties.

A substantial part of the Group's operations are subject to PRC laws and regulations. However, the scopes of many PRC laws and regulations are uncertain, and their implementation could differ significantly in different localities. In certain instances, local rules and their implementation are not necessarily consistent with the regulations at the national level. Although the Group strives to comply with all applicable PRC laws and regulations, it cannot be assured that the relevant PRC government authorities will not determine that the Group has not been in compliance with certain laws or regulations.

Risks Relating to the Notes issued under the Programme and the Guarantee

The Notes may not be a suitable investment for all investors.

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Offering Circular, any applicable supplement to this Offering Circular or any Pricing Supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes may be complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to the purchaser's overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Notes are legal investments for it, (2) the Notes can be used as collateral for various types of borrowing, and (3) other restrictions apply to its purchase of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

The Guarantor may be unable to obtain and remit funds in foreign currencies at the time of payment under the Guarantee.

The ROC foreign exchange control laws and regulations govern foreign exchange transactions in the ROC and provide, among others, that ROC companies may, aside from trade-related foreign exchange transactions, convert NT dollars into foreign currency and remit the foreign currency out of the ROC up to an amount of U.S.\$50 million (or its equivalent) in each calendar year without foreign exchange approval. Remittances out of the ROC of foreign currencies held by a company (which does not involve a conversion of NT dollars) do not require any approval. Accordingly, should the Guarantor be required to make payments to the holders of the Notes pursuant to the Guarantee, unless the Guarantor hold sufficient amounts of U.S. dollars or other applicable currency to make the payment in full, the Guarantor may, at the relevant time or thereafter, have insufficient approval quota left to enable the Guarantor to convert NT dollars into U.S. dollars or other applicable currency to make the payment in full. In such circumstances, the Guarantor would be required to obtain approval from the Central Bank of the ROC (Taiwan) for such conversion of NT dollars to U.S. dollars or other applicable currency and payment thereof, and no assurance can be given that such approval could be obtained within a reasonable period or at all.

Modification and waivers

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

A change in English law which governs the Notes may adversely affect Noteholders.

The Conditions of the Notes are governed by English law in effect as of the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes.

The Notes may be represented by Global Notes and holders of a beneficial interest in a Global Note or a Global Certificate must rely on the procedures of the relevant Clearing System(s).

Notes issued under the Programme may be represented by one or more Global Notes or Global Certificates. Such Global Notes or Global Certificates will be deposited with a common depository for Euroclear and Clearstream, Luxembourg, or lodged with CMU (each of Euroclear, Clearstream, Luxembourg, and CMU, a "Clearing System"). Except in the circumstances described in the relevant Global Note or Global Certificate, Noteholders will not be entitled to receive Definitive Notes. The relevant Clearing System(s) will maintain records of the beneficial interests in the Global Notes and the Global Certificates. While the Notes are represented by one or more Global Notes or Global Certificates, Noteholders will be able to trade their beneficial interests only through the Clearing Systems.

While the Notes are represented by one or more Global Notes or Global Certificates, the Relevant Issuer, or failing which, the Company will discharge its payment obligations under the Notes by making payments to the relevant Clearing System for distribution to their account holders or in the case of the CMU, to the CMU Lodging and Paying Agent, which will in turn pay to the persons for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in accordance with the CMU Rules as notified by the CMU to the CMU Lodging and Paying Agent in a relevant CMU Instrument Position Report or any other notification by the CMU. A holder of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of the relevant Clearing System(s) to receive payments under the relevant Notes. Neither the Relevant Issuer nor the Company has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes or Global Certificates.

Holders of beneficial interests in the Global Notes and the Global Certificates will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant Clearing System(s) to appoint appropriate proxies.

Noteholders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade.

Notes may be issued with a minimum denomination. The Pricing Supplement of a Tranche of Notes may provide that, for so long as the Notes are represented by a Global Note or Global Certificate and the relevant Clearing System(s) so permit, the Notes will be tradable in principal amounts (a) equal to, or integral multiples of, the minimum denomination, and (b) the minimum denomination plus integral multiples of an amount lower than the minimum denomination.

Definitive Notes will only be issued if the relevant Clearing System(s) is/are closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so or if principal in respect of any Notes is not paid when due. The Pricing Supplement may provide that, if Definitive Notes are issued, such Notes will be issued in respect of all holdings of Notes equal to or greater than the minimum denomination. However, Noteholders should be aware that Definitive Notes that have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade. Definitive Notes will in no circumstances be issued to any person holding Notes in an amount lower than the minimum denomination and such Notes will be cancelled and holders will have no rights against the Relevant Issuer and the Company (including rights to receive principal or interest or to vote) in respect of such Notes.

The Trustee may request holders of the Notes to provide an indemnity and/or security and/or prefunding to its satisfaction.

In certain circumstances (including without limitation giving of notice to the Relevant Issuer pursuant to Condition 10 and taking enforcement steps pursuant to Condition 12), the Trustee may (at its sole discretion) request holders of the Notes to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes actions on behalf of holders of the Notes. The Trustee shall not be obliged to take any such actions if not indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such actions can be taken. The Trustee may not be able to take actions, notwithstanding the provision of an indemnity or security or prefunding to it, in breach of the terms of the Trust Deed (as defined in the Terms and Conditions of the Notes) or the Terms and Conditions of the Notes and in circumstances where there is uncertainty or dispute as to the applicable laws or regulations, and it will be for the holders of the Notes to take such actions directly if so provided by the agreements and permitted by the applicable law.

Risks Relating to the Structure of a Particular Issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Notes subject to optional redemption by the Relevant Issuer may have a lower market value than Notes that cannot be redeemed.

Unless in the case of any particular Tranche of Notes the relevant Pricing Supplement specifies otherwise, in the event that the Relevant Issuer, or as the case may be, the Company, would be obliged to increase the amounts payable in respect of any Notes or under the Trust Deed due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Cayman Islands (in the case of a payment by FFE), the Bahamas (in the case of a payment by CTT) or the ROC (in the case of a payment by the Company) or any political subdivision thereof or any authority therein or thereof having power to tax, the Relevant Issuer may redeem all outstanding Notes in accordance with the Conditions.

An optional redemption feature is likely to limit the market value of Notes. During any period when the Relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Relevant Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Dual Currency Notes have features which are different from single currency issues.

Each Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected; and
- (iv) the amount of principal payable at redemption may be less than the principal amount of such Notes or even zero.

Failure by a Noteholder to pay a subsequent instalment of partly-paid Notes may result in a Noteholder losing all of its investment.

Each Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalments could result in a Noteholder losing all of its investment.

The market price of variable rate Notes with a multiplier or other leverage factor may be volatile.

Notes with variable interest rates can be volatile securities. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include such features.

Inverse Floating Rate Notes are typically more volatile than conventional floating rate debt.

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as the London Interbank Offered Rate ("LIBOR"). The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are

more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Notes carrying an interest rate which may be converted from fixed to floating interest rates and vice versa, may have lower market values than other Notes.

Fixed/Floating Rate Notes may bear interest at a rate that the Relevant Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Relevant Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Relevant Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Relevant Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Relevant Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

The market prices of Notes issued at a substantial discount or premium tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities.

The market values of securities issued at a substantial discount or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Investors may lose part or all of their investment in any Index-Linked Notes issued.

If, in the case of a particular Tranche of Notes, the relevant Pricing Supplement specifies that the Notes are Index-Linked Notes or variable redemption amount Notes, there is a risk that the investor may lose the value of its entire investment or part of it.

Risks Relating to the Market Generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

Notes issued under the Programme have no current active trading market and may trade at a discount to their initial offering price and/or with limited liquidity.

Notes issued under the Programme will be new securities which may not be widely distributed and for which there is currently no active trading market (unless in the case of any particular Tranche, such Tranche is to be consolidated with and form a single series with a Tranche of Notes which is already issued). If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Relevant Issuer. If the Notes are trading at a discount, investors may not be able to receive a favourable price for their Notes, and in some circumstances investors may not be able to sell their Notes at all or at their fair market value. Although an application has been made for the Notes issued under the Programme to be admitted to listing on the SGX-ST, there is no assurance that such application will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market, or that disruptions will not occur, for any particular Tranche of Notes.

Exchange rate risks and exchange controls may result in investors receiving less interest or principal than expected.

The Relevant Issuer and the Company (if applicable) will pay principal and interest on the Notes in the currency specified in the relevant Pricing Supplement (the "Specified Currency"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated

principally in a currency or currency unit (the “Investor’s Currency”) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor’s Currency) and the risk that authorities with jurisdiction over the Investor’s Currency may impose or modify exchange controls. An appreciation in the value of the Investor’s Currency relative to the Specified Currency would decrease (1) the Investor’s Currency equivalent yield on the Notes, (2) the Investor’s Currency equivalent value of the principal payable on the Notes and (3) the Investor’s Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Changes in market interest rates may adversely affect the value of Fixed Rate Notes.

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes.

Risks Relating to Renminbi-denominated Notes

Notes denominated in Renminbi (“Renminbi Notes”) may be issued under the Programme. Renminbi Notes contain particular risks for potential investors.

Renminbi is not freely convertible; there are significant restrictions on remittance of Renminbi into and out of the PRC.

Renminbi is not freely convertible at present. The PRC Government continues to regulate conversion between Renminbi and foreign currencies. However, there has been significant reduction in control by the PRC Government in recent years, particularly over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

On the other hand, remittance of Renminbi by foreign investors into the PRC for the settlement of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are being developed.

Although starting from 1 October 2016, the Renminbi will be added to the Special Drawing Rights basket created by the International Monetary Fund, there is no assurance that the PRC Government will continue to gradually liberalise control over cross-border Renminbi remittances in the future, that the schemes for Renminbi cross-border utilisation will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting the remittance of Renminbi into or out of the PRC. In the event that the Group is not able to repatriate funds outside the PRC in Renminbi, the Relevant Issuer or the Company will need to source Renminbi offshore to finance their respective obligations under Renminbi Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of Renminbi Notes and the Relevant Issuer’s and the Company’s ability to source Renminbi outside the PRC to service such Renminbi Notes.

As a result of the restrictions by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. While the People’s Bank of China (“PBOC”) has entered into agreements on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (the “Renminbi Clearing Banks”), including but not limited to Hong Kong, Singapore and Taiwan, and are in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions (the “Settlement Arrangements”), the current size of Renminbi-denominated financial assets outside the PRC is limited.

There are restrictions imposed by the PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from the PBOC. The Renminbi Clearing Banks only have access to onshore liquidity support from the PBOC to square open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, the participating banks will need to source Renminbi from the offshore market to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Arrangements will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of Renminbi Notes. To the extent the Relevant Issuer is required to source Renminbi in the offshore market to service Renminbi Notes, there is no assurance that the Relevant Issuer will be able to source such Renminbi on satisfactory terms, if at all.

Investment in Renminbi Notes is subject to exchange rate risks.

The value of the Renminbi against the U.S. dollar and other foreign currencies fluctuates and is affected by changes in the PRC, by international political and economic conditions and by many other factors. Recently, the PBOC implemented changes to the way it calculates the Renminbi's daily mid-point against the U.S. dollar to take into account market-maker quotes before announcing such daily midpoint. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against foreign currencies. All payments of interest and principal will be made with respect to Renminbi Notes in Renminbi. If an investor measures its investment returns by reference to a currency other than Renminbi, an investment in the Renminbi Notes entails foreign exchange related risks, including possible significant changes in the value of Renminbi relative to the currency by reference to which an investor measures its investment returns. Depreciation of the Renminbi against such currency could cause a decrease in the effective yield of the Renminbi Notes below their stated coupon rates and could result in a loss when the return on the Renminbi Notes is translated into such currency. In addition, there may be tax consequences for investors as a result of any foreign currency gains resulting from any investment in Renminbi Notes.

Payments in respect of Renminbi Notes will only be made to investors in the manner specified in such Renminbi Notes.

All payments to investors in respect of Renminbi Notes will be made solely by (i) when the Renminbi Notes are represented by global certificates held with the common depository or common safekeeper, as the case may be, for Clearstream, Luxembourg and Euroclear or any alternative clearing system, transfer to a Renminbi bank account maintained in Hong Kong, (ii) when the Renminbi Notes are represented by global certificates lodged with a sub-custodian for or registered with the CMU, transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing CMU rules and procedures, or (iii) when the Renminbi Notes are in definitive form, transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. The Relevant Issuer and the Company cannot be required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

Gains on the transfer of the Renminbi Notes may become subject to income taxes under PRC tax laws.

Under the EIT Law, the PRC Individual Income Tax Law and the relevant implementing rules, as amended from time to time, any gain realised on the transfer of Renminbi Notes by non-PRC resident enterprise or individual Holders may be subject EIT or PRC individual income tax ("IIT") if such gain is regarded as income derived from sources within the PRC. The EIT levies EIT at the rate of 20 per cent. of the gains derived by such non-PRC resident enterprise or individual Holder from the transfer of Renminbi Notes but its implementation rules have reduced the EIT rate to 10 per cent. The PRC Individual Income Tax Law levies IIT at a rate of 20 per cent. of the gains derived by such non-PRC resident or individual Holder from the transfer of Renminbi Notes.

However, uncertainty remains as to whether the gain realised from the transfer of Renminbi Notes by non-PRC resident enterprise or individual Holders would be treated as income derived from sources within the PRC and become subject to the EIT or IIT. This will depend on how the PRC tax authorities interpret, apply or enforce the EIT Law, the PRC Individual Income Tax Law and the relevant implementing rules. According to the arrangement between the PRC and Hong Kong, for avoidance of double taxation, Holders who are residents of Hong Kong, including enterprise Holders and individual Holders, will not be subject to EIT or IIT on capital gains derived from a sale or exchange of the Notes.

Therefore, if non-PRC enterprise or individual resident Holders are required to pay PRC income tax on gains derived from the transfer of Renminbi Notes, unless there is an applicable tax treaty between the PRC and the jurisdiction in which such non-PRC enterprise or individual resident holders of Renminbi Notes reside that reduces or exempts the relevant EIT or IIT, the value of their investment in Renminbi Notes may be materially and adversely affected.

Remittance of proceeds in Renminbi into or out of the PRC will be subject to obtaining all necessary approvals from, and/or registration or filing with, the relevant PRC government authorities.

In the event that the Relevant Issuer decides to remit some or all of the proceeds into the PRC in Renminbi, its ability to do so will be subject to obtaining all necessary approvals from, and/or registration or filing with, the relevant PRC government authorities. However, there is no assurance that the necessary approvals from, and/or registration or filing with, the relevant PRC government authorities will be obtained at all or, if obtained, they will not be revoked or amended in the future.

There is no assurance that the PRC Government will continue to gradually liberalise the control over cross-border Renminbi remittances in the future, that the pilot schemes introduced will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of the PRC. In the event that the Relevant Issuer does remit some or all of the proceeds into the PRC in Renminbi and the Relevant Issuer subsequently is not able to repatriate funds out of the PRC in Renminbi, it will need to source Renminbi outside the PRC to finance its obligations under the Renminbi Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

USE OF PROCEEDS

The net proceeds from each issue of Notes will be on-lent by the Relevant Issuer to the Guarantor and/or its subsidiaries for financing the capital expenditure, refinancing existing debt obligations and other general corporate purposes of the Group. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Pricing Supplement.

CLEARANCE AND SETTLEMENT

Bearer Notes

The Relevant Issuer may make applications to Euroclear and Clearstream, Luxembourg for acceptance in their respective book-entry systems in respect of any Series of Bearer Notes. The Relevant Issuer may also apply to have Bearer Notes accepted for clearance through the CMU. In respect of Bearer Notes, a temporary Global Note and/or a permanent Global Note will be deposited with a common depository for Euroclear and Clearstream, Luxembourg or a sub-custodian for the CMU. Transfers of interests in a temporary Global Note or a permanent Global Note will be made in accordance with the normal market debt securities operating procedures of the CMU, Euroclear and Clearstream, Luxembourg. Each Global Note will have an International Securities Identification Number (“ISIN”) and a Common Code or a CMU Instrument Number, as the case may be. Investors in Notes of such Series may hold their interests in a Global Note through Euroclear or Clearstream, Luxembourg or the CMU, as the case may be.

Registered Notes

The Relevant Issuer may make applications to Euroclear and Clearstream, Luxembourg for acceptance in their respective book-entry systems in respect of the Notes to be represented by a Global Certificate. The Relevant Issuer may also apply to have Notes represented by a Global Certificate accepted for clearance through the CMU. Each Global Certificate will have an ISIN and a Common Code or a CMU Instrument Number, as the case may be. Investors in Notes of such Series may hold their interests in a Global Certificate only through Euroclear or Clearstream, Luxembourg or the CMU, as the case may be.

Individual Certificates

Registration of title to Registered Notes in a name other than a depository or its nominee for Euroclear and Clearstream, Luxembourg or the CMU will be permitted only in the circumstances set forth in “Summary of Provisions Relating to the Notes while in Global Form – Exchange”. In such circumstances, the Relevant Issuer will cause sufficient individual Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Noteholder(s). A person having an interest in a Global Certificate must provide the Registrar with a written order containing instructions and such other information as the Relevant Issuer and the Registrar may require to complete, execute and deliver such individual Certificates.

Clearance and Settlement

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg or the CMU (together, the “Clearing Systems”) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Guarantor and the Issuers believe to be reliable, but neither Issuer nor the Guarantor nor the Arranger nor any Agent nor any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Relevant Issuer nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to, or payments made on account of, such beneficial ownership interests.

The Clearing Systems

The relevant Pricing Supplement will specify the Clearing System(s) applicable for each Series.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to others, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

Distributions of principal and interest with respect to book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by any Paying Agent, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant Clearing System's rules and procedures.

CMU

The CMU is a central depository service provided by the Central Moneymarkets Unit of the Hong Kong Monetary Authority (the "HKMA") for the safe custody and electronic trading between the members of this service ("CMU Members") of capital markets instruments ("CMU notes") which are specified in the CMU Reference Manual as capable of being held within the CMU.

The CMU is only available to CMU notes issued by a CMU Member or by a person for whom a CMU Member acts as agent for the purposes of lodging instruments issued by such persons. Membership of the CMU is open to all members of the Hong Kong Capital Markets Association and "authorised institutions" under the Banking Ordinance (Cap. 155) of Hong Kong.

Compared to clearing services provided by Euroclear and Clearstream, Luxembourg, the standard custody and clearing service provided by the CMU is limited. In particular (and unlike Euroclear or Clearstream, Luxembourg), the HKMA does not as part of this service provide any facilities for the dissemination to the relevant CMU Members of payments (of interest or principal) under, or notices pursuant to the notice provisions of, the CMU notes. Instead, the HKMA advises the lodging CMU Member (or a designated Paying Agent) of the identities of the CMU Members to whose accounts payments in respect of the relevant CMU notes are credited, whereupon the lodging CMU Member (or the designated Paying Agent) will make the necessary payments of interest or principal or send notices directly to the relevant CMU Members. Similarly, the HKMA will not obtain certificates of non-U.S. beneficial ownership from CMU Members or provide any such certificates on behalf of CMU Members. The CMU Lodging and Paying Agent will collect such certificates from the relevant CMU Members identified from an instrument position report obtained by request from the HKMA for this purpose.

An investor holding an interest through an account with either Euroclear or Clearstream, Luxembourg in any Notes held in the CMU will hold that interest through the respective accounts which Euroclear and Clearstream, Luxembourg each have with the CMU.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the relevant Pricing Supplement, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Pricing Supplement. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

This Note is one of a series (“Series”) of Notes issued by Foxconn (Far East) Limited (“FFE”) or Competition Team Technologies Limited (“CTT”) (each, in relation to the Notes issued by it, the “Issuer”) and guaranteed by Hon Hai Precision Industry Co., Ltd. (the “Guarantor”).

The Notes are constituted by a Trust Deed (as amended or supplemented as at the date of issue of the Notes (the “Issue Date”), the “Trust Deed”) dated 21 September 2012 between the FFE, CTT, the Guarantor, and Citicorp International Limited (the “Trustee”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below). These terms and conditions (the “Conditions”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bearer Notes, Certificates, Receipts, Coupons and Talons referred to below. An Agency Agreement (as amended or supplemented as at the Issue Date, the “Agency Agreement”) dated 21 September 2012 has been entered into in relation to the Notes between the FFE, CTT, the Guarantor, the Trustee, Citibank, N.A., London Branch as initial issuing and paying agent, Citicorp International Limited as lodging and paying agent for Notes to be held in the Central Moneymarkets Unit Service operated by the Hong Kong Monetary Authority (the “CMU”), and the other agents named in it. The issuing and paying agent, the CMU lodging and paying agent, the other paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “Issuing and Paying Agent”, the “CMU Lodging and Paying Agent”, the “Paying Agents” (which expression shall include the Issuing and Paying Agent), the “Registrar”, the “Transfer Agents” (which expression shall include the Registrar) and the “Calculation Agent(s)”. For the purposes of these Conditions, all references to the Issuing and Paying Agent shall, with respect to a Series of Notes to be held in the CMU, be deemed to be a reference to the CMU Lodging and Paying Agent and all such references shall be construed accordingly. Copies of the Trust Deed and the Agency Agreement are available for inspection during usual business hours at the principal office of the Trustee (presently at 56 Floor, One Island East, 18 Westlands Road, Island East, Hong Kong) and at the specified offices of the Paying Agents and the Transfer Agents.

The Noteholders, the holders of the interest coupons (the “Coupons”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “Talons”) (the “Couponholders”) and the holders of the receipts for the payment of instalments of principal (the “Receipts”) relating to Notes in bearer form of which the principal is payable in instalments are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

As used in these Conditions, “Tranche” means Notes which are identical in all respects.

1 Form, Denomination and Title

The Notes are issued in bearer form (“Bearer Notes”) or in registered form (“Registered Notes”) in each case in the Specified Denomination(s) shown hereon.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note or a Partly Paid Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates (“Certificates”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “Register”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “Noteholder” means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), “holder” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2 No Exchange of Notes and Transfers of Registered Notes

(a) No Exchange of Notes

Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may require (in light of prevailing market practice). In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(c) Exercise of Options or Partial Redemption in Respect of Registered Notes

In the case of an exercise of an Issuer’s or Noteholders’ option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered

Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) Delivery of New Certificates

Each new Certificate to be issued pursuant to Conditions 2(b) or 2(c) shall be available for delivery within three business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), “business day” means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(e) Transfers Free of Charge

Transfers of Notes and Certificates on registration, transfer, exercise of an option or partial redemption shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment by the relevant Noteholders of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity and/or security and/or prefunding as the Registrar or the relevant Transfer Agent may require).

(f) Closed Periods

No Noteholder may require the transfer of a Registered Note to be registered (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days prior to any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date.

3 Guarantee and Status

(a) Guarantee

The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed, the Notes, the Receipts and the Coupons. Its obligations in that respect (the “Guarantee”) are contained in the Trust Deed.

(b) Status of Notes and Guarantee

The Notes and the Receipts and Coupons relating to them constitute (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and the Receipts and the Coupons relating to them and of the Guarantor under the Guarantee shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer and the Guarantor respectively, present and future.

4 Negative Pledge

So long as any Note or Coupon remains outstanding (as defined in the Trust Deed), neither the Issuer nor the Guarantor will, and will ensure that none of their respective Principal Subsidiaries will create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future property, assets or revenues to secure any International Investment Securities or to secure any guarantee or indemnity in respect of any International Investment Securities, without at the same time or prior thereto according to the Notes and the Coupons the same security as is created or subsisting to secure any such International Investment Securities, guarantee or indemnity or such other security as either (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Noteholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

For these Conditions:

- (i) “Capital Stock” means, with respect to any Person, any and all shares, ownership interests, participation or other equivalents (however designated), including all common stock and all preferred stock, of such Person.
- (ii) “International Investment Securities” means bonds, debentures, notes or other similar investment securities of the Issuer or the Guarantor or any other Person evidencing indebtedness with a maturity of not less than one year from the issue date thereof, or any guarantees thereof, which (i) either (A) are by their terms payable, or confer a right to receive payment, in any currency other than NT Dollars or (B) are denominated in NT Dollars and more than 50 per cent. of the aggregate principal amount thereof is initially distributed outside the Republic of China by or with the consent of the Issuer or the Guarantor and (ii) are for the time being, or are intended to be, quoted, listed, ordinarily dealt in or traded, in each case primarily, on a stock exchange or over-the-counter or other securities market outside the Republic of China.
- (iii) “Person” means any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) limited liability company, government or political subdivision or agency or instrumentality thereof, or any other entity or organisation.
- (iv) “Principal Subsidiary” means, with respect to any Person, any Subsidiary (1) whose net sales, as shown by the latest audited financial statements (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary, constitute at least 10 per cent. of the consolidated net sales of such Person and its consolidated Subsidiaries as shown by the latest audited consolidated financial statements of such Person or (2) whose gross assets, as shown by the latest audited financial statements (consolidated in case of a Subsidiary which itself has Subsidiaries) of such Subsidiary constitute at least 10 per cent. of the gross assets of such Person and its consolidated Subsidiaries as shown by the latest audited consolidated financial statements of such Person.
- (v) “Subsidiary” means, with respect to any Person, any entity of which more than 50 per cent. of its Capital Stock is owned directly or indirectly by such Person.

5 Interest and other Calculations

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding principal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h).

(b) *Interest on Floating Rate Notes and Index Linked Interest Notes*

(i) Interest Payment Dates

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding principal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) Business Day Convention

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) Rate of Interest for Floating Rate Notes

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), "ISDA Rate" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon
- (y) the Designated Maturity is a period specified hereon and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity", "Reset Date" and "Swap Transaction" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

(x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR or Hong Kong time in the case of HIBOR) or 11.15 a.m. (Hong Kong time) or if, at or around that time it is notified that the fixing will be published at 2.30 p.m. (Hong Kong time), then as of 2.30 p.m. (in the case of CNH HIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR, EURIBOR, HIBOR or CNH HIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon.

- (y) if the Relevant Screen Page is not available or if, sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if sub-paragraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks or, if the Reference Rate is HIBOR or CNH HIBOR, the principal Hong Kong office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR or CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (z) if paragraph (y) immediately above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR or CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period

equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR or CNH HIBOR, the Hong Kong inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) or, if the Reference Rate is HIBOR or CNH HIBOR, at approximately 11.00 a.m. (Hong Kong time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market or, if the Reference Rate is HIBOR or CNH HIBOR, the Hong Kong inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(iv) Rate of Interest for Index Linked Interest Notes

The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.

(c) Zero Coupon Notes

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).

(d) Dual Currency Notes

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.

(e) Partly Paid Notes

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up principal amount of such Notes and otherwise as specified hereon.

(f) *Accrual of Interest*

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

(g) *Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding*

- (i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5(b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.
- (ii) If any Maximum Rate of Interest or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country of such currency.

(h) *Calculations*

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(i) *Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Change of Control Redemption Amount, Optional Redemption Amounts and Instalment Amounts*

The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Change of Control Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Change of Control Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to

the Trustee, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(j) *Determination or Calculation by an agent appointed by the Trustee*

If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount, Change of Control Redemption Amount or Optional Redemption Amount, and if the Issuer fails to comply with its obligations under Condition 5(l), the Trustee shall (at the cost of the Issuer, failing whom the Guarantor) appoint an agent to do so and such determination or calculation by such agent shall be deemed to have been made by the Calculation Agent. In doing so, such agent shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. If the Trustee exercises due care in selecting an agent pursuant to this Condition 5(j), the Trustee shall not be responsible or liable to any Noteholder, any Couponholder, the Issuer, the Guarantor or any other person for the accuracy of any determination or calculation made by any agent pursuant to this Condition 5(j) or in the event that any such agent fails to make any determination or calculation contemplated in this Condition 5(j) or for any loss suffered by any Noteholder, any Couponholder, the Issuer, the Guarantor or any other person arising directly or indirectly as a result of any determination or calculation made by any such agent hereunder.

(k) *Definitions*

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Business Day” means:

- (i) in the case of a currency other than euro or Renminbi, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) in the case of euro, a day on which the TARGET System is operating (a “TARGET Business Day”); and/or
- (iii) in the case of Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong; and/or
- (iv) in the case of a currency and/or one or more Business Centres a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the “Calculation Period”):

- (i) if “Actual/Actual” or “Actual/Actual – ISDA” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if “Actual/365 (Fixed)” is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if “Actual/365 (Sterling)” is specified hereon, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366
- (iv) if “Actual/360” is specified hereon, the actual number of days in the Calculation Period divided by 360
- (v) if “30/360”, “360/360” or “Bond Basis” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] \pm [30 \times (M_2 - M_1)] \pm (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30

- (vi) if “30E/360” or “Eurobond Basis” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] \pm [30 \times (M_2 - M_1)] \pm (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30

- (vii) if “30E/360 (ISDA)” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] \pm [30 \times (M_2 - M_1)] \pm (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30

- (viii) if “Actual/Actual-ICMA” is specified hereon,

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date and

“Determination Date” means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s)

“Euro-zone” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and
- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the Issue Date or such other date as may be specified hereon.

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or Hong Kong dollars or Renminbi other than where the Specified Currency is Renminbi and the Reference Rate is CNH HIBOR or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro nor Hong Kong dollars nor Renminbi or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro or (iv) the day falling two Business Days in Hong Kong prior to the first day of such Interest Accrual Period if the Specified Currency is Renminbi and the Reference Rate is CNH HIBOR.

“Interest Period” means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date.

“Interest Period Date” means each Interest Payment Date unless otherwise specified hereon. “ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

“Rate of Interest” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

“Reference Banks” means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market and, in the case of a determination of HIBOR, the principal Hong Kong office of four major banks in the Hong Kong inter-bank market and, in the case of a determination of CNH HIBOR, the principal Hong Kong office of four major banks dealing in Chinese Yuan in the Hong Kong inter-bank market, in each case selected by the Calculation Agent or as specified hereon.

“Reference Rate” means the rate specified as such hereon.

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified hereon.

“Specified Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

(l) Calculation Agent

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Trust Deed). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount, Change of Control Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. No Calculation Agent appointed in respect of the Notes may resign its duties without a successor having been appointed as aforesaid.

6 Redemption, Purchase and Options

(a) Redemption by Instalments and Final Redemption

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding principal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the principal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided hereon, is its principal amount) or, in the case of a Note falling within paragraph (i) immediately above, its final Instalment Amount.

(b) Early Redemption

(i) Zero Coupon Notes

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) Other Notes

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) immediately above), upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) Redemption for Taxation Reasons

The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Interest Note) or at any time (if this Note is neither a Floating Rate Note nor an Index Linked Interest Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable) at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer (or if the Guarantee was called, the Guarantor) satisfies the Trustee immediately before the giving of such notice that it has or will become obliged to pay additional amounts as described under Condition 8 as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands (in the case of a payment by the FFE), The Bahamas (in the case of a payment by CTT) or the Republic of China (in the case of a payment by the Guarantor) or any political subdivision or, in each case, any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be) would be obliged to pay such additional amounts were a payment in respect of the

Notes (or the Guarantee, as the case may be) then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer, or the Guarantor, as the case may be, shall deliver to the Trustee a certificate signed by two Authorised Signatories (as defined in the Trust Deed) stating that the obligation referred to in (i) above cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it, and the Trustee shall be entitled to, without further enquiry and without liability to any Noteholder, any Couponholder or any other person, accept such certificate as sufficient evidence of the satisfaction of the conditions precedent set out in (ii) above, in which event it shall be conclusive and binding on Noteholders and Couponholders.

(d) Redemption at the Option of the Issuer

If Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all or, if so provided, some of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a principal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 6(d).

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner determined by the Issuer and notified in writing to the Trustee, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

(e) Redemption following Change of Control

If Change of Control Put Option is specified hereon and if, at any time while any of the Notes remains outstanding, a Change of Control (as defined below) occurs, then the holder of each such Note will have the option (a "Change of Control Put Option") (unless prior to the giving of the relevant Change of Control Notice (as defined below) the Issuer has given notice of redemption under Condition 6(c) or Condition 6(d)) to require the Issuer either to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note on the date which is seven days after the expiration of the Change of Control Put Period (as defined below) (or such other date as may be specified hereon, the "Change of Control Put Date") at the Change of Control Redemption Amount specified hereon together with (or, where purchased, together with an amount equal to) interest (if any) accrued to (but excluding) the Change of Control Put Date.

A "Change of Control" will be deemed to occur if:

- (i) any person or persons (as defined below) acting together acquires Control of the Guarantor if such person or persons does not or do not have, and would not be deemed to have, Control of the Guarantor on the Closing Date;
- (ii) the Guarantor consolidates with or merges into or sells or transfers all or substantially all of the Guarantor's assets to any other person, unless the consolidation, merger, sale or transfer will not result in the other person or persons acquiring Control over the Guarantor or the successor entity; or
- (iii) one or more other persons acquire the legal or beneficial ownership of all or substantially all of the Capital Stock of the Guarantor.

Not less than 30 nor more than 60 days after the Issuer or the Guarantor becoming aware that a Change of Control has occurred the Issuer or the Guarantor, as the case may be, shall, and at any time upon the Trustee being notified that a Change of Control has occurred, the Trustee may, and if so requested by the holders of at least 25 per cent. in principal amount of the Notes

then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, shall, (subject in each case to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction) give notice (a “Change of Control Notice”) to the Noteholders in accordance with Condition 16 specifying the nature of the Change of Control Put Option and the procedure for exercising the Change of Control Put Option.

To exercise the Change of Control Put Option, the holder of the Note must (in the case of Bearer Notes) deposit such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent at its specified office or (in the case of Registered Notes) deposit the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, in each case at any time during normal business hours of such Paying Agent, Registrar or Transfer Agent, as the case may be, falling within the period (the “Change of Control Put Period”) of 30 days after a Change of Control Notice is given or such other date as may be specified hereon, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of any Issuing and Paying Agent, Registrar or Transfer Agent, as the case may be. No Note or Certificate so deposited and option so exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. The Issuer shall redeem or purchase (or procure the purchase of) the relevant Notes on the Change of Control Put Date unless previously redeemed (or purchased) and cancelled.

If 90 per cent. or more in principal amount of the Notes then outstanding have been redeemed or purchased pursuant to this Condition 6(e), the Issuer may, on giving not less than 30 nor more than 60 days’ notice to the Noteholders (such notice being given within 30 days after the Change of Control Put Date), redeem or purchase (or procure the purchase of), at its option, all but not some only of the remaining outstanding Notes at their Change of Control Redemption Amount, together with interest (if any) accrued to (but excluding) the date fixed for such redemption or purchase.

The Trustee is under no obligation to ascertain whether a Change of Control or any event which could lead to the occurrence of or could constitute a Change of Control has occurred, and, until it shall have actual knowledge or notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control or other such event has occurred and shall not be responsible or liable to any Noteholder, any Couponholder, the Issuer, the Guarantor or any other person for so doing.

For the purpose of this Condition 6(e):

“Control” means the right to appoint and/or remove all or the majority of the members of the Guarantor’s board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise.

“person” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the board of directors of the Guarantor or any other governing board and does not include the wholly-owned direct or indirect subsidiaries of the Guarantor.

(f) Redemption at the Option of Noteholders

If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days’ notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option

exercise notice (an “Exercise Notice”) in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(g) *Partly Paid Notes*

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified hereon.

(h) *Purchases*

Each of the Issuer, the Guarantor and any of their respective Subsidiaries as defined in the Trust Deed may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

(i) *Cancellation*

All Notes purchased by or on behalf of the Issuer, the Guarantor or any of their respective Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Issuing and Paying Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, the same shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Guarantor in respect of any such Notes shall be discharged.

7 *Payments and Talons*

(a) *Bearer Notes*

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(ii)), as the case may be:

- (i) In the case of a currency other than Renminbi, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank; and
- (ii) In the case of Renminbi, by transfer to a Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong.

In this Condition 7(a) and in Condition 7(b), “Bank” means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

(b) *Registered Notes*

- (i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) immediately below.

- (ii) Interest (which for the purpose of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof or in the case of Renminbi or otherwise specified, on the fifth day before the due date for payment thereof (the “Record Date”). Payments of interest on each Registered Note shall be made:
 - (x) In the case of a currency other than Renminbi, in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank;
 - (y) in the case of Renminbi, by transfer to the registered account of the Noteholder.

In this Condition 7(b)(ii), “registered account” means the Renminbi account maintained by or on behalf of the Noteholder with a bank in Hong Kong, details of which appear on the Register at the close of business on the fifth business day before the due date for payment.

(c) *Payments in the United States*

Notwithstanding the foregoing, if any Bearer Notes are denominated in US dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) *Payments subject to Fiscal Laws*

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives in the place of payments, but without prejudice to the provisions of Condition 8 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) *Appointment of Agents*

The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed below. The Issuing and Paying Agent, the CMU Lodging and Paying Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and the Guarantor reserve the right at any time with the approval of the Trustee, to vary or terminate the appointment of the Issuing and Paying Agent, the CMU Lodging and Paying Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) an Issuing and Paying Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) a CMU Lodging and Paying Agent in relation to Notes accepted for clearance through the CMU, (v) one or more Calculation Agent(s) where the Conditions so require, (vi) Paying Agents having specified offices in at least two major European cities, (vii) such other agents as may be required by any other stock exchange on which

the Notes may be listed and (viii) a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in US dollars in the circumstances described in paragraph (c) immediately above.

Notice of any such change or any change of any specified office shall promptly be given by the Issuer to the Noteholders.

(f) Unmatured Coupons and Receipts and unexchanged Talons:

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes or Index Linked Redemption Notes), such Notes should be surrendered for payment together with all unmatured Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Early Redemption Amount, Change of Control Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Dual Currency Note or Index Linked Redemption Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) Talons

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Issuing and Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(h) Non-Business Days

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "business day" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as "Financial Centres" hereon and:

- (i) (in the case of a payment in a currency other than euro and Renminbi) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency;
- (ii) (in the case of a payment in euro) which is a TARGET Business Day; or
- (iii) (in the case of a payment in Renminbi) on which banks and foreign exchange markets are open for business and settlement of Renminbi payments in Hong Kong.

8 Taxation

All payments of principal and interest by or on behalf of the Issuer or the Guarantor in respect of the Notes, the Receipts and the Coupons or under the Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Cayman Islands, The Bahamas or the Republic of China or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as shall result in receipt by the Noteholders and Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

(a) Other connection

to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the Cayman Islands (in the case of payments by FFE), The Bahamas (in the case of payments by CTT) or, the Republic of China (in the case of payments by the Guarantor) other than the mere holding of the Note, Receipt or Coupon; or

(b) Presentation more than 30 days after the Relevant Date

presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day; or

(c) Payment to individuals

where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(d) Payment by another Paying Agent

(except in the case of Registered Notes) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union; or

(e) Presentation in the ROC

the presentation of such Notes for payment in the ROC, unless such Notes could not have been presented for payment elsewhere.

As used in these Conditions, “Relevant Date” in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “principal” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Change of Control Redemption Amount, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “principal” and/or “interest” shall be deemed to include any additional amounts that may be payable under this Condition 8 or any undertaking given in addition to or in substitution for it under the Trust Deed.

9 Prescription

Claims against the Issuer and/or the Guarantor for payment in respect of the Notes, Receipts and Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 Events of Default

If any of the following events (“Events of Default”) occurs and is continuing, the Trustee at its discretion may, and if so requested in writing by holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction), give notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their Early Redemption Amount together (if applicable) with accrued interest:

(i) Non-Payment

default is made in the payment on the due date of interest or principal in respect of any of the Notes, and (in the case of interest) such default continues for a period of three Business Days;

(ii) Non-Payment of Additional Amount

default is made in the payment of additional amount pursuant to Condition 8, and such default continues for a period of five Business Days;

(iii) Breach of Other Obligations

the Issuer or the Guarantor does not perform or comply with any one or more of its other obligations in the Notes or the Trust Deed (other than those referred to in Condition 10(i) or Condition 10(ii) above) which default is incapable of remedy or, if capable of remedy, is not remedied within 30 days after written notice of such default shall have been given to the Issuer or the Guarantor by the Trustee or;

(iv) Court Judgment

a final judgment, decree or order by a court of competent jurisdiction has been entered against the Issuer, the Guarantor or any of their respective Principal Subsidiaries for the payment of money in excess of U.S.\$50,000,000 with respect to the Issuer, the Guarantor or any of its Principal Subsidiaries (or its equivalent in any other currency or currencies) and 30 days shall have passed since the entry of the order without it being bonded, satisfied, discharged or stayed;

(v) Cross-Default

(A) the Issuer or the Guarantor or any of their respective Principal Subsidiaries shall fail to make any payment with respect to present or future indebtedness (other than the Notes) in an aggregate principal amount in excess of U.S.\$50,000,000 with respect to the Issuer or the Guarantor or any of their respective Principal Subsidiaries (or its equivalent in any other currency or currencies) when and as the same shall become due and payable; if such failure shall continue for more than the grace period, if any, originally applicable thereto; or (B) the Issuer or the Guarantor or any of their respective Principal Subsidiaries shall fail to perform or observe any covenant or agreement to be performed or observed by the Issuer or the Guarantor or any of their respective Principal Subsidiaries contained in any agreement or instrument evidencing the indebtedness (other than the Notes) in an aggregate principal amount in excess of U.S.\$50,000,000 with respect to the Issuer or the Guarantor or any of their respective Principal Subsidiaries (or its equivalent in any other currency or currencies) and such failure results in the acceleration of the maturity of any amount thereunder;

(vi) Insolvency

a decree or order by a court having jurisdiction shall have been entered under any applicable bankruptcy, insolvency, reorganisation or other similar law (A) adjudging the Issuer, the Guarantor or any of their respective Principal Subsidiaries as bankrupt or insolvent, or approving as properly filed a petition seeking reorganisation of the Issuer, the Guarantor or any of its Principal Subsidiaries or (B) appointing a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of the Issuer, the Guarantor or any of their Principal Subsidiaries or of its property or (C) ordering the winding up or liquidation of the affairs of the Issuer, the Guarantor or any of their respective Principal Subsidiaries and in any such case such decree or order shall have continued undischarged and unstayed for a period of 60 days; or

(vii) Reorganisation

the Issuer, the Guarantor or any of their respective Principal Subsidiaries shall voluntarily commence proceedings to be adjudicated a bankrupt or insolvent, or shall consent to the filing of a bankruptcy or insolvency proceeding against it, or shall file a petition or answer or consent seeking reorganisation under any applicable bankruptcy, insolvency, reorganisation or other similar law or shall consent to the filing of any such petition, or shall consent to the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of it or its property, or shall make an assignment for the benefit of creditors; or

(viii) Guarantee

the Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect.

11 Meetings of Noteholders, Modification, Waiver and Substitution

(a) Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing more than 50 per cent. in principal amount of the Notes for the time being

outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, inter alia, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the principal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum Rate of Interest and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum Rate of Interest and/or Maximum Rate of Interest, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount, Change of Control Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, or (viii) to modify or cancel the Guarantee, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in principal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

(b) Modification and waiver of the Trust Deed

The Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of applicable law, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed and/or these Conditions that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, unless the Trustee otherwise requires, such modification, authorisation or waiver shall be notified to the Noteholders as soon as practicable.

(c) Substitution

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Noteholders or the Couponholders, to the substitution of the Issuer's successor in business or any Subsidiary of the Issuer or its successor in business or of the Guarantor or its successor in business or any Subsidiary of the Guarantor or its successor in business in place of the Issuer or the Guarantor, as the case may be, or of any previous substituted company, as principal debtor or Guarantor under the Trust Deed and the Notes. In the case of such a substitution, the Trustee may agree, without the consent of the Noteholders or the Couponholders, to a change of the law governing the Notes, the Receipts, the Coupons, the Talons and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

(d) Entitlement of the Trustee

In connection with the exercise of its functions, rights, powers and discretions (including but not limited to those referred to in this Condition 11) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer or the Guarantor any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders.

12 Enforcement

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer and/or the Guarantor as it may think fit to enforce the terms of the Trust Deed, the Notes, the Receipts and the Coupons, but it need not take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least 25 per cent. in principal amount of the Notes outstanding, and (b) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Noteholder, Receiptholder or Couponholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

13 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer, the Guarantor, any Subsidiary of the Issuer or the Guarantor and any other entity related to the Issuer or the Guarantor without accounting for any profit.

The Trustee may rely without liability to Noteholders or Couponholders on any report, confirmation or certificate or any advice of any accountants, legal counsel, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice and such report, confirmation, certificate or advice shall be binding on the Issuer, the Trustee and the Noteholders.

14 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Issuing and Paying Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, inter alia, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

15 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes either having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Notes) or upon such terms as the Issuer may determine at the time of their issue. References in these

Conditions to the Notes include (unless the context requires otherwise) any other notes issued pursuant to this Condition 15 and forming a single series with the Notes. Any further notes forming a single series with the outstanding securities of any series (including the Notes) constituted by the Trust Deed or any deed supplemental to it shall, and any other notes may (with the consent of the Trustee), be constituted by the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Noteholders and the holders of notes of other series where the Trustee so decides.

16 Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Hong Kong (which is expected to be the South China Morning Post). If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 16.

17 Contracts (rights of third parties) act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999 except and to the extent (if any) that the Notes expressly provide for such Act to apply to any of their terms.

18 Governing Law and Jurisdiction

(a) Governing Law

The Trust Deed, the Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) Jurisdiction

The Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons or the Trust Deed and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons or the Trust Deed ("Proceedings") may be brought in such courts. The Issuer and the Guarantor have in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

(c) Service of Process

The Issuer and the Guarantor have in the Trust Deed irrevocably appointed an agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.

FORM OF PRICING SUPPLEMENT

The form of Pricing Supplement that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below:

Pricing Supplement dated [●]

**[Foxconn (Far East) Limited/Competition Team Technologies Limited]
Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
Unconditionally and Irrevocably Guaranteed by
Hon Hai Precision Industry Co., Ltd.
under the U.S.\$3,500,000,000 Medium Term Note Programme**

The document constitutes the Pricing Supplement relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the Offering Circular dated [original date] [and the supplemental Offering Circular dated [date]]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular dated [current date] as so supplemented.

[The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.]

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the “**Conditions**”) set forth in the Offering Circular dated [original date]. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with the Offering Circular dated [current date] [and the supplemental Offering Circular dated [date]], save in respect of the Conditions which are extracted from the Offering Circular dated [original date] and are attached hereto.]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement.]

- | | | |
|----------|-----------------------------------|---|
| 1 | (i) Issuer: | [Foxconn (Far East) Limited/Competition Team Technologies Limited] |
| | (ii) Guarantor: | Hon Hai Precision Industry Co., Ltd. |
| 2 | (i) Series Number: | [●] |
| | (ii) Tranche Number: | [●]
<i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).</i> |
| 3 | Specified Currency or Currencies: | [●] |
| 4 | Aggregate Nominal Amount: | |
| | (i) | [●] |
| | (ii) | [●] |
| 5 | [(i)] Issue Price: | [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)] |
| | [(ii)] Net Proceeds: | [●] <i>(Required only for listed issues)</i> |
| | [(iii)] Use of proceeds: | [●]
<i>(Required if different from the Offering Circular)</i> |

- 6 (i) Specified Denominations:^{1,2} [●]
(ii) Calculation Amount: [●]
- 7 (i) Issue Date: [●]
(ii) Interest Commencement Date: *[Specify date/Issue Date/Not Applicable]*
- 8 Maturity Date: *[Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year]³*
- 9 Interest Basis: [[●] per cent. Fixed Rate]
[[Specify reference rate] +/- [●] per cent. Floating Rate]
[Zero Coupon]
[Index Linked Interest]
[Specify Other]
(further particulars specified below)
- 10 Redemption/Payment Basis: [Redemption at par]
[Index Linked Redemption] [Dual Currency]
[Partly Paid] [Instalment]
[Specify Other]
- 11 Change of Interest or Redemption/
Payment Basis: *[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]*
- 12 Put/Call Options: [Investor Put]
or [Issuer Call Option]
[Change of Control Put Option]
[(further particulars specified below)]
- 13 Listing: [Singapore/Specify Other/None]
- 14 Date of [Board] approval for the
issuance of Notes obtained: [●] *(Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)*
- 15 Date of [Board] approval for the giving
of Guarantee obtained: [●]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 16 **Fixed Rate Note Provisions** [Applicable/Not Applicable]

¹ Notes (including Notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA and which have a maturity of less than one year and must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

² If the specified denomination is expressed to be €100,000 or its equivalent and multiples of a lower principal amount (for example €1,000), insert the additional wording as follows: €100,000 and integral multiples of [€1,000] in excess thereof up to and including €199,000. No notes in definitive form will be issued with a denomination above €199,000.

³ Note that for Renminbi or Hong Kong dollar denominated Fixed Rate Notes where Interest Payment Dates are subject to modification it will be necessary to use the second option here.

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Rate[(s)] of Interest: per cent. per annum [payable [annually/semi-annually/quarterly/monthly/specify other] in arrear]
- (ii) Interest Payment Date(s): in each year [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of “Business Day”]/not adjusted]
- (iii) Fixed Coupon Amount[(s)]: per Calculation Amount⁴
- (iv) Broken Amount(s): per Calculation Amount, payable on the Interest Payment Date falling [in/on]
- (v) Day Count Fraction: [30/360/Actual/Actual (ICMA/ISDA)/Actual/365 (fixed) specify other]
- (vi) [Determination Dates: in each year (insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual – ICMA)]
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]

17 Floating Rate Note Provisions

[Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Interest Period(s):
- (ii) Specified Interest Payment Dates:
(If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert “Not Applicable”)
- (iii) Interest Period Date(s):
(Not applicable unless different from Interest Payment Date.)
- (iv) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
- (v) Business Centre(s): [Not Applicable/give details]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (give details)]
- (vii) Party, if any, responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not as Calculation Agent): [Name] shall be the Calculation Agent

⁴ For Renminbi or Hong Kong dollar denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification the following alternative wording is appropriate: “Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.005 for the case of Renminbi denominated Fixed Rate Notes to the nearest HK\$0.01, HK\$0.005 for the case of Hong Kong dollar denominated Fixed Rate Notes, being rounded upwards.

- (viii) Screen Rate Determination:
- Reference Rate: *[For example, LIBOR or EURIBOR]*
 - Interest Determination Date(s): **[●]**
(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling, Hong Kong dollar or euro LIBOR), second Hong Kong business day prior to the start of each Interest Period if CNH HIBOR, first day of each Interest Period if Sterling LIBOR or Hong Kong dollar LIBOR or HIBOR and the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)
 - Relevant Screen Page: *[For example, Reuters LIBOR 01/EURIBOR 01]*
- (ix) ISDA Determination:
- Floating Rate Option: **[●]**
 - Designated Maturity: **[●]**
 - Reset Date: **[●]**
- (x) Margin(s): **[+/-][●]** per cent. per annum
- (xi) Minimum Rate of Interest: **[●]** per cent. per annum
- (xii) Maximum Rate of Interest: **[●]** per cent. per annum
- (xiii) Day Count Fraction: **[●]**
- (xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: **[●]**
- 18 Zero Coupon Note Provisions** *[Applicable/Not Applicable]*
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Amortisation Yield: **[●]** per cent. per annum
 - (ii) Day Count Fraction: **[●]**
 - (iii) Any other formula/basis of determining amount payable: **[●]**
- 19 Index-Linked Interest Note/other variable-linked interest Note Provisions** *[Applicable/Not Applicable]*
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Index/Formula/other variable: *[give or annex details]*
 - (ii) Party, if any, responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not **[●]** as Calculation Agent): **[●]**

- (iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [●]
- (iv) Interest Period(s): [●]
- (v) Specified Interest Payment Dates: [●]
(If the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention, insert "Not Applicable")
- (vi) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other *(give details)*]
- (vii) Business Centre(s): [●]
- (viii) Minimum Rate of Interest: [●] per cent. per annum
- (ix) Maximum Rate of Interest: [●] per cent. per annum
- (x) Day Count Fraction: [●]

20 Dual Currency Note Provisions

[Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Rate of Exchange/method of calculating Rate of Exchange: *[give details]*
- (ii) Party, if any, responsible for calculating the Rate(s) of Interest and Interest Amount(s) due: [●]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]
- (iv) Person at whose option Specified Currency(ies) is/are payable: [●]

PROVISIONS RELATING TO REDEMPTION

21 Call Option

[Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Calculation Amount
- (iii) If redeemable in part:
 - (a) Minimum Redemption Amount: [●] per Calculation Amount
 - (b) Maximum Redemption Amount: [●] per Calculation Amount

- (iii) Notice period: [●]
- 22 Put Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [●] per Calculation Amount
- (iii) Notice period: [●]
- 23 Final Redemption Amount of each Note** [●] per Calculation Amount/*specify other/see Appendix*
- 24 Early Redemption Amount** [Not Applicable/*specify other/see Appendix*]
Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions)

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 25 Form of Notes** **[Bearer Notes:**
[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]

[Temporary Global Note exchangeable for Definitive Notes on [●] days' notice⁵]

[Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]]
[Registered Notes⁶:
Global Certificate exchangeable for Individual Note Certificates in the limited circumstances described in the Global Certificate]
- 26** Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable/give details]
(Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub paragraphs 17(iv) and 19(vii) relate)
- 27** Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]

⁵ If the Specified Denominations of the Notes in paragraph 6 includes language substantially to the following effect: "€100,000 and integral multiples of [€1,000] in excess thereof up to and including €199,000", the Temporary Global Note shall not be exchangeable on [●] days notice.

⁶ The Notes should be in registered form if the Relevant Issuer is a Bahamian entity.

- 28 Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: *[Not Applicable/give details]*
- 29 Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: *[Not Applicable/give details]*
- 30 Redenomination, renominatisation and reconventioning provisions: *[Not Applicable/The provisions annexed to this Pricing Supplement apply]*
- 31 Consolidation provisions: *[Not Applicable/The provisions [in Condition [13][●]/annexed to this Pricing Supplement] apply]*
- 32 Other terms or special conditions: *[Not Applicable/give details]*
- 33 [Other provisions:] *[The provisions in Condition 7(e)(viii), Condition 8(c) and Condition 8(d) shall not apply]*

DISTRIBUTION

- 34 (i) If syndicated, names of Managers: *[Not Applicable/give names]*
(ii) Stabilising Manager(s) (if any): *[Not Applicable/give names]*
- 35 If non-syndicated, name and address of Dealer: *[Not Applicable/give name and address]*
- 36 U.S. Selling Restrictions: *[Reg. S Category 1/2; TEFRA D/TEFRA C/TEFRA Not Applicable]*
- 37 Additional selling restrictions: *[Not Applicable/give details]*

OPERATIONAL INFORMATION

- 38 ISIN Code: *[●]*
- 39 Common Code: *[●]*
- 40 CMU Instrument Number: *[●]*
- 41 Any clearing system(s) other than Euroclear, Clearstream, Luxembourg and the CMU and the relevant identification number(s): *[Not Applicable/give name(s) and number(s)]*
- 42 Delivery: Delivery *[against/free of] payment*
- 43 Additional Paying Agent(s) (if any): *[●]*

GENERAL

- 44 The aggregate principal amount of Notes issued has been translated into [U.S. dollars] at the rate of [●], producing a sum of (for Notes not denominated in [U.S. dollars]): *[Not Applicable/U.S.\$[●]]*
- 45 [Ratings: The Notes to be issued have been rated:

[S&P: [●]]

[[Other: [●]]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

[STABILISATION

In connection with this issue, [insert name of Stabilising Manager] (the “**Stabilising Manager**”) (or persons acting on behalf of any Stabilising Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be discontinued at any time, and must be brought to an end after a limited period.]

[PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the final terms required for issue and admission to trading on the SGX-ST of the Notes described herein pursuant to the U.S.\$3,500,000,000 Medium Term Note Programme.]

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in this Pricing Supplement.

Signed on behalf of [Foxconn (Far East) Limited/Competition Team Technologies Limited]:

By: _____
Duly authorised

Signed on behalf of **Hon Hai Precision Industry Co., Ltd.:**

By: _____
Duly authorised

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

Global Notes and Global Certificates may be delivered on or prior to the original issue date of the Tranche to a Common Depository for Euroclear and Clearstream, Luxembourg or a sub-custodian for the CMU.

Upon the initial deposit of a Global Note with a common depository for Euroclear and Clearstream, Luxembourg (the “Common Depository”) or with a sub-custodian for the CMU or registration of Registered Notes in the name of (i) any nominee for Euroclear and Clearstream, Luxembourg or (ii) the Hong Kong Monetary Authority as operator of the CMU and delivery of the relative Global Certificate to the Common Depository or the sub-custodian for the CMU (as the case may be), Euroclear or Clearstream, Luxembourg or the CMU (as the case may be) will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depository may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system (“Alternative Clearing System”) as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Relevant Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Relevant Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Relevant Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

If a Global Note or a Global Certificate is lodged with a sub-custodian for or registered with the CMU, the person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in accordance with the CMU Rules as notified by the CMU to the CMU Lodging and Paying Agent in a relevant CMU Instrument Position Report or any other relevant notification by the CMU (which notification, in either case, shall be conclusive evidence of the records of the CMU save in the case of manifest error) shall be the only person(s) entitled or in the case of Registered Notes, directed or deemed by the CMU as entitled to receive payments in respect of Notes represented by such Global Note or Global Certificate and the Relevant Issuer will be discharged by payment to, or to the order of, such person(s) for whose account(s) interests in such Global Note or Global Certificate are credited as being held in the CMU in respect of each amount so paid. Each of the persons shown in the records of the CMU, as the beneficial holder of a particular principal amount of Notes represented by such Global Note or Global Certificate must look solely to the CMU Lodging and Paying Agent for his share of each payment so made by the Relevant Issuer in respect of such Global Note or Global Certificate.

Exchange

Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Pricing Supplement indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “Summary of the Programme – Selling Restrictions”), in whole, but not in part, for the Definitive Notes defined and described below; and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

The CMU may require that any such exchange for a permanent Global Note is made in whole and not in part and in such event, no such exchange will be effected until all relevant account holders (as set out in a CMU Instrument Position Report (as defined in the rules of the CMU) or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) have so certified.

The holder of a temporary Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the temporary Global Note for an interest in a permanent Global Note or for Definitive Notes is improperly withheld or refused.

Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under “Partial Exchange of Permanent Global Notes” below, in part for Definitive Notes:

- (i) if the permanent Global Note is held on behalf of Euroclear, Clearstream, Luxembourg, the CMU or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or
- (ii) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Issuing and Paying Agent or CMU Lodging and Paying Agent (as applicable) of its election for such exchange.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

Global Certificates

The following will apply in respect of transfers of Notes held in Euroclear, Clearstream, Luxembourg, the CMU or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system. Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or

- (ii) upon or following any failure to pay principal in respect of any Notes when it is due and payable,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph (i) or (ii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

Partial Exchange of Permanent Global Notes

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes (i) if principal in respect of any Notes is not paid when due or (ii) if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Pricing Supplement) relating to Partly Paid Notes.

Delivery of Notes

On or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent). In exchange for any Global Note, or the part thereof to be exchanged, the Relevant Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate principal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Notes. Global Notes, Global Certificates and Definitive Notes will be delivered outside the United States and its possessions. In this Offering Circular, "Definitive Notes" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each permanent Global Note, the Relevant Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

Exchange Date

"Exchange Date" means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and in the city in which the relevant clearing system is located.

Amendment to Conditions

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Offering Circular. The following is a summary of certain of those provisions:

Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note (except with respect to a Global Note held through the CMU) will be made against

presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be enfaced on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes. Condition 7(f)(vi) and Condition 8(d) will apply to the Definitive Notes only. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation (if applicable) shall be disregarded in the definition of “business day” set out in Condition 7(h).

All payments in respect of Notes represented by a Global Certificate (other than a Global Certificate held through the CMU) will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be the Clearing System Business Day immediately prior to the date for payment, where “Clearing System Business Day” means Monday to Friday inclusive except 25 December and 1 January.

In respect of a Global Note or Global Certificate held through the CMU, any payments of principal, interest (if any) or any other amounts shall be made to the person(s) for whose account(s) interests in the relevant Global Note are credited (as set out in a CMU Instrument Position Report or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU) and, save in the case of final payment, no presentation of the relevant bearer Global Note or Global Certificate shall be required for such purpose.

Prescription

Claims against the Relevant Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and 5 years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8).

Meetings

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note or of the Notes represented by a Global Certificate shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholders holding, whether or not represented by a Global Certificate.

Cancellation

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant permanent Global Note or its presentation to or to the order of the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent) for endorsement in the relevant schedule of such permanent Global Note or in the case of a Global Certificate, by reduction in the aggregate principal amount of the Certificates in the Register, whereupon the principal amount thereof shall be reduced for all purposes by the amount so cancelled and endorsed.

Purchase

Notes represented by a permanent Global Note may only be purchased by the Relevant Issuer, the Guarantor or any of their respective subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

Issuer's Option

Any option of early redemption of the Relevant Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Relevant Issuer giving notice to the Noteholders within the time limits set out in and containing the information

required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Relevant Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg, the CMU or any other clearing system (as the case may be).

Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent) within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised and the option may be exercised in respect of the whole or any part of the permanent Global Note, and stating the principal amount of Notes in respect of which the option is exercised and at the same time presenting the permanent Global Note to the Issuing and Paying Agent (or, in the case of Notes lodged with the CMU, the CMU Lodging and Paying Agent), for notation. Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a Global Certificate may be exercised in respect of the whole or any part of the holding Notes represented by the Global Certificate.

Trustee's Powers

In considering the interests of Noteholders while any Global Note is held on behalf of, or Registered Notes are registered in the name of, or in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note or Registered Notes and may consider such interest if such accountholders were the holders of the Notes represented by such Global Note or Global Certificate.

Notices

So long as any Notes are represented by a Global Note or a Global Certificate and such Global Note or Global Certificate is held on behalf of (i) Euroclear and/or Clearstream, Luxembourg or any other clearing system (except as provided in (ii) below), notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or (ii) the CMU, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the CMU on the second business day preceding the date of despatch of such notice as holding interests in the relevant Global Note or Global Certificate.

Partly Paid Notes

The provisions relating to Partly Paid Notes are not set out in this Offering Circular, but will be contained in the relevant Pricing Supplement and thereby in the Global Notes. While any instalments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note representing such Notes may be exchanged for an interest in a permanent Global Note or for Definitive Notes (as the case may be). If any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time specified, the Relevant Issuer may forfeit such Notes and shall have no further obligation to their holders in respect of them.

CAPITALISATION AND INDEBTEDNESS

Capitalisation and Indebtedness of the Group

As of 31 December 2015, the authorised share capital of the Guarantor was NT\$180,000,000,000 divided into 18,000,000,000 ordinary shares of NT\$10.0 par value each and its issued share capital was NT\$156,382,882,280 consisting of 15,638,288,228 ordinary shares of NT\$10.0.

The following table sets out the consolidated capitalisation and indebtedness of the Group as of 31 December 2015 which has been extracted from the audited consolidated balance sheet of the Group as of the same date. The table should be read in conjunction with the audited consolidated financial statements of the Group as of and for the year ended 31 December 2015 and the notes thereto.

	As of 31 December 2015	
	NT\$	U.S.\$
	(Audited)	
	<i>(in thousands)</i>	
Current borrowings		
Short-term loans (including short-term notes and bills payable)	77,233,209	2,350,586
Current portion of long-term liabilities	45,670,130	1,389,967
	122,903,339	3,740,553
Non-current borrowings		
Corporate bonds payable ⁽¹⁾	161,789,254	4,924,042
Long-term loans	10,221,175	311,081
	172,010,429	5,235,123
Equity		
Share capital		
Share capital – common stock	156,382,881	4,759,500
Capital reserve		
Capital surplus	81,736,538	2,487,645
Retained earnings		
Legal reserve	93,179,928	2,835,923
Undistributed earnings	616,227,711	18,754,838
Other equity interest		
Other equity interest	60,121,681	1,829,797
Treasury stocks	(18,901)	(575)
Equity attributable to owners of the parent	1,007,629,838	30,667,128
Non-controlling interest	52,761,241	1,605,784
Total equity	1,060,391,079	32,272,912
Total Capitalisation ⁽²⁾	1,232,401,508	37,508,035

Notes:

- (1) The Company issued NT\$9,000,000,000 in aggregate principal amount of 0.60 per cent., 0.70 per cent., 0.75 per cent., 0.80 per cent., 0.88 per cent. 0.95 per cent. and 1.20 per cent. corporate bonds on 7 June 2016 and NT\$9,000,000,000 in aggregate principal amount of 0.65 per cent., 0.70 per cent., 0.73 per cent., 0.83 per cent. and 0.90 per cent. corporate bonds on 8 August 2016 to refinance its existing short-term debt.
- (2) Total capitalisation includes total long-term borrowings (excluding the current portion of long-term loans shown as short-term borrowings) and total equity.

Except as disclosed above, there has been no material adverse change in the consolidated capitalisation and indebtedness of the Group, on a consolidated basis, since 31 December 2015.

RECENT DEVELOPMENTS

Strategic Investment in Sharp

On 30 March 2016, the Company announced that the Board of Directors resolved for the Company and FFE to acquire 1,300,000,000 and 915,550,697 issued ordinary shares in Sharp, representing approximately 26.14 per cent. and 18.41 per cent. of its issued share capital, respectively, for a total acquisition consideration of JPY194,968,461,336, and 11,363,636 Class C preferred shares without voting rights for a total acquisition consideration of JPY99,999,996,800, in an effort to deepen the Company's vertical integration abilities, obtain the opportunity to tap the consumer market and Sharp's global sales network, extend the value chain and inject innovation culture. Foxconn Technology Co., Ltd., an associate of the Company, and Mr Gou Tai-ming, Chairman of the Company, also indirectly acquired 646,400,000 and 420,000,000 issued ordinary shares in Sharp, representing approximately 13.00 per cent. and 8.45 per cent. of its issued share capital, respectively. On 31 May 2016 and 1 June 2016, each of the Investment Commission and the Fair Trade Commission of the ROC gave its approval for the acquisition, respectively. As at the date of this Offering Circular, completion of the acquisition remains pending the outcome of an anti-trust review by the PRC Government.

Acquisition of eCMMS Precision Singapore Pte Ltd

On 30 March 2016, FFE announced that it has made a capital injection of U.S.\$500,000,000 in eCMMS Precision Singapore Pte Ltd ("eCMMS Precision Singapore"), a wholly-owned subsidiary of the Company, in an effort to increase eCMMS Precision Singapore's working capital for daily operations. The Company also increased its investment in FFE by a corresponding amount of U.S.\$500,000,000 for an aggregate of 500,000,000 issued shares of U.S.\$1.00 par value each.

2016 First Quarter Financials

On 12 May 2016, the Company published its unaudited consolidated financials as at and for the three months ended 31 March 2016 on the website of the TWSE (the "2016 First Quarter Financials"), which is incorporated by reference in this Offering Circular. The 2016 First Quarter Financials have been reviewed but have not been audited by PricewaterhouseCoopers, Taiwan, which issued a qualified report because certain consolidated subsidiaries and equity-method investments are not reviewed. The 2016 First Quarter Financials are not necessarily indicative of the results that may be expected for the year ended 31 December 2016 or any period thereafter. Consequently, potential investors must exercise caution when using such data to evaluate the Group's financial condition and results of operations.

Acquisition of Feature Phone Business from Nokia

On 18 May 2016, FIH Mobile Limited ("FIH Mobile"), a subsidiary of the Company, announced that it has entered into a stock and asset purchase agreement with HMD Global Oy ("HMD Global") and Microsoft Mobile Oy ("Microsoft"), pursuant to which FIH Mobile and HMD Global have conditionally agreed to acquire from Microsoft the target assets utilised in the conduct of its business of designing, manufacturing and selling feature phones which are run on specified operating systems, together with the associated accessories, and which are sold under the brand name "Nokia", for a total consideration of U.S.\$350,000,000.

DESCRIPTION OF FFE

Formation

FFE is a limited liability company incorporated under the laws of the Cayman Islands. It was incorporated in the Cayman Islands on 25 January 1996. FFE is a wholly-owned subsidiary of the Company.

Business Activity

FFE is the main overseas investment holding company of the Group.

Financial Statements

Under Cayman Islands law, FFE is not required to publish interim or annual financial statements. FFE has not published, and do not propose to publish, any financial statements. FFE is, however, required to keep proper books of account as are necessary to give a true and fair view of the state of FFE's affairs and to explain its transactions.

Directors and Officers

The directors of FFE as of the date of this Offering Circular are Yu Huang, Chiu Lian and Lee, Jin-Ming. The business address of the directors is No. 66, Zhongshan Road, Tucheng Industrial Zone, Tucheng District, New Taipei City, Taiwan, Republic of China.

Share Capital

The authorised share capital of FFE is U.S.\$5,000,000,000 divided into 5,000,000,000 shares of U.S.\$1.00 par value each of which 4,989,515,742 shares have been issued to, and is held by, the Company. The register of members of the FFE is maintained at its registered office at Floor 4, Willow House, Cricket Square, P.O. Box 2804, Grand Cayman, KY1-1112 Cayman Island.

DESCRIPTION OF CTT

Formation

CTT is a limited liability company incorporated under the laws of the Bahamas. It was incorporated in the Bahamas on 13 May 1997. CTT is an indirectly wholly-owned subsidiary of the Company.

Business Activity

CTT accepts orders for certain mobile handsets from the Company and outsources manufacturing to other subsidiaries in the PRC.

Financial Statements

Under Bahamian law, CTT is not required to publish interim or annual financial statements.

CTT is, however, required to maintain reliable books of account in a form which correctly explain all transactions, enable its financial position to be determined with reasonable accuracy at any time and allow financial statements to be prepared.

Director and Officer

The sole director of CTT as of the date of this Offering Circular is Yu Huang, Chiu Lian. The business address of the director is No. 66, Zhongshan Road, Tucheng Industrial Zone, Tucheng District, New Taipei City, Taiwan, Republic of China.

Share Capital

CTT is authorised under its memorandum of association to issue a maximum of 5,000 shares of U.S.\$1.00 par value each and 5,000 shares have been issued to, and are held by, Foxconn (Far East) Holdings Limited, a wholly-owned subsidiary of the Company. The register of members of CTT is maintained at its registered office in at Offshore Group Chambers, P.O. Box CB-12751, Nassau, New Providence, Bahamas.

DESCRIPTION OF THE COMPANY

Business Overview

Hon Hai Precision Industry Co., Ltd. is the world's largest provider of end-to-end product and solutions for all aspects of global electronics contract manufacturing. Its products and services are categorised as follows: (i) Components including a broad range of connectors, cable assemblies, enclosures and electronic and other components; (ii) Modules comprising system boards and subassemblies; and (iii) Systems comprising full system assembly of electronic products.

The Company provides its customers, which are primarily in the 3C industries, with value-added end-to-end product solutions from design and development in the early stage to the final manufacturing and after-sales services. The Company identifies and targets industry leaders in the 3C industries with whom the Company believes it can develop long-term relationships. The Company's key customers include Apple, Cisco, Dell, HP Inc. and Sony. The Company intends to concentrate its sales efforts on increasing penetration of its existing customers, as well as targeting new customers that are emerging industry leaders.

The Company's strategic objective is to provide industry leaders in the 3C industries with a total solution for design, development, engineering, procurement, manufacturing, logistics and after-sales service. The Company calls this strategy "e-enabled Components, Modules, Moves and Services", or "eCMMS". eCMMS stands for:

- (i) Components: the Company's expertise in fast tooling, precision moulding and quick turnaround to manufacture components in accordance with demanding technical specifications in a cost-effective manner;
- (ii) Modules: the Company's capabilities in assembling self-produced components as well as externally procured parts into modules, and turning modules into systems, pursuant to customer specifications;
- (iii) Moves: the Company's global supply chain management and logistics network to meet customers' fast turn-around demand; and
- (iv) Services: the Company's timely and cost-effective end-to-end product solutions from design services in the early stage of a product to the final manufacturing and after-sales services tailored for each customer's need.

eCMMS differs from the traditional concept of contract electronic manufacturing by not only incorporating the concepts normally associated with contract electronic manufacturing such as providing a one-stop manufacturing and supply chain management solution to OEM clients, but also emphasising the Company's capabilities in component manufacturing and assembly of modules in a cost-effective and timely manner. The Company believes that the eCMMS strategy will strengthen its manufacturing advantage in speed, quality, engineering services, flexibility and cost, and thereby solidifies the Company's position as a leading electronics manufacturing services provider.

For the year ended 31 December 2015, the Group generated consolidated operating revenue of NT\$4,482,146.0 million (U.S.\$136,413.7 million) and consolidated net income of NT\$150,201.4 million (U.S.\$4,571.4 million), representing an increase of 6.38 per cent. and 13.38 per cent., respectively, over the same period in the previous year.

The Company was incorporated on 20 February 1974. The Company changed its name in 1982 to "Hon Hai Precision Industry Co., Ltd." and registered as a company limited by shares. The Company is registered with the Ministry of Economic Affairs of the ROC under a uniform registration number of 04541302. The Company has been listed on the TWSE since 1991 under the registration number of 2317. In 2004, the Company merged with Ambit Microsystems Corporation, a manufacturer of communications modules and systems such as modules and adaptors for wireless local area network as well as cable modems. In 2006, the Company merged with Premier Image Technology Corporation, a leading manufacturer of camera modules and optical components for digital cameras, projectors and other electronic products in Taiwan.

Industry Overview

The industry in which the Company operates is composed of companies that provide a range of manufacturing and design services to customers that design, develop and sell electronic products. Historically, the industry experienced significant changes and growth as an increasing number of companies outsourced and continue to outsource some or all of their design, manufacturing, and distribution tasks.

The intensely competitive nature of the electronics industry, the increasing complexity and sophistication of electronic products, the continued pressure on OEMs to reduce product costs and the shorter life cycles of electronic products encourage OEMs to utilise contract manufacturing service providers as part of their overall business and manufacturing strategies. Utilising contract manufacturing services allow OEMs to take advantage of the global design, manufacturing and supply chain management expertise of contract manufacturing service providers and enables OEMs to concentrate on product research, development, marketing and sales. Over the longer term, factors driving companies to outsource include:

- reduced product costs;
- reduced design and development costs;
- accelerated time-to-market and time-to-volume production;
- access to worldwide design, engineering, manufacturing and logistics capabilities;
- improved inventory management and purchasing power;
- reduced capital investment in manufacturing and fixed costs; and
- ability to focus on core branding and research and development initiatives.

Competitive Advantages

The Company believes that it enjoys several key competitive advantages in its principal activities:

End-to-end product solution provider offering customised solutions

The Company offers end-to-end solutions for entire products, including design development, engineering, manufacturing, systems assembly and after-market services. Its eCMMS strategy and vertical integration provide a one-stop shop solution to its customers for products ranging from components to systems and services ranging from design and development to repair and refurbishment in a timely and cost-effective manner. The Company has extensive capabilities across a broad range of specialised assembly processes and is able to customise components to match customer specifications. Its production lines are highly flexible and may be reconfigured efficiently as needed to accommodate a comprehensive range of products and services through the supply chain and to meet customers' specific product requirements and fluctuations in volumes.

Strong and reliable integration capabilities for optomechanics engineering and manufacturing

The Company's strong integration capabilities for optomechanics engineering and manufacturing have enabled it to better optimise operational efficiency at several stages of the production process, starting from design for manufacturing and tool construction to mass production automation. Such integration capabilities provide a reliable platform for the Company to develop high quality products and satisfy (i) customers' accelerated time-to-market demands and (ii) customers' time-to-volume requirements. In addition, the Company seeks to further enhance its optomechanics capabilities by continuing to invest in the technology for the manufacturing of related products. The Company believes that its substantial integration expertise in optomechanics engineering provides it with a significant competitive advantage over competitors without such expertise, and that the capital investment and time needed to develop such expertise creates significant barriers to entry.

Competitive total cost of ownership realised with global economies of scale and vertically integrated production

The Company capitalises on its global scale in procurement, manufacturing, supply chain management, system assembly and logistics network to provide fully-integrated solutions to its customers. The Company's scale allows for strong bargaining power vis-a-vis suppliers and vendors and enables it to lower production costs at several stages of the production process, ranging from raw material procurement and tool construction to mass production and logistics. The Company believes that this high level of vertical integration provides it with greater control over costs, supply chain management and its logistics network. As its customers' solutions increasingly require cost structures and capabilities that can only be achieved through significant size and global reach, the Company believes that its large scale is a significant competitive advantage.

Strong research and development capabilities

The Company's strong research and development capabilities in optical, mechanical and electronics engineering are critical to its success. The Company believes that close involvement of its research and development teams with its customers at each stage of the design and development process positions the Company as an industry leader in technological innovation. The Company plans to continue to invest in research and development, including in-house research and development activities, joint development with certain major customers, and joint research and development programs with external research institutes and universities. Such resources focus on developing new products, providing manufacturing solutions to customers, improving production efficiency and lowering unit manufacturing costs.

Focused strategic cooperation with key industry leaders

The Company has established strategic cooperation with some of the world's leading manufacturers in the 3C industries and plans to continue to develop such strategic cooperation with other industry leaders. In addition to manufacturing, the Company engages in joint product development, testing and applications development with certain industry leaders who are customers of the Company and, in some cases, engages in co-investment in the development of new products. To strengthen strategic co-operations, the Company devotes significant resources to research and development in order to stay at the forefront of optomechanics engineering and manufacturing processes.

The Company believes that by (i) being involved in the early stages of product design and development with industry leaders, (ii) working with industry leaders to devise manufacturing solutions for their products, (iii) providing quick turn-around prototyping and manufacturing services and (iv) offering global supply chain management solutions for customers in order to provide one-stop manufacturing and global logistics solutions, the Company will further strengthen business relationships with its customers. The Company also believes that the diversity of its customers, products and services help mitigate the Company's exposure to downturns in any one specific industry or geographic location.

Strategy

The Company's strategic objectives are (i) to provide industry leaders in the 3C industries with a total solution for design, development, engineering, procurement, manufacturing, logistics and after-sales service, or the "eCMMS" strategy, (ii) to continue to develop (and remain at the forefront of) key technologies and expertise in optomechanics and process automation to maintain its leadership position in these areas, and (iii) to continue developing its B2b2C (Business to Business to Customers) sales model. The Company intends to execute its strategies by further integrating the following key aspects:

Concentrate on industry leaders and expand product and service portfolio

The Company intends to concentrate its sales efforts on increasing penetration of its existing customers, currently concentrated in the 3C industries, as well as targeting new customers that are industry leaders. The Company does not market or sell retail products under its own brand name, which allows the Company to position itself as a partner of such industry leaders in the development and manufacture of components, modules and complete systems rather than as a potential competitor to

such industry leaders. The Company has established and will continue to develop strategic cooperation with industry leaders and plans to continue to develop such strategic cooperation with other industry leaders as part of its effort to attract new customers.

The Company focuses its eCMMS solutions around the demands of its customers pursuant to its strategy of becoming the strategic partner for its customers. The Company endeavours to deepen its relationship with each of its customers by expanding upstream and downstream to internally provide a greater portion of the components and manufacturing services for each end product. In addition, the Company intends to expand its product portfolio in response to customers' requests as they develop new products and to assist them with penetrating nascent markets with the Company's global supply chain and logistics network.

Further enhance core engineering skills and vertically integrated production processes to shorten delivery time, accelerate time-to-volume and reduce cost

The Company intends to further develop its core manufacturing capabilities including its enhanced core engineering skills and vertically integrated production processes to provide eCMMS solutions for its customers. Its ability to customise and manufacture a substantial portion of the key components used in the full system assembly of products, as well as to vertically integrate the production process and globally synchronised manufacturing capabilities, has enabled the Company to shorten delivery time, accelerate time-to-volume and reduce cost.

The Company plans to continue to strategically expand production facilities and further refine its manufacturing process in each stage. It also plans to attract, develop and retain local talent in Asia, Europe and Americas. The Company's global production facilities and capable local talent enable the Company to allocate mass production to local production facilities, while at the same time engaging in product development, prototyping and final configuration services at production facilities close to customers' facilities or end-markets. The Company's global network also enables the Company to obtain key components locally, and to synchronise its worldwide manufacturing and delivery network.

Continue expanding global supply chain management capabilities to provide more comprehensive solutions

The Company views global supply chain management ("SCM") capabilities as essential to satisfying the "moving" needs of its eCMMS customers. The Company's global SCM involves not only its assembly capability, but also the ability to source components in each of Asia, Europe and Americas, its three major geographical regions. The Company's MRP system, ERP system and EDI system complement the Company's global SCM system and enable the Company to implement its policy of just-in-time delivery of key components required for production and assembly. The Company also provides its customers with an in-house developed web-based turnkey system, allowing customers online order input capability and enabling them to monitor inventory levels of raw materials and components, work-in-progress and finished products, and production and delivery schedules. The Company plans to continue to expand its existing global supply chain management capabilities to provide more comprehensive solutions.

Further investment in research and development capabilities to drive innovation

The Company attributes its past success to the development of strong research and development capabilities. It plans to continue the development and expansion of its core technologies by utilising Taiwan as a base for research and development. By further developing existing core technologies and adding new core technologies, the Company aims to further expand its offerings, particularly green manufacturing processes and green products, which the Company believes will be its next major growth area. The Company believes that its research and development capabilities provide a unique market differentiator that allows it to provide a full suite of design services and manufactured products to its customers.

Expand through potential acquisitions, partnerships and other strategic transactions

The Company seeks to undertake strategic transactions that give it the opportunity to access new customers, manufacturing and service capabilities, technologies and geographical markets, to lower its manufacturing costs and improve margins, and to further develop existing customer relationships.

Potential future transactions may include a variety of different business arrangements, including acquisitions, spin-offs, strategic partnerships, joint ventures, restructurings, divestitures, relocation of facilities, business combinations and equity or debt investments. The Company intends to continue to evaluate and pursue strategic opportunities on a highly selective basis.

Concentrate on an “Eleven Screens, Three Networks & Two Clouds” product development roadmap

The Company seeks to leverage its technological and manufacturing capability and concentrate on an “Eleven Screens, Three Networks & Two Clouds” product development concept. “Eleven Screens” refers to wearable, smartphone, tablet, notebook, desktop computing, portable TV, digital whiteboard, digital signage, electric vehicle, and robot, while the network products and solutions offered by the Company are widely applied in the “Three Networks” of Internet, Internet of Things and Smart Grid. The Company also enables its customers to tap opportunities that extend beyond cloud computing to the edges of the network in what is now known as “fog computing”. In particular, the Company aims to improve the wireless connectivity and energy- and material- efficiency of these products. The Company believes that the strengthening of its technological and manufacturing capability across cloud-based products covering major operating systems and user interfaces, such as Win8, iOS and Android, will further solidify its market-leading position as a provider of end-to-end product solutions for the industry leaders in 3C industries.

Products and Services

The Company’s products and services consist principally of (i) Components, including a broad range of connectors, cable assemblies, enclosures and electronic and other components; (ii) Modules comprising system boards and subassemblies; and (iii) Systems comprising full system assembly of electronic products.

Components

The Company designs, manufactures and sells a wide variety of electronic and other components, including connectors, wires and cables, casings, PCBs and enclosures. The Company also manufactures a broad range of enclosures with numerous materials including metal, plastics and die cast materials. Connectors and cable assemblies manufactured by the Company are also used internally in the manufacture of enclosures and system boards and full system assemblies.

Modules

Modules are integrated subsystems that use a combination of industry standard and/or custom components. Modules manufactured by the Company are used in the full system assembly of PCs, game consoles and mobile handsets, among others. The Company provides a broad range of services for the manufacture of modules including procurement and material management, assembly, test engineering, quality assurance and shipment to points of end-user distribution.

Systems

The Company provides final system assembly in which assemblies and modules are combined to form complete and finished products; the Company integrates printed circuit board assemblies that are self-manufactured with enclosures, cables and modules that it also produces. With the Company’s optical, mechanical and electronics expertise, its experience in high quality mass production at a competitive cost, and its vertically integrated production process, the Company offers full system assembly of 3C products ranging from desktop and laptop PCs to game consoles and mobile handsets.

Production Process

As part of its overall eCMMS strategy, the Company manufactures a substantial portion of the components required for the manufacture of its final products. This high degree of vertical integration allows the Company to achieve cost savings and helps to ensure that the components meet the Company’s quality specifications. The in-house manufacture of components also provides the Company with greater flexibility in customising components to match customers’ specifications.

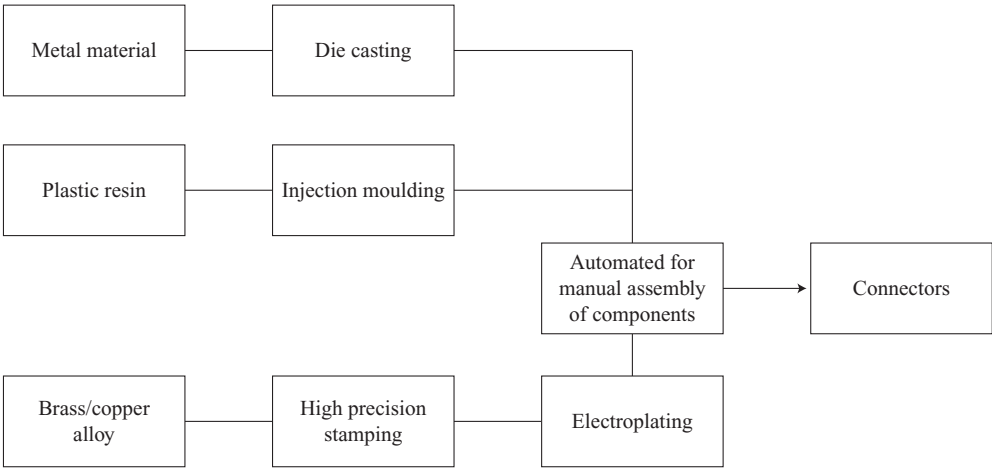
The quality of most of the Company’s products depends, to a significant extent, on the quality and precision of the dies and moulds used for the production of metal and plastic components. The Company’s manufacturing capability is also enhanced by the use of CAD/CAM tools to customise and automate moulding and tooling equipment and the production process and to design prototypes of new products. The Company utilises an internal database to track the design and development process for new products. This database and tracking process has enabled the Company to maintain high quality standards, and reduce the time and cost required to design, develop and manufacture new products. Quality control tests are conducted on organic and metallic materials used in the production process. In addition, quality control procedures and tests are conducted at each manufacturing and assembly stage. The Company also arranges for certain of its customers to conduct periodic on-site quality inspections.

Components

The production process for connectors and cable assemblies manufactured by the Company is highly integrated and most of the components of connectors and the cable assemblies are produced in-house.

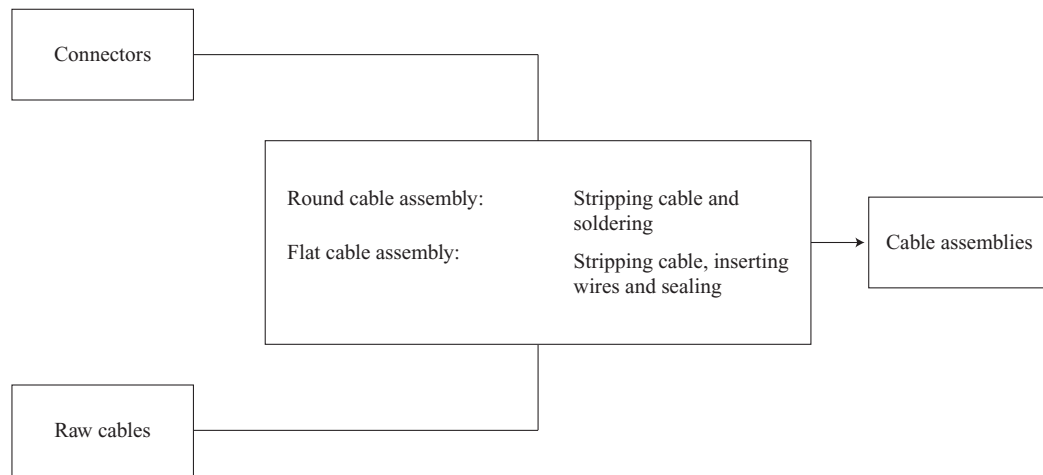
Connectors

The manufacture of connectors consists of the production of plastic and metal components and final assembly.



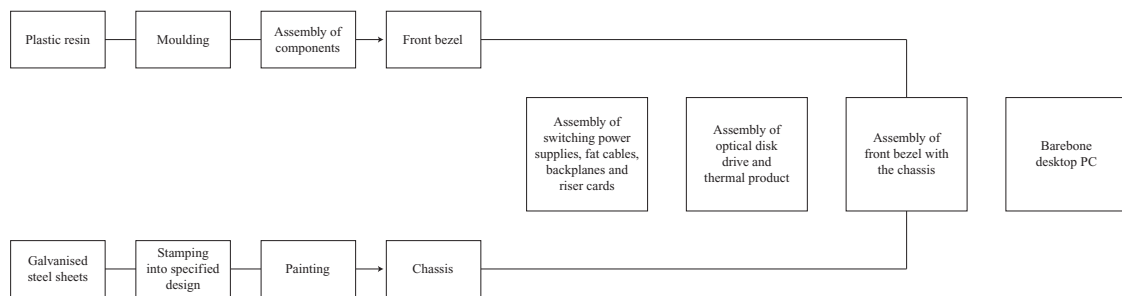
Round and flat cable assemblies

The production process for cable assemblies is similar to that for connectors, except that it involves the additional steps of cutting cables into specified lengths and soldering electronic components onto the cables.



Enclosures

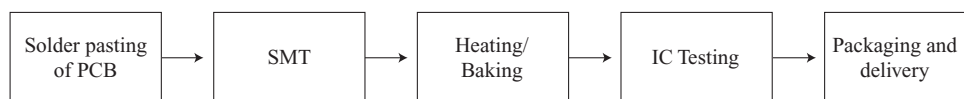
The diagram below sets out the production process for a typical PC enclosure. The production processes for other types of enclosures are broadly similar.



The production process for PC enclosures involves the production of chassis and final assembly. Components and peripherals are assembled into various types of enclosures according to customers' specifications. The Company manufactures the chassis, connectors and cable assemblies, flat cables, thermal products, backplanes and riser cards used in the manufacture of enclosures and purchases the remaining components and peripherals from third party suppliers.

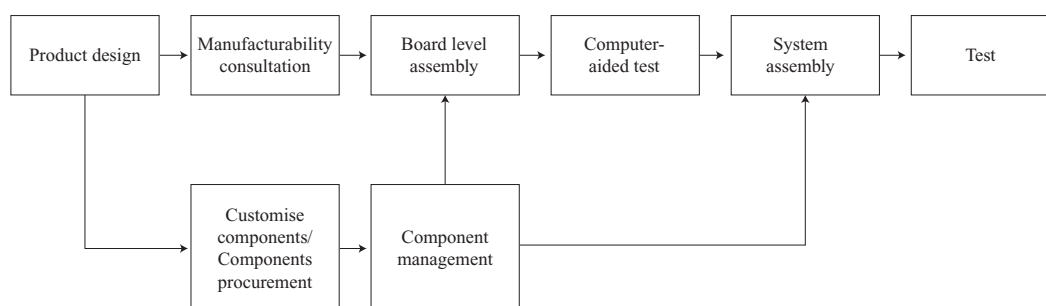
Modules – System Boards

The following diagram shows the principal steps in the manufacture of system boards:



Systems – Full System Assembly

The Company provides board-level assembly utilising surface mount technology (“SMT”) as well as system-level assembly. The following diagram shows the principal steps in the full system assembly process:



End Markets

Substantially all of the Company’s products and services, whether in the form of components, modules or full system assembly, have end-use applications in the computer, communications or consumer electronics industries.

Computer

The Company manufactures (i) commodity-level PC connectors and higher value-added CPU connectors for desktop and laptop PCs; (ii) connectors for use in high-end PC workstations and servers; (iii) cable assemblies primarily for use in desktop and laptop PCs and servers; (iv) enclosures for desktop and laptop PCs and servers; and (v) full system assembly of desktop and laptop PCs and servers.

Communications

The Company manufactures connectors used in communications equipment, including mobile handsets, gigabit Ethernet channels for local area networks and public branch exchanges. It also manufactures cable assemblies for use in mobile handsets and wireless systems, such as radio frequency cables used to transfer data between servers and end-users or to enable access to the Internet without any external cables.

The Company manufactures on an OEM basis enclosures for communications products such as mobile handsets, smart phones, access point devices and Internet Protocol phones. In addition, the Company manufactures on both OEM and ODM bases enclosure for networking equipment such as switches and routers.

Beginning in 2002, the Company commenced offering full system assembly of mobile handsets. The Company also produces optical components and camera modules for mobile handsets.

Consumer Electronics

The Company manufactures input/output connectors and board-to-board connectors used in consumer electronic products such as game consoles, digital music players and LCD-TVs. For game consoles, the Company manufactures enclosures and provides full system assembly on an OEM basis. It also produces digital music players and digital cameras.

Raw Materials and Components

The Company has implemented various inventory and resource management systems to enable it to plan the global allocation of its resources, which helps to ensure an adequate and timely supply of principal raw materials and components. Each production division within the Company is responsible for procuring and ascertaining the quality of its raw materials and components.

The Company acquires materials and components through purchase agreements and purchase orders with its suppliers. The table below sets forth the principal raw materials and components used in the manufacture of the Company's products:

Products	Raw materials and components
Components	
Connectors and cable assemblies	Potassium gold cyanide, phosphorus bronze, plastic resin, copper alloy and raw cables
Electronic and other components	PCBs, connectors and passive components such as capacitors and resistors
Enclosures	Galvanised steel sheets, plastic resin, optical disk drives, card readers, switching power supplies, connectors and riser cards
Modules	
System boards	PCBs, connectors, passive components such as resistors, capacitors and oscillators and active components such as ICs and chipsets
Systems	
Full system assembly	
Tablets	Housingassy, LCD, nand, camera, Wifi module and HSG
Server	Server enclosures, system boards, sub-system (add-on) cards, PSU, HDD, DIMM, CPU, rack cabinet, PDU, switch, cable kits and optics link
Desktop and laptop PCs	Enclosures, system boards, cathode ray tubes, riser cards and expansion cards
Game machines	Plastic parts, metal sheets, cable assemblies, connectors, adapters, system boards, riser cards and expansion cards
Mobile handsets	Battery packs, baseband and radio frequency chipsets, solid state filters, LCDs and ICs
Data Center	PCM mobile, IOM module, chassis enclosures, drives (HDD), sub-systems: PCBA, PSU, HDD, DIMM, fan module, cabling, CPU, rack cabinet, PDU, switch and optics link

Technology, Research and Development

The Company considers its research and development activities critical to the continued success of its business. The Company's research and development efforts are focused on the following areas:

- design and development of new products, including collaboration with industry leaders;
- devising manufacturing solutions for the Company's customers;
- development of key technologies and expertise in material engineering optomechanics, energy efficiency solutions and process automation to maintain its leadership position in these areas; and
- design and development of new production processes to improve production efficiency and reduce overall manufacturing costs.

The Company believes that close involvement of its research and development teams with its customers at each stage of the design and development process positions the Company as an industry leader in technological innovation.

Previous new products from the Company's research and development efforts include flat panel displays, backlight modules, nano batteries, nano thermal solutions, aspheric lens for mobile phone camera, backplane connectors, high speed board to board connectors, high speed module jack connectors and burn-in/test sockets. The research and development department is currently focused on nanotechnology, heat transfer technology, wireless networks, materials science and green manufacturing process in connection with application in 3C and other products.

Sales and Marketing

The Company identifies and targets industry leaders in the 3C industries with whom the Company believes it can develop long-term relationships. The Company intends to concentrate its sales efforts on increasing penetration of its existing customers, as well as targeting new customers that are emerging industry leaders.

Export sales outside of Taiwan, which were mostly denominated in U.S. dollars, accounted for virtually all of the Company's consolidated operating revenue for the year ended 31 December 2015.

The Company has entered into corporate purchase agreements with certain of its key customers. However, such agreements do not obligate the customers to place an order with the Company. These agreements typically require the customers to provide rolling forecasts of the quantities of the products required. The Company's MRP system utilises these rolling forecasts to plan the inventory levels for the Company's raw materials and components and the utilisation of its production capacity. The precise terms for each shipment, such as pricing and quantities, are normally confirmed at the time each order is placed. Customers' orders are subject to cancellations and modifications before scheduled delivery dates.

The Company's principal customers generally are invoiced either at the time of shipment of the products or upon receipt of the products, with varying credit terms, depending, in part, on the customer's location and the product type. The Company's pricing policy takes account of a number of factors including customer relations, product specification, cost of production, mode of transportation and size of order.

The Company typically provides a warranty to its customers for its products. The Company believes that it has historically experienced a relatively low rejection rate for its products as a result of its quality control assurances system.

Supply Chain Management

The Company believes that an effective system of global supply chain management is critical to its eCMMS strategy.

The Company has installed the following systems to enhance its global supply chain management system.

- The MRP system, which enables the Company to manage its suppliers by implementing more effectively the "just-in-time" concept and also provides a projection of the raw materials required in the Company's production operations.
- The ERP system, which provides inventory data to control the level of stocks and receivables, which enables the Company to more effectively plan and allocate its resources worldwide.
- The EDI system, which enables the Company to exchange data (including details of purchase orders) relating to particular transactions with its suppliers, customers and services providers.

In addition, the Company has developed an in-house web-based turnkey system for certain of its customers. This customised system enables its customers to input their orders online and monitor the inventory level of raw materials, components, work-in-progress and finished goods, and the production and delivery schedules for such products.

The Company offers customers a flexible, just-in-time delivery service by coordinating delivery shipments with customers’ inventory requirements. Increasingly, consistent with the Company’s eCMMS strategy, the Company delivers products directly to its customers’ distribution channels or to end-users. The Company believes that this service provides its customers with a comprehensive logistics solution and enables such customers to be more responsive to market demands.

Competition

Components

The Company competes against a number of multi-national companies, including Tyco Electronics and Molex Incorporated in the global connector market. Certain contract electronic manufacturing services providers also produce enclosures as part of their vertical integration strategy and therefore effectively compete with the Company.

Modules and Systems

The contract electronic manufacturing industry, which engages in PCBAs and full system assembly, is comprised of a large number of companies. The Company’s competitors include Flextronics, Celestica Inc., Jabil Circuit and Pegatron. The Company believes that the primary basis of competition in full system assembly for the 3C industries is the ability to provide a competitive overall manufacturing cost, mechanical engineering capabilities, a highly vertically integrated production process, flexibility, consistent quality of products and the ability to provide services in a timely manner. To remain competitive, the Company believes it must continue to provide competitive pricing, maintain stringent quality levels, and offer speedy, flexible and reliable delivery. See “Risk Factors – Risks Relating to the Group’s Industry and Business – The Group operates in a highly competitive industry and the Group may not be able to sustain its current market position”.

Principal Production Facilities

The Company’s production facilities are located in Asia, Europe and Americas and consist of a global network of industrial parks, regional manufacturing operations as well as design and engineering centres. The following table sets out the geographical region and location of the principal production facilities of the Company as of 31 December 2015:

<u>Geographical Region</u>	<u>Location</u>
ROC	New Taipei City, Hsinchu County, Taichung City and Kaohsiung City
PRC	Guangdong, Zhejiang, Jiangsu, Hebei, Shanxi, Guangxi, Hubei, Liaoning, Shandong, Beijing, Henan, Tianjin and Sichuan
Asia (excluding ROC and PRC)	Singapore, Vietnam, India, Japan, Korea and Malaysia
Europe	Czech Republic, Slovakia, Russia, Hungary, Netherlands, Turkey and United Kingdom
Americas	United States, Mexico and Brazil

Employees

As of 30 April 2016, the Company’s global workforce totalled approximately 1,030,000 employees.

For its employees based in the ROC, the Company participates in defined benefit pension plan in accordance with the ROC Labour Standards Law, covering all regular employees for services provided prior to 1 July 2005 and employees who chose to remain in the benefit pension plan after the ROC Labour Pension Act became effective on 1 July 2005. The Company makes contributions based upon employees’ monthly salaries and wages to the retirement fund deposited with Bank of Taiwan as trustee

under the name of an independent retirement fund committee. In accordance with the ROC Labour Pension Act, the Company has a defined contribution employee retirement plan covering all ROC employees. The Company contributes 6 per cent. of an employee's monthly salary and wages to the personal pension account of such employee each month with the ROC Bureau of Labour Insurance. Employees may choose to receive pension on a monthly basis or to receive a lump sum payment upon retirement in the amount of the balance in the personal pension account plus accumulated investment gains. The Company's employees in the ROC are not unionised and neither the Company nor any members of the Company has experienced any significant labour disputes in the past five years.


For its employees at the PRC facilities, the Company is required to participate in various pension programs and government-sponsored benefits. The Company has also implemented certain measures such as: reducing overtime hours for its employees, enhancing health and safety measures in all operations and revising a number of workplace policies and practices to ensure that it is providing its employees with a safe, satisfactory and healthy workplace.

For employees at the Company's other facilities outside of the ROC and PRC, the Company participates in various pension and government-sponsored benefit programs as required by the regulations in the applicable jurisdiction.

FIH, a consolidated subsidiary of the Company, adopted a share option scheme and a share scheme in 2005. The Company does not have any other share option schemes.

Intellectual Property

The Company has made substantial investments in the development of new products and product designs, which the Company believes is one of its competitive advantages. See “– Technology, Research and Development” above. As a result, the Company places emphasis on the protection of its intellectual property rights. As of 31 December 2015, the Company had registered 5,249 patents in the ROC, 5,527 patents in the PRC, 8,745 patents in the United States and 579 patents in Japan, respectively.

The Company also has registered trademarks for **FOXCONN**[®] and  in the ROC, the PRC, the United States and the European Community.

Environmental Issues

The Company has installed waste treatment facilities and implemented waste treatment procedures in each of its production facilities to treat waste discharged during the production process. The types of waste discharged include wastewater, smoke emissions, metal waste products and industrial waste. Waste produced by the Company is treated before being discharged in compliance with applicable environmental standards in the jurisdiction where the facility is located.

The Company has not been subject to any material fines or legal action involving non-compliance with any relevant environmental regulations, nor is it aware of any threatened or pending action by any environmental regulatory authority in any of the jurisdictions where it operates.

As per the requirements of its customers, the Company has received ISO 14001 certification for certain of its facilities which certifies that its production operations conform to the prescribed environmental management system standard.

Litigation

In 2007, three of the Group's indirectly wholly-owned subsidiaries, Shenzhen Futaihong Precision Industry Co., Ltd., Honfujin Precision Industry (Shenzhen) Co. Ltd. and Foxconn Precision Components (Beijing) Co., Ltd., filed an appeal to the High Court of Hong Kong against, amongst others, BYD Company Limited for misappropriation of confidential information and trade secrets.

The Company believes that it has a strong case in the litigation matter set out above but there can be no assurance that the Company will prevail. The Company, however, does not believe that the litigation will have a material adverse effect on its business, financial condition, results of operations and future prospects. See “Risk Factors – Risks Relating to the Group’s industry and its Business – The Company may be involved in intellectual property disputes”.

Except as described above, neither the Company nor any members of the Company is, or has been involved in any legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had during the preceding 12 months, a material effect on the financial position of the Company.

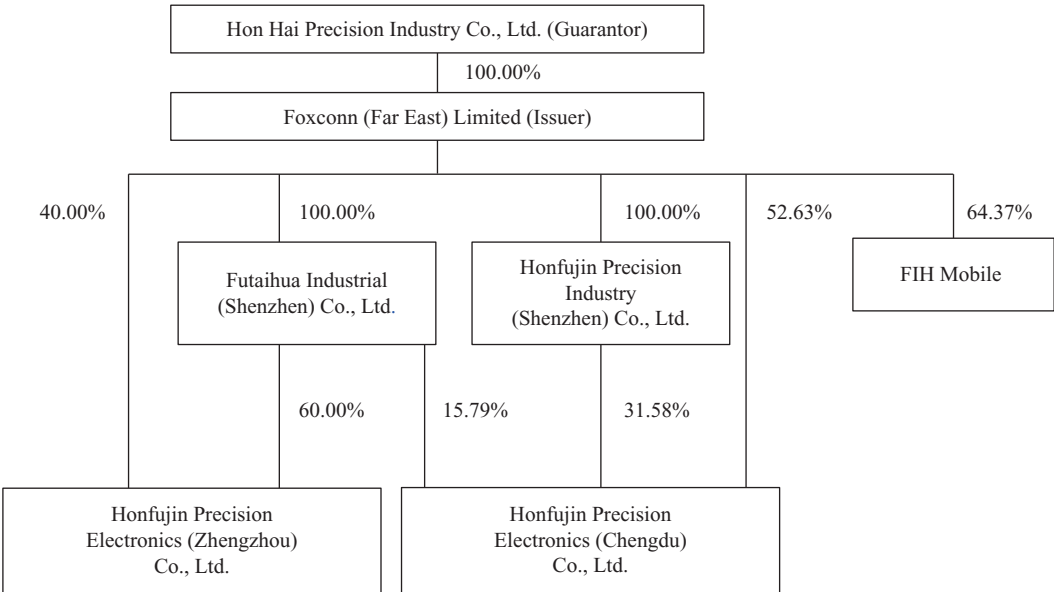
Insurance

The Company maintains various insurance policies with independent third party insurers in respect of certain risks on the Company’s assets, including losses to its production facilities and inventory. The Company maintains a global transit insurance policy with independent third party insurers in connection with the transportation of its raw materials, products and equipment worldwide. The Company also maintains product liability insurance policies in respect of its products.

The Company considers its insurance policies to be in line with industry standards.

Organisation of the Company

The following diagram gives an overview of the Company and certain of its principal subsidiaries as of 31 December 2015, together with details of the Company’s direct and indirect equity interests:



Certain Principal Subsidiaries

In the ROC, most of the business of the Company is conducted, and assets of the Company are held, directly by or through Hon Hai Precision Industry Co., Ltd., while its subsidiaries hold the Company’s production facilities in Asia, Europe and Americas and conduct the Company’s overseas sales, marketing and research and development operations. The information set out below reflects the Company’s direct and indirect equity interests in its certain principal subsidiaries as of 31 December 2015.

<u>Company</u>	<u>Main business</u>	<u>Place of incorporation</u>	<u>Total paid-in capital</u> <i>(U.S.\$'000)</i>	<u>The Company's direct and indirect equity interest⁽¹⁾</u>
Principal Subsidiaries				
FIH Mobile Limited	Manufacturing of enclosures, modules and systems for mobile handsets	Cayman Islands	315,748	64.37%
Honfujin Precision Industrial (Shenzhen) Co., Ltd.	Manufacturing of computer chassis, microcomputers, game consoles, routers, motherboards and set-up boxes	PRC	169,000	100%
Futaihua Industrial (Shenzhen) Co., Ltd.	Manufacturing and marketing of computer components and computers	PRC	370,000	100%
Honfujin Precision Electronics (Zhengzhou) Co., Ltd.	Manufacturing and marketing of cell phones and components	PRC	500,000	100%
Honfujin Precision Electronics (Chengdu) Co., Ltd.	Manufacturing and marketing of tablet PCs	PRC	950,000	100%

Note:

(1) There has been no material change in the Company's direct and indirect equity interests in each of its certain principal subsidiaries and affiliates since 31 December 2015.

FIH Mobile

FIH Mobile was established in the Cayman Islands in February 2000. Its registered office is at Floor 4, Willow House, Cricket Square, P.O. Box 2804, Grand Cayman KY1-1112, Cayman Islands.

FIH Mobile is a leading vertically integrated manufacturing services provider offering a comprehensive array of services for leaders in the handset and wireless communications industries. Its operations and subsidiaries span across Asia, Europe and the Americas. Its manufacturing services cover design and manufacturing of precision tooling and molds, product development, manufacturing of components, formulations of modules and systems, assembly and integration, and after-sales services.

FIH Mobile has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 2005 under the stock code "2038". As of 31 December 2015, the Company held 64.37 per cent. of FIH Mobile's shares through its direct wholly-owned subsidiary, Foxconn (Far East) Limited, being one of the Issuers.

Honfujin Precision Industry (Shenzhen) Co., Ltd.

Honfujin Precision Industry (Shenzhen) Co., Ltd. ("Honfujin Shenzhen") was established in the PRC in August 1999. Its registered office is at No. 10 Industrial Area of Yousong, No 2, Donghuan II Road, Longhua, Baoan District, Shenzhen, PRC. Honfujin Shenzhen is engaged in the manufacture of computer chassis, microcomputers, game consoles, routers, motherboards and set-up boxes.

As of and for the year ended 31 December 2015, Honfujin Shenzhen had audited total assets, revenue and net profit of RMB24,069 million (U.S.\$3,706.6 million), RMB14,474 million (U.S.\$2,229.0 million) and RMB691 million (U.S.\$106.4 million), respectively.

Futaihua Industrial (Shenzhen) Co., Ltd.

Futaihua Industrial (Shenzhen) Co., Ltd. (“Futaihua Shenzhen”) was established in the PRC in March 2007. Its registered office is at B District, Foxconn Technology Park, Guanlan Town, Baoan, Shenzhen, PRC. Futaihua Industrial Shenzhen is engaged in the manufacture of Apple products, main logic boards, and finished products assembly, testing and maintenance.

As of and for the year ended 31 December 2015, Futaihua Shenzhen had audited total assets, revenue and net profit of RMB85,518 million (U.S.\$13,169.6 million), RMB139,380 million (U.S.\$21,464.2 million) and RMB6,433 million (U.S.\$990.7 million), respectively.

Honfujin Precision Electronics (Zhengzhou) Co., Ltd.

Honfujin Precision Electronics (Zhengzhou) Co., Ltd. (“Honfujin Zhengzhou”) was established in the PRC in July 2010. Its registered office is at The Comprehensive Bonded Area, East-Side Of Zhenxing Road, Zhengzhou Airport District, China. Honfujin Zhengzhou is engaged in the production and operation of the third generation mobile communication system, mobile phone and subsequent base station, core network equipment and network testing equipment and parts, electronic components, digital audio, video decoding apparatus and parts; metal and non-metallic products die design and manufacture; repair and warehousing business of the above products; wholesale, import and export of the above products and related business; bonded area warehousing and logistics; research and development of mobile communication system; testing, system integrating, application services and related technical services for computer, mobile phone and related hardware and software; sales of polishing slurry, cleanser, cutting fluid, hydraulic oil, lubricant, RFID reader, RFID tag, industrial data collector, industrial personal computer and testing and gauging equipment; and testing and related technical services and consulting.

As of and for the year ended 31 December 2015, Honfujin Zhengzhou had audited total assets, revenue and net profit of RMB117,532 million (U.S.\$18,099.7 million), RMB255,088 million (U.S.\$39,283.0 million) and RMB2,174 million (U.S.\$334.8 million) respectively.

Honfujin Precision Electronics (Chengdu) Co., Ltd.

Honfujin Precision Electronics (Chengdu) Co., Ltd. (“Honfujin Chengdu”) was established in the PRC in July 2010. Its registered office is at Chengdu High-tech District Export Processing Zone. The address is No. 888, He-Zuo Road, Hi-tech West Zone, Chengdu, China. Honfujin Chengdu is engaged in the manufacture of third generation mobile communication system, mobile phone and subsequent base station, core network equipment and network testing equipment and spare parts, hardware plastic products, precision moulds, large and medium-sized computer, portable computer, server, data communication multimedia system.

As of and for the year ended 31 December 2015, Honfujin Chengdu had audited total assets, revenue and net profit of RMB31,424 million (U.S.\$4,839.2 million), RMB53,236 million (U.S.\$8,198.2 million) and RMB262 million (U.S.\$40.3 million), respectively.

PRINCIPAL SHAREHOLDER OF THE COMPANY

The principal shareholder of the common shares of the Company as of 24 April 2016, as appears on the register of shareholders of the Company, was as follows:

Name of Shareholder	Number of common shares⁽¹⁾	Percentage of share capital
Gou Tai-ming	1,973,952,862	12.62

Note:

(1) Excludes the common shares held in trust.

As of 24 April 2016, Mr Gou Tai-ming, directly or indirectly, owned or controlled in aggregate 12.62 per cent. of the outstanding and issued common shares, and he is in a position to influence the operations and management of the Company. Mr Gou Tai-ming is expected to continue to have significant influence in determining the outcome of any corporate transaction or other matter submitted to the shareholders for approval and also the power to prevent or cause a change in control. The interests of Mr Gou may differ from the interests of other shareholders. See “Risk Factors – Risks Relating to the Group’s Industry and Business – Principal shareholder’s interests may differ from those of other shareholders”.

MANAGEMENT OF THE COMPANY

The Board of Directors has ultimate responsibility for the management of the business affairs of the Company. At present there are nine directors, three of which are Independent Directors, who are elected by the shareholders of the Company at the Company's ordinary shareholders' meeting. The term of office for directors is three years.

Under the Company's Articles of Incorporation, the Board of Directors is required to elect a director to act as the Chairman. The Chairman is a legal representative of the Company under the ROC Company Law. The Company's Articles of Incorporation also require the election of at least two independent directors and the number of independent directors shall not be less than one-fifth of the total number of directors. The Company's Articles of Incorporation further provide that the power of the supervisor is replaced by the Audit Committee composed of all of the independent directors of the Company. Under the ROC Securities and Exchange Act, the Audit Committee has the same power of a supervisor of a company, which is responsible for overseeing the activities of the Board of Directors and has the power to investigate the business and financial conditions of the Company, examine its books, records and documents and request the Board of Directors to submit reports. The Audit Committee may engage independent experts to carry out any such investigations or examinations at the cost of the Company. The Audit Committee may convene shareholders meetings when it deems it necessary.

The present Board of Directors was elected by the shareholders of the Company on 22 June 2016 for a term of three years commencing on 1 July 2016.

Directors

Gou Tai-ming

Gou Tai-ming, aged 65, is the Chairman of the Company. Mr Gou has been the Chairman of the Company since 1974. Mr Gou serves as the President of the Company.

Tai Jeng-wu

Tai Jeng-wu, aged 64, is the representative of Hon Chiao International Investment Co. Ltd., the Corporate Director of the Company. Mr Tai is also the chairman of Xinxi Technology (Stock) Company, chairman of Taiwan efeihu.com Information Co., Ltd., a director of ESON Precision Engineering Co. Ltd., a director of Fitipower Integrated Technology Inc., chairman of Hangzhou efeihu.com Information Technology Co., Ltd., chairman of Shenzhen Fuxuntong Trading Co., Ltd., chairman of Foxconn Precision Component (Shenzhen) Co., Ltd., chairman of Shenzhen Fujun Material Technology Co., Ltd., a director of Fuhongyuan Environmental Technology (Shenzhen) Co., Ltd. and a director of EFEIHU Holdings Limited. Mr Tai has been the representative of Hon Chiao International Investment Co. Ltd. since 2001. Mr Tai serves as a Vice President of the Company.

Lu Fang-ming

Lu Fang-ming, aged 61, is the representative of Hon Jin International Investment Co. Ltd., the Corporate Director of the Company. Mr Lu is also the chairman of Asia Pacific Telecom. Mr Lu has been the representative of Hon Jin International Investment Co. Ltd. since 2010. Mr Lu serves as a Vice President of the Company.

Chen Jen-gwo

Chen Jen-gwo, aged 61, is the representative of Hon Chiao International Investment Co. Ltd., the Corporate Director of the Company. Mr Chen is also the chairman of FLNet International e-Commerce Co., Ltd. Mr Chen has been the representative of Hon Chiao International Investment Co. Ltd. since 2016. Mr Chen serves as a Vice President of the Company.

Hwang Tsing-yuan

Hwang Tsing-yuan, aged 67, is a Director of the Company. Mr Hwang is also an independent director of Cathay Life Insurance, an independent director of Cathay Securities Corporation, an independent director of Cathay Financial Holdings, managing (independent) director of Cathay United Bank, an independent director of Taiwan Glass Group and a director of Taiwan Stock Exchange Corporation. Mr Hwang was a Corporate Supervisor of the Company from 2007 to 2016.

Sung Hsueh-jen

Sung Hsueh-jen, aged 63, is a Director of the Company. Mr Sung is also chairman of Sonquan Co., Ltd., chairman of New Total Asset Management Co., Ltd. and an independent director of Taiwan Mobile Telecom. Mr. Sung has been an Independent Director of the Company since 2016.

Chan Chi-shean

Chan Chi-shean, aged 68, is an Independent Director of the Company. Mr. Chan is also the chairman of Adimmune Corporation. Mr Chan has been an Independent Director of the Company since 2016.

Lee Kai-fu

Lee Kai-fu, aged 54, is an Independent Director of the Company. Mr Lee has been an Independent Director of the Company since 2016.

Fu Li-chen

Fu Li-chen, aged 57, is an Independent Director of the Company. Mr Fu has been an Independent Director of the Company since 2016.

As of 1 July 2016, the Directors, including any connected persons (which includes their spouses, children under the age of 20 years and nominees), held, directly or indirectly, 12.49 per cent. of the Company's issued common shares. Their respective shareholdings are set out below:

Name	Number of common shares held as of 1 July 2016	Percentage of total common shares outstanding as of 1 July 2016
Gou Tai-ming	1,928,952,862	12.33%
Tai Jeng-wu ⁽²⁾	24,135,854 ⁽⁵⁾	0.15%
Lu Fang-ming ⁽³⁾	1,685,317 ⁽⁶⁾	0.01%
Chen Jen-gwo ⁽⁴⁾	24,135,854 ⁽⁷⁾	0.15%
Hwang Tsing-yuan	0	0%
Sung Hsueh-jen	0	0%
Chan Chi-shean	0	0%
Lee Kai-fu	0	0%
Fu Li-chen	0	0%
Total number of common shares held by the Directors, including any connected persons⁽¹⁾	1,954,774,033	12.49%

Notes:

- (1) Includes the shares held by the Director, his or her spouse, children under the age of 20 years and nominees but excludes the shares held in trust.
- (2) Mr Tai Jeng-wu held in his personal capacity 9,413,104 common shares or 0.06 per cent. of the outstanding shares as of 1 July 2016.
- (3) Mr Lu Fang-ming held in his personal capacity 7,390,888 common shares or 0.05 per cent. of the outstanding shares as of 1 July 2016.

- (4) Mr Chen Jen-gwo held in his personal capacity 1,007,285 common shares or 0.01 per cent. of the outstanding shares as of 1 July 2016.
- (5) Representative of Hon Chiao International Investment Co., Ltd. and represents common shares owned by Hon Chiao International Investment Co., Ltd.
- (6) Representative of Hon Jin International Investment Co., Ltd. and represents common shares owned by Hon Jin International Investment Co., Ltd.

None of the Directors has any options to subscribe for the common shares.

The aggregate remuneration and benefits in kind declared in favour of the Board of Directors of the Company for the year ended 31 December 2015 in their capacity as Directors was NT\$6.12 million (U.S.\$0.19 million). The aggregate remuneration and benefits in kind declared in favour of the Supervisors of the Company for the year ended 31 December 2015 in their capacity as Supervisors was NT\$4.08 million (U.S.\$0.12 million). The Company has no loans outstanding to any of its Directors or to the Supervisors and has no outstanding guarantees of any obligations of any of its Directors or Supervisors.

No loans or advances were made by the Company or any of its subsidiaries to, and no guarantees were given by the Company or any of its subsidiaries in relation to loans or advances received by, the Directors and none of the Directors has or has had interests in transactions which are or were unusual in their nature or conditions or significant in relation to the business of the Company or any of its subsidiaries and which were effected by the Company during the current financial year or the financial year immediately preceding the date of this document, or were effected by the Company during earlier financial years and remain, in any respect, outstanding or unperformed.

TAXATION

The following is a general description of certain tax considerations relating to the Notes and is based on law and relevant interpretation thereof in effect as of the date of this Offering Circular all of which are subject to changes and does not constitute legal or taxation advice. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of the Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. It is emphasised that none of the Issuers, the Guarantor nor any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for purchase, holding or disposal of the Notes.

Hong Kong

Withholding Tax

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

Profits Tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Interest on the Notes will be subject to profits tax in the following circumstances:

- (i) interest on the Notes is derived from Hong Kong and is received by or accrues to a company, other than a financial institution, carrying on a trade, profession or business in Hong Kong;
- (ii) interest on the Notes is derived from Hong Kong and is received by or accrues to a person, other than a company (such as a partnership), carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business; or
- (iii) interest on the Notes is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Cap. 112) of Hong Kong) (the "Inland Revenue Ordinance") and arises through or from the carrying on by the financial institution of its business in Hong Kong.

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal and redemption of Notes will be subject to profits tax.

Sums derived from the sale, disposal or redemption of Notes will be subject to profits tax where received by or accrued to a person, other than a financial institution, from the carrying on of a trade, profession or business in Hong Kong and the sum has a Hong Kong source. The source of such sums will generally be determined by having regard to the manner in which the Notes are acquired and disposed of.

If the Notes are short or medium term debt instruments (as defined in the Inland Revenue Ordinance), profits tax will be assessable at one-half of the standard profits tax rate.

Stamp Duty

Stamp duty will not be payable on the issue of Bearer Notes provided that either:

- (i) such Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or

- (ii) such Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong) (the “Stamp Duty Ordinance”).

If stamp duty is payable, it is payable by the Issuer on the issue of Bearer Notes at a rate of 3 per cent. of the market value of the Notes at the time of issue. No stamp duty will be payable on any subsequent transfer of Bearer Notes.

No stamp duty is payable on the issue of Registered Notes. Stamp duty may be payable on any transfer of Registered Notes if the relevant transfer is required to be registered in Hong Kong. Stamp duty will, however, not be payable on any transfer of Registered Notes provided that either:

- (i) such Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) such Notes constitute loan capital (as defined in the Stamp Duty Ordinance).

If stamp duty is payable in respect of the transfer of Registered Notes it will be payable at the rate of 0.1 per cent. by each of the seller and the purchaser (i.e. a total of 0.2 per cent.) normally by reference to the consideration or its value, whichever is higher. In addition, stamp duty is payable at the fixed rate of HK\$5 on each instrument of transfer executed in relation to any transfer of the Registered Notes if the relevant transfer is required to be registered in Hong Kong.

ROC

The following is a summary of the main ROC tax considerations of Non-ROC Holders.

For the purposes of this section on ROC taxation, a “Non-ROC Holder” is a foreign individual who owns Notes and is not physically present in the ROC for 183 days or more during any calendar year or a corporation or a non-corporate body that owns Notes, is organised under the laws of a jurisdiction other than the ROC and has no fixed place of business or business agent in the ROC.

Possible Interest Payments if paid by the Guarantor

Payments of interest or premium (if any ever becomes payable on the Notes) to a Non-ROC Holder by the Guarantor would likely constitute ROC-sourced income and therefore be subject to ROC withholding tax at 15 per cent. at the time of payment, unless a lower withholding rate is provided under a tax treaty between the ROC and the jurisdiction where the Non-ROC Holder is a resident.

Sale

For the Notes to be issued and offered outside of the ROC, the sale of the Notes is not subject to the securities transaction tax prescribed under the ROC Securities Transaction Tax Act. Moreover, any gains generated from the sale of the Notes would not be deemed ROC-sourced income. Hence the Non-ROC Holders have no ROC income tax issue as regards any gains from the sale of the Notes.

Tax Treaties

The United States does not have an income tax treaty with the ROC. Thus far, the ROC has signed income tax treaties with Australia, Gambia, Indonesia, Malaysia, Macedonia, the United Kingdom, the Netherlands, New Zealand, Singapore, South Africa, Swaziland, Vietnam, Senegal, Belgium, Sweden, Denmark, Israel, Paraguay, Hungary, France, India, Slovakia, Switzerland, Germany, Thailand, Kiribati, Luxembourg, Austria, Italy and Japan. Most of these treaties provide a lower rate of withholding tax on interest paid by ROC companies to residents of those countries. Accordingly, holders of the Notes who are residents of any of the countries named above should consult their own tax advisers concerning their eligibility for the benefits under the relevant treaty with respect to the Notes.

PRC

Taxation on Interest and Other Payments

In accordance with the EIT Law and its implementation regulations and the Notice of the State Administration of Taxation on Issues about the Determination of Chinese-Controlled Enterprises Registered Abroad as Resident Enterprises on the Basis of Their Body of Actual Management (國家稅務總局關於境外註冊中資控股企業依據實際管理機構標準認定為居民企業有關問題的通知), all of which took effect on 1 January 2008, Chinese-Controlled enterprises established outside the PRC whose “actual management bodies” are within the PRC are considered as “PRC tax resident enterprises”.

As of the date of this Offering Circular, neither of the Issuers nor the Guarantor has been considered a PRC tax resident enterprise by the PRC tax authorities.

Pursuant to these provisions of the PRC tax law, if either of the Issuers is considered a PRC tax resident enterprise, they may be subject to EIT at the rate of 25 per cent. on their worldwide income and interest payable to non-resident enterprise Noteholders on the Notes may be regarded as non-resident enterprise Noteholders getting income from sources within the PRC and be subject to 10 per cent. EIT. Accordingly, the Relevant Issuer would be obliged to withhold EIT of 10 per cent. on payments of interests to non-resident enterprise Noteholders. In accordance with the Individual Income Tax Law of the PRC and its implementation regulations both of which were amended in 2011 and took effect on 1 September 2011, if the Relevant Issuer is considered a PRC tax resident enterprise, interest payable to non-resident individual Noteholders on the Notes may be regarded as non-resident individual Noteholders getting income from sources within the PRC and be subject to 20 per cent. individual income tax. Accordingly the Relevant Issuer would be obliged to withhold individual income tax of 20 per cent. on payments of interests to non-resident individual Noteholders. However, it is uncertain whether the PRC tax authority will deem the Relevant Issuer as a PRC tax resident enterprise. If the Guarantor is required to perform its obligations under the Guarantee to repay the principal of the Notes and pay interest on the Notes, the interest paid by the Guarantor to non-resident Noteholders on the Notes may be regarded as income received by non-resident Noteholders from sources within the PRC and as a consequence the Guarantor may be obliged to withhold income tax of 10 per cent. for non-resident enterprise Noteholders and 20 per cent. for non-resident individual Noteholders on payments of such interest to non-resident Noteholders. To the extent that China has entered into arrangements relating to the avoidance of double-taxation with any jurisdiction, such as Hong Kong, that allow a lower rate of withholding tax, such lower rate may apply to Noteholders who qualify for such treaty benefits.

Furthermore, if either of the Issuers or the Guarantor is treated as a PRC tax resident enterprise under the EIT Law and related implementation regulations in the future, any gain realised by the non-resident enterprise Noteholders or non-resident individual Noteholders from the transfer of the Notes may be regarded as being derived from sources within the PRC and accordingly would be subject to up to 20 per cent. of PRC withholding tax.

Stamp duty

No PRC stamp tax will be chargeable upon the issue or transfer (for so long as the register of holders of the Notes is maintained outside Mainland China) of a Note.

Cayman Islands

The following is a general summary of Cayman Islands taxation in relation to the Notes. Under existing Cayman Islands laws:

- (i) payments of interest and principal on the Notes will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal to any holder of the Notes, as the case may be, nor will gains derived from the disposal of the Notes be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax;

- (ii) no stamp duty is payable in respect of the issue of Bearer Notes. The Bearer Notes themselves will be stampable if they are executed in or brought into the Cayman Islands;
- (iii) no stamp duty is payable in respect of the issue of the Registered Notes. An instrument of transfer in respect of a Registered Note is stampable if executed in or brought into the Cayman Islands.

The Bahamas

The following is a general summary of taxation in the Bahamas in relation to the Notes.

The Bahamas currently has no income, corporation or capital gains tax and no estate, inheritance, succession or gift tax.

CTT was incorporated under the laws of the Bahamas as an International Business Company with limited liability. In accordance with Section 187 of the International Business Companies Act, 2000 (as amended), CTT and persons holding an interest therein are not subject to (a) any business license fee, income tax, corporation tax, capital gains tax or any other tax on income or distributions accruing to or derived from CTT or in connection with any transaction to which CTT or such persons, as the case may be, is a party; or (b) any estate, inheritance, succession or gift tax, rate, duty, levy or other charge payable with respect to shares, debt obligations or other securities, or (c) stamp tax for a period of twenty years from the date of CTT's incorporation (i.e. for a period of twenty years from 13 May 1997) provided that (i) no person or entity deemed "resident" for exchange control purposes by the Central Bank of the Bahamas holds a legal or beneficial interest in CTT or the Notes or is directly or indirectly entitled to distributions from CTT and (ii) CTT does not own, directly or indirectly, real property situate in the Bahamas.

The proposed financial transactions tax (the "FTT")

On 14 February 2013, the European Commission published a proposal (the "Commission's Proposal") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "participating Member States"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

FATCA Withholding Tax

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting, or related requirements. The Issuers may be foreign financial institutions for these purposes. A number of jurisdictions (including the jurisdictions of the Issuers) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("IGAs"), which modify

the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to 1 January 2019 and Notes issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Relevant Issuer). However, if additional notes (as described under “Terms and Conditions – Further Issues”) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

ENFORCEABILITY OF FOREIGN JUDGMENTS IN THE ROC

The Company is a company limited by shares and incorporated under the ROC Company Law. Certain of the Company's directors (including independent directors) and executive officers named in this Offering Circular are residents of the ROC, and some of the Company's assets and the assets of such persons are located in the ROC. As a result, it may be difficult for investors to enforce judgments obtained outside of the ROC against the Company or such persons in the ROC, including those predicated upon the civil liability provisions of the federal securities laws of the United States. Any final judgment obtained against the Company in any court other than the courts of the ROC in respect of any legal suit or proceeding arising out of or relating to the Notes will be enforced by the courts of the ROC without further review of the merits only if the court of the ROC in which enforcement is sought is satisfied that:

- the court rendering the judgment had jurisdiction over the subject matter according to the laws of the ROC;
- the judgment and the court procedures resulting in the judgment are not contrary to the public order or good morals of the ROC;
- if the judgment was rendered by default by the court rendering the judgment, (i) the Company was duly served within a reasonable period of time within the jurisdiction of such court in accordance with the laws and regulations of such jurisdiction, or (ii) process was served on the Company with judicial assistance of the ROC; and
- judgments of the courts of the ROC are recognised and enforceable in the jurisdiction of the court rendering the judgment on a reciprocal basis.

A party seeking to enforce a foreign judgment in the ROC would, except under limited circumstances, be required to obtain foreign exchange approval from the Central Bank of the Republic of China (Taiwan) for the remittance out of the ROC of any amounts recovered in respect of such judgment denominated in a currency other than NT dollars.

REMITTANCE OF RENMINBI INTO AND OUT OF THE PRC

Renminbi is not a freely convertible currency. The remittance of Renminbi into and out of the PRC is subject to control imposed under PRC law.

Current Account Items

Under the PRC foreign exchange control regulations, current account item payments refer to any transaction for international receipts and payments involving goods, services, earnings and other frequent transfers.

Prior to July 2009, all current account items were required to be settled in foreign currencies with limited exceptions. Following progressive reforms, Renminbi settlement of imports and exports of goods and of services and other current account items became permissible nationwide in 2012, except that the key enterprises on a Supervision List determined by the PBOC and five other relevant authorities would be subject to enhanced scrutiny when banks process current account cross-border repatriations.

On 5 July 2013, the PBOC promulgated the Circular on Policies related to Simplifying the Procedures of Cross-border RMB Business Procedures and Improving Relevant Policies (關於簡化跨境人民幣業務流程和完善有關政策的通知) (the “2013 PBOC Circular”) which simplified the procedures for cross-border Renminbi trade settlement under current account items. On 1 November 2014, the PBOC introduced a cash pooling arrangement for qualified multinational enterprise group companies, under which a multinational enterprise group can process cross-border Renminbi payments and receipts for current account items on a collective basis for eligible member companies in the group. On 5 September 2015, the PBOC promulgated the Circular on Further Facilitating the Cross-Border Bi-directional Renminbi Cash Pooling Business by Multinational Enterprise Groups (關於進一步便利跨國企業集團開展跨境雙向人民幣資金池業務的通知) (the “2015 PBOC Circular”), which, among others, have lowered the eligibility requirements for multinational enterprise groups and increased the cap for net cash inflow.

The regulations referred to above are subject to interpretation and application by the relevant PRC authorities. Local authorities may adopt different practices in applying these circulars and impose conditions for settlement of current account items.

Capital Account Items

Under the applicable PRC foreign exchange control regulations, capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Except as otherwise specified by laws and regulations, capital account payments are generally subject to approval of and/or registration or filing with the relevant PRC authorities. On 7 April 2011, the State Administration of Foreign Exchange of the People’s Republic of China (“SAFE”) issued the Circular on Issues Concerning the Capital Accounts Items in connection with Cross-Border Renminbi (國家外匯管理局綜合司關於規範跨境人民幣資本專案業務操作有關問題的通知), which clarifies that the borrowing by an onshore entity (including a financial institution) of Renminbi loans from an offshore creditor shall in principle follow the current regulations on borrowing foreign debts and the provision by an onshore entity (including a financial institution) of external guarantees in Renminbi shall in principle follow the current regulations on the provision of external guarantees in foreign currencies.

On 12 October 2011, MOFCOM promulgated the MOFCOM RMB Foreign Direct Investment (“FDI”) Circular, and pursuant to which, prior written consent from the appropriate office of MOFCOM and/or its local counterparts (depending on the size and the relevant industry of the investment) is required for RMB FDI. The MOFCOM RMB FDI Circular also requires that the proceeds of RMB FDI may not be used towards investment in securities, financial derivatives or entrustment loans in the PRC, except for investments in the PRC domestic listed companies through private placements or share transfers by agreement.

On 13 October 2011, the PBOC issued the PBOC RMB FDI Measures which set out operating procedures for PRC banks to handle RMB settlement relating to RMB FDI and borrowing by foreign invested enterprises of offshore RMB loans. Prior to the PBOC RMB FDI Measures, cross-border RMB

settlement for RMB FDI has required approvals on a case-by-case basis from the PBOC. The new rules replace the PBOC approval requirement with less onerous post-event registration and filing requirements. Foreign invested enterprises, whether established or acquired by foreign investors, shall complete the corporate information registration after the completion of relevant RMB FDI transactions, and shall make post-event registration or filing with the PBOC of increases or decreases in registered capital, equity transfers or swaps, merger or acquisition or other changes to registered information.

On 14 June 2012, the PBOC promulgated the Notice concerning Clarification of Renminbi Settlement in relation to Foreign Direct Investment (關於明確外商直接投資人民幣結算業務操作細則的通知) (the “PBOC Notice 2012”), which provides more detailed requirements with respect to all accounts concerning capital injection, payment of purchase price in the merger and acquisition of PRC domestic enterprises, remittance of dividends and distribution, as well as Renminbi denominated cross-border loans. Foreign investors, foreign-invested enterprises and domestic shareholders must check and clarify all the existing Renminbi accounts and provide supplementary documents to open an account or modify the information within three months after the promulgation of the PBOC Notice 2012. For those who have more than one preliminary expense account (前期費用專用存款帳戶), capital account (資本金專用存款帳戶), merger and acquisition account (並購專用存款帳戶) or equity transfer account (股權轉讓專用存款帳戶), they are required to choose one of them and close all of the other accounts. The funds in the accounts for Renminbi capital and Renminbi denominated cross-border loan (資本金專用存款帳戶及人民幣境外借款一般存款帳戶) shall not be used for investment in securities, financial derivatives, entrustment loans, financial products or properties of non-self use. In addition, the foreign-invested non-investment enterprises shall not use the funds in the Renminbi capital account and Renminbi denominated cross-border loan account (資本金專用存款帳戶及人民幣境外借款一般存款帳戶) for re-investment in PRC.

On 10 May 2013, SAFE promulgated the Provisions on Foreign Exchange Administration over Direct Investment Made by Foreign Investors in China (外國投資者境內直接投資外匯管理規定) (the “Circular 21”), which became effective on 13 May 2013. According to the SAFE Provisions, a foreign-invested enterprise that needs to remit funds abroad due to capital reduction, liquidation, advance recovery of investment, profit distribution, etc. may purchase foreign exchange and make external payment with the relevant bank after going through corresponding registration.

On 3 December 2013, MOFCOM promulgated the Announcement on Issues in relation to Cross-Border Renminbi Foreign Direct Investment (關於跨境人民幣直接投資有關問題的公告) (the “Announcement”), which became effective and implemented from 1 January 2014. According to the Announcement, foreign-invested enterprises shall not use the capital invested through Renminbi FDI to directly and indirectly invest in securities, financial derivatives (except for strategic investment in listed companies) or entrustment loans in the PRC. The MOFCOM RMB FDI Circular ceased to be effective from the date of the implementation of the Announcement.

On 10 January 2014, SAFE promulgated the Notice of the State Administration of Foreign Exchange on Further Improving and Adjusting the Policies on Capital Account Foreign Exchange Administration (關於進一步改進和調整資本項目外匯管理政策的通知) which allows a domestic enterprise to lend to overseas enterprises with equity affiliation, provided that the domestic enterprise shall register the quotas of overseas lending with a SAFE branch, and the cumulative overseas loan amount may not exceed 30 per cent. of its owners’ equity; if the loan amount exceeds the said percentage, the SAFE branch shall decide on a case by case basis.

On 30 March 2015, the SAFE promulgated the Circular of the SAFE on Relevant Issues Concerning the Reform of the Administrative Method of the Conversion of Foreign Exchange Funds by Foreign-invested Enterprises (國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知) (“Circular 19”), which will relax the capital account settlement for all foreign invested enterprises across the nation from 1 June 2015. According to Circular 19, Circular 142 and Circular 36 will cease to be effective on the same date of the implementation of Circular 19. On 9 June 2016, the SAFE further promulgated the Circular of the SAFE on Relevant Issues Concerning the Reform and Regulation of the Administrative Policies of the Conversion under Capital Items (國家外匯管理局關於改革和規範資本專案結匯管理政策的通知) (“Circular 16”). According to Circular 16, in case of any discrepancy between Circular 19 and Circular 16, Circular 16 shall prevail. Circular 16 allows all foreign invested enterprises across the PRC to convert 100 per cent. (subject to future adjustment at discretion of SAFE) of the foreign currency capital (which has been processed through the SAFE’s equity interest confirmation procedure for capital contribution in cash or registered by a bank on the SAFE’s system for account-crediting for such capital contribution) into Renminbi at their own

discretion without providing various supporting documents. However, to use the converted Renminbi, a foreign invested enterprise still needs to provide supporting documents and go through the review process with the banks for each withdrawal. A negative list with respect to the usage of the capital and the Renminbi proceeds through the aforementioned settlement procedure is set forth under the Circular 16.

As new regulations, they will be subject to interpretation and application by the relevant PRC authorities. There is no assurance that approval of such remittances, borrowing or provision of external guarantee in Renminbi will continue to be granted or will not be revoked in the future. Further, since the remittance of Renminbi by way of investment or loans are now categorised as capital account items, such remittances will need to be made subject to the specific requirements or restrictions set out in the relevant SAFE rules.

SUBSCRIPTION AND SALE

The Dealers have, in a dealer agreement (the “Dealer Agreement”) dated 21 September 2012 (as amended and supplemented from time to time), agreed with the Issuers and the Guarantor a basis upon which they or any of them may from time to time agree to subscribe for the Notes. Any such agreement will extend to those matters stated under “Clearance and Settlement” and “Terms and Conditions of the Notes”. The Relevant Issuer (failing which, the Guarantor) will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. Each Issuer (failing which, the Guarantor) has agreed, unless otherwise agreed in respect of an issue of Notes, to pay all expenses incidental to the performance of their respective obligations under the Dealer Agreement. The commissions in respect of an issue of Notes on a syndicated basis may be stated in the relevant Pricing Supplement.

Each Issuer (failing which, the Guarantor) has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Relevant Issuers.

The Dealers and certain of their affiliates may have performed certain investment banking and advisory services for the Issuers, the Guarantor and/or their respective affiliates from time to time for which they have received customary fees and expenses and may, from time to time, engage in transactions with and perform services for the Issuers, the Guarantor and/or their respective affiliates in the ordinary course of their business.

The Dealers or certain of their affiliates may subscribe for the Notes and be allocated Notes for asset management and/or proprietary purposes but not with a view to distribution.

The Dealers or their respective affiliates may subscribe for the Notes for its or their own account and enter into transactions, including credit derivatives, such as asset swaps, repackaging and credit default swaps relating to Notes and/or other securities of the Issuers, the Guarantor or their respective subsidiaries or associates at the same time as the offer and sale of Notes or in secondary market transactions. Such transactions would be carried out as bilateral trades with selected counterparties and separately from any existing sale or resale of Notes to which this Offering Circular relates (notwithstanding that such selected counterparties may also be purchasers of Notes).

Selling Restrictions

United States of America

The Notes and the Guarantee have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States. Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will not offer or sell any Notes within the United States, except as permitted by the Dealer Agreement.

The Notes and the Guarantee are being offered and sold outside the United States in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering of such tranche of Notes) may violate the registration requirements of the Securities Act.

Public offer selling restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Offering Circular as completed by the

Pricing Supplement in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the Pricing Supplement in relation to the Notes specifies that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a “Non-exempt Offer”), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Pricing Supplement contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Pricing Supplement, as applicable and the Relevant Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Relevant Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (b) to (d) above shall require the Relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “Prospectus Directive” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the Relevant Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Relevant Issuer or the Guarantor; and

- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Taiwan

Each Dealer has represented, warranted and agreed that it has not offered, sold or delivered, and will not offer, sell or deliver, at any time, directly or indirectly, any Notes acquired by it as part of the offering in the ROC or to, or for the account or benefit of, any resident of the ROC, unless otherwise permitted by the laws and regulations of the ROC.

PRC

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that the offer of the Notes is not an offer of securities within the meaning of the PRC Securities Law or other pertinent laws and regulations of the PRC and the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the PRC.

Hong Kong

In relation to each Tranche of Notes to be issued by the Issuers under the Programme, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme be required to represent, warrant and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes, except for Notes which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “SFO”) other than (i) to “professional investors” as defined in the SFO and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “CWUMPO”) or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under that Ordinance.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “FIEA”). Accordingly, each Dealer has represented, warranted and agreed and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer to sell any Notes in Japan or to, or for the benefit of, a resident of Japan (which term as used herein means any person resident in Japan including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws and regulations of Japan.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Offering Circular will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and

each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA, except:

- (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulation 2005 of Singapore.

Cayman Islands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that no offer of the Notes will be made directly or indirectly to the public in the Cayman Islands.

The Bahamas

The Offering Circular has not been filed as a prospectus with the Securities Commission of the Bahamas pursuant to the Securities Industry Act, 2011 (the “Securities Act”). Accordingly, the Notes may be issued only in compliance with the laws or rules of the countries in which a distribution of Notes is made.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme shall be required to represent and agree that it will not offer or sell the Notes, or take any other action, which would amount to the Notes being offered or sold, directly or indirectly to the public, in or from the Bahamas.

Each Dealer has further represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that the Notes shall not be offered or sold to any Bahamian Person unless the Bahamian Person has the prior permission of the Central Bank of the

Bahamian. A “Bahamian Person” shall mean: (a) a national or citizen of the Commonwealth of the Bahamas or any other person designated “resident” in the Bahamas for exchange control purposes by the Central Bank of the Bahamas and (b) any corporation, partnership, estate, trust or other entity formed, organised or existing under the laws of the Commonwealth of the Bahamas which is designated as “resident” in the Bahamas for exchange control purposes by the Central Bank of the Bahamas and (c) any person acting, directly or indirectly, on behalf of or in concert with any of the foregoing persons.

General

None of the Issuers, the Guarantor or the Dealers represent that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale. These selling restrictions may be modified by the agreement of the Issuers and the relevant Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Pricing Supplement issued in respect of the issue of Notes to which it relates or in a supplement to this Offering Circular. Each Dealer and each further Dealer appointed under the Programme shall, to the best of their knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which they purchase offer, sell or deliver Notes or have in their possession or distribute this Offering Circular, any other offering material or any Pricing Supplement, in all cases at their own expense.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Offering Circular or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

GENERAL INFORMATION

(1) Listing

Approval in principle has been received from the SGX-ST for permission to deal in and quotation of any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in other currencies).

For so long as any Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the relevant Issuer shall appoint and maintain a paying agent in Singapore where such Notes may be presented or surrendered for payment or redemption in the event that any of the Global Notes or Global Certificates representing such Notes is exchanged for Notes in definitive form. In addition, in the event that any of the Global Notes is exchanged for Definitive Notes, an announcement of such exchange will be made by or on behalf of the relevant Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the Definitive Notes, including details of the paying agent in Singapore.

(2) Authorisation

The establishment of the Programme was authorised by (1) a resolution of the board of directors of Foxconn (Far East) Limited and (2) a resolution of the board of directors of Competition Team Technologies passed on 13 July 2012 and 13 July 2012 respectively. The giving of the Guarantee was authorised by a resolution of the board of directors of the Guarantor passed on 13 July 2012. With effect from 13 November 2014, the size of the Programme was increased from U.S.\$2,000,000,000 to U.S.\$3,500,000,000 in accordance with the terms of the Programme. Each of the Issuers and the Guarantor has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes and the giving of the Guarantee relating to them.

(3) Legal and Arbitration Proceedings

Save as disclosed in this Offering Circular, none of the Issuers, the Guarantor and any other member of the Group is or has been involved in any legal or arbitration proceedings (nor are the Issuers or the Guarantor aware that any such proceedings are pending or threatened), which may have, or have had during the 12 months prior to the date of this Offering Circular, a material effect on the financial position or profitability of the Issuers, the Guarantor or the Group.

(4) Significant Material Adverse Change

Except as disclosed in “Recent Developments”, since 31 December 2015, there has been no material adverse change nor significant change in the financial or trading position or prospects of the Guarantor and the Group.

(5) Documents on Display

Copies of the following documents may be inspected during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Guarantor at No. 66, Zhongshan Road, Tucheng Industrial Zone, Tucheng District, New Taipei City, Taiwan, Republic of China for so long as the Notes are capable of being issued under the Programme:

- (i) the memorandum and articles of association of the Issuers and the Guarantor;
- (ii) the audited consolidated financial statements of the Guarantor for the financial years ended 31 December 2014 and 2015 (together with the English translations thereof);
- (iii) copies of the latest annual report of the Group (together with the English translations thereof);

- (iv) copies of all documents deemed to be incorporated by reference in this Offering Circular;
- (v) a copy of this Offering Circular together with any supplement to this Offering Circular; and
- (vi) copies of the Agency Agreement and the Trust Deed.

(6) Information undertaking

Each of the Issuers and the Guarantor have undertaken in the Trust Deed to make available to the Trustee the latest annual consolidated financial statements of the Guarantor and a directors' certificate confirming no event of default and compliance by the Issuers and the Guarantor with certain of their respective obligations with respect to the Trust Deed within a certain period after the end of each financial year of the Guarantor.

(7) Clearing of the Notes

The Notes may be accepted for clearance through Euroclear, Clearstream, Luxembourg and the CMU. The appropriate ISIN and common code or CMU Instrument Number in relation to the Notes of each Tranche will be specified in the relevant Pricing Supplement. The relevant Pricing Supplement shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

INDEX TO FINANCIAL STATEMENTS

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GUARANTOR FOR THE YEARS ENDED 31 DECEMBER 2014 AND 2015

Report of Independent Accountants Translated from Chinese	F-2
Consolidated Balance Sheets	F-4
Consolidated Statements of Comprehensive Income	F-6
Consolidated Statements of Changes in Equity	F-8
Consolidated Statements of Cash Flows	F-10
Notes to the Consolidated Financial Statements	F-12

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To The Board of Directors and Stockholders
Hon Hai Precision Industry Co., Ltd.

We have audited the accompanying consolidated balance sheets of Hon Hai Precision Industry Co., Ltd. and subsidiaries as of December 31, 2014 and 2015, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of certain consolidated subsidiaries, which statements reflect total assets of NT\$206,004,889,000 and NT\$184,681,006,000, constituting 8.36% and 8% of the consolidated total assets as of December 31, 2014 and 2015, respectively, and total operating revenues of NT\$205,240,782,000 and NT\$225,844,217,000, constituting 4.87% and 5.04% of the consolidated total operating revenues for the years then ended, respectively. Those financial statements and the information disclosed in Note 13 were audited by other independent accountants whose reports thereon have been furnished to us, and our opinion expressed herein is based solely on the audit reports of the other independent accountants.

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the reports of other independent accountants provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other independent accountants, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Hon Hai Precision Industry Co., Ltd. and subsidiaries as of December 31, 2014 and 2015, and their financial performance and cash flows for the years then ended, in conformity with the "Regulations

Governing the Preparation of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

We have also audited the parent company only financial statements of Hon Hai Precision Industry Co., Ltd. as of and for the years ended December 31, 2014 and 2015, and have expressed a modified unqualified opinion on such financial statements.

PricewaterhouseCoopers, Taiwan
March 30, 2016

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2014 AND 2015
 (EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Assets	Notes	December 31, 2014		December 31, 2015			
		AMOUNT	%	AMOUNT (NT\$)	%	AMOUNT (US\$)	
Current assets							
1100	Cash and cash equivalents	6(1)	\$ 679,037,301	28	\$ 657,137,721	29	\$ 19,999,931
1110	Financial assets at fair value through profit or loss - current	6(2)	3,438,255	-	6,114,913	-	186,107
1125	Available-for-sale financial assets - current	6(3)	1,035,704	-	627,508	-	19,098
1170	Accounts receivable, net	6(4)	748,286,815	30	564,705,314	24	17,186,758
1180	Accounts receivable - related parties	7	24,093,966	1	26,203,276	1	797,494
1200	Other receivables	6(5) and 7	45,923,820	2	43,779,955	2	1,332,439
130X	Inventory	6(6)	369,196,813	15	424,625,017	18	12,923,426
1410	Prepayments		10,413,141	-	14,444,295	1	439,611
1460	Non-current assets held for sale - net	6(7)	9,902,089	-	-	-	-
1470	Other current assets	6(8) and 8	41,093,451	2	50,580,974	2	1,539,428
11XX	Total current assets		<u>1,932,421,355</u>	<u>78</u>	<u>1,788,218,973</u>	<u>77</u>	<u>54,424,292</u>
Non-current assets							
1523	Available-for-sale financial assets - non-current	6(3)	52,792,228	2	38,997,120	2	1,186,874
1543	Financial assets carried at cost - non-current	6(9)	5,792,900	-	18,795,163	1	572,029
1550	Investments accounted for under equity method	6(10)	63,412,270	3	77,634,937	3	2,362,813
1600	Property, plant and equipment	6(11) and 8	358,868,558	15	336,738,466	15	10,248,606
1760	Investment property - net	6(12)	3,164,666	-	3,014,648	-	91,751
1780	Intangible assets	6(13)	4,440,091	-	3,253,837	-	99,030
1840	Deferred income tax assets	6(36)	17,376,159	1	18,303,571	1	557,068
1900	Other non-current assets	6(14) and 8	24,446,522	1	23,343,162	1	710,447
15XX	Total non-current assets		<u>530,293,394</u>	<u>22</u>	<u>520,080,904</u>	<u>23</u>	<u>15,828,618</u>
1XXX	Total assets		<u>\$ 2,462,714,749</u>	<u>100</u>	<u>\$ 2,308,299,877</u>	<u>100</u>	<u>\$ 70,252,910</u>

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2014 AND 2015
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Liabilities and Equity	Notes	December 31, 2014		December 31, 2015			
		AMOUNT	%	AMOUNT (NT\$)	%	AMOUNT (US\$)	
Current liabilities							
2100	Short-term loans	6(16)	\$ 226,500,507	9	\$ 70,233,209	3	\$ 2,137,542
2110	Short-term notes and bills payable	6(15)	-	-	7,000,000	-	213,044
2120	Financial liabilities at fair value through profit or loss - current	6(2)	1,271,012	-	484,773	-	14,754
2170	Accounts payable		694,315,259	28	613,195,241	27	18,662,545
2180	Accounts payable - related parties	7	41,014,601	2	30,862,535	1	939,299
2200	Other payables	6(17) and 7	223,575,519	9	197,024,433	9	5,996,422
2230	Current income tax liabilities	6(36)	31,690,222	2	32,684,113	1	994,738
2250	Provisions for liabilities - current	6(24)	2,674,879	-	2,332,882	-	71,001
2260	Liabilities directly related to non-current assets held for sale	6(7)	2,054,833	-	-	-	-
2300	Other current liabilities	6(18)	79,504,965	3	102,305,015	5	3,113,644
21XX	Total current liabilities		<u>1,302,601,797</u>	<u>53</u>	<u>1,056,122,201</u>	<u>46</u>	<u>32,142,989</u>
Non-current liabilities							
2530	Corporate bonds payable	6(19)	134,644,413	6	161,789,254	7	4,924,042
2540	Long-term loans	6(20)	24,197,727	1	10,221,175	1	311,081
2570	Deferred income tax liabilities	6(36)	7,089,517	-	9,580,816	-	291,591
2600	Other non-current liabilities	6(23)	9,504,493	-	10,195,352	-	310,295
25XX	Total non-current liabilities		<u>175,436,150</u>	<u>7</u>	<u>191,786,597</u>	<u>8</u>	<u>5,837,009</u>
2XXX	Total liabilities		<u>1,478,037,947</u>	<u>60</u>	<u>1,247,908,798</u>	<u>54</u>	<u>37,979,998</u>
Equity							
Equity attributable to owners of parent							
Share capital							
3110	Share capital - common stock	6(25)	147,934,068	6	156,382,881	7	4,759,500
Capital reserve							
3200	Capital surplus	6(26)	71,659,908	3	81,736,538	4	2,487,645
Retained earnings							
3310	Legal reserve	6(27)	80,126,455	3	93,179,928	4	2,835,923
3350	Undistributed earnings		546,932,523	22	616,227,711	27	18,754,838
Other equity interest							
3400	Other equity interest	6(28)	83,597,180	4	60,121,681	2	1,829,797
3500	Treasury stocks	6(25)	(18,901)	-	(18,901)	-	(575)
31XX	Equity attributable to owners of the parent		<u>930,231,233</u>	<u>38</u>	<u>1,007,629,838</u>	<u>44</u>	<u>30,667,128</u>
36XX	Non-controlling interest	6(29)	54,445,569	2	52,761,241	2	1,605,784
3XXX	Total equity		<u>984,676,802</u>	<u>40</u>	<u>1,060,391,079</u>	<u>46</u>	<u>32,272,912</u>
Commitments and Contingent Liabilities							
Subsequent Events							
3X2X	Total liabilities and equity		<u>\$ 2,462,714,749</u>	<u>100</u>	<u>\$ 2,308,299,877</u>	<u>100</u>	<u>\$ 70,252,910</u>

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 30, 2016.

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2015
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT FOR EARNING PER SHARE AMOUNTS)

Items	Notes	Year ended December 31					
		2014		2015			
		AMOUNT	%	AMOUNT (NT\$)	%	AMOUNT (US\$)	
4000 Operating revenue	6(30) and 7	\$ 4,213,172,321	100	\$ 4,482,145,967	100	\$ 136,413,731	
5000 Operating costs	6(6)(33)(34)						
	and 7	(3,921,228,465)	(93)	(4,161,553,998)	(93)	(126,656,542)	
5900 Net operating margin		<u>291,943,856</u>	<u>7</u>	<u>320,591,969</u>	<u>7</u>	<u>9,757,189</u>	
Operating expenses	6(33)(34) and 7						
6100 Selling expenses		(26,146,194)	(1)	(25,989,320)	-	(790,983)	
6200 General and administrative expenses		(73,752,491)	(2)	(77,842,389)	(2)	(2,369,126)	
6300 Research and development expenses		(48,853,760)	(1)	(52,491,689)	(1)	(1,597,580)	
6000 Total operating expenses		(<u>148,752,445</u>)	(<u>4</u>)	(<u>156,323,398</u>)	(<u>3</u>)	(<u>4,757,689</u>)	
6900 Operating profit		<u>143,191,411</u>	<u>3</u>	<u>164,268,571</u>	<u>4</u>	<u>4,999,500</u>	
Non-operating income and expenses							
7010 Other income	6(31)	31,872,566	1	33,128,050	1	1,008,249	
7020 Other gains and losses	6(32)	11,083,457	-	15,603,891	-	474,903	
7050 Finance costs	6(4)(35)	(15,007,075)	-	(18,870,539)	-	(574,323)	
7060 Share of profit of associates and joint ventures accounted for under equity method	6(10)	<u>2,980,013</u>	<u>-</u>	<u>4,908,342</u>	<u>-</u>	<u>149,385</u>	
7000 Total non-operating income and expenses		<u>30,928,961</u>	<u>1</u>	<u>34,769,744</u>	<u>1</u>	<u>1,058,214</u>	
7900 Profit before income tax		<u>174,120,372</u>	<u>4</u>	<u>199,038,315</u>	<u>5</u>	<u>6,057,714</u>	
7950 Income tax expense	6(36)	(<u>41,638,550</u>)	(<u>1</u>)	(<u>48,836,899</u>)	(<u>1</u>)	(<u>1,486,347</u>)	
8200 Profit for the year		<u>\$ 132,481,822</u>	<u>3</u>	<u>\$ 150,201,416</u>	<u>4</u>	<u>\$ 4,571,367</u>	

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2015
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT FOR EARNING PER SHARE AMOUNTS)

Items	Notes	Year ended December 31					
		2014		2015			
		AMOUNT	%	AMOUNT (NT\$)	%	AMOUNT (US\$)	
Other comprehensive income							
Components of other comprehensive loss that will not be reclassified to profit or loss							
8311	Remeasurement of defined benefit plan	6(21)	(\$ 39,784)	-	(\$ 154,574)	-	(\$ 4,705)
8349	Income tax relating to components of other comprehensive income	6(36)	6,763	-	26,278	-	800
8310	Components of other comprehensive loss that will not be reclassified to profit or loss						(3,905)
Components of other comprehensive (loss) income that will be reclassified to profit or loss							
8361	Financial statements translation differences of foreign operations	6(28)(29)	36,576,979	1	(12,294,193)	-	(374,173)
8362	Unrealized (loss) gain on valuation of available-for-sale financial assets	6(28)(29)	18,419,522	-	(16,168,326)	(1)	(492,081)
8370	Share of other comprehensive (loss) income of associates and joint ventures accounted for under equity method	6(28)	606,016	-	(482,017)	-	(14,670)
8360	Components of other comprehensive (loss) income that will be reclassified to profit or loss						(880,924)
8300	Other comprehensive (loss) income for the year						\$ 55,569,496
8500	Total comprehensive income for the year						\$ 188,051,318
Profit attributable to:							
8610	Owners of the parent		\$ 130,534,729	3	\$ 146,866,977	4	\$ 4,469,884
8620	Non-controlling interest		1,947,093	-	3,334,439	-	101,483
			\$ 132,481,822	3	\$ 150,201,416	4	\$ 4,571,367
Comprehensive income attributable to:							
8710	Owners of the parent		\$ 182,370,027	4	\$ 123,263,182	3	\$ 3,751,504
8720	Non-controlling interest		5,681,291	-	(2,134,598)	-	(64,966)
			\$ 188,051,318	4	\$ 121,128,584	3	\$ 3,686,538
Earnings per share (in dollars)							6(37)
9750	Basic earnings per share						\$ 0.29
9850	Diluted earnings per share						\$ 0.28

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 30, 2016.

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2015
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	Equity attributable to owners of the parent										Total Equity						
		Retained Earnings					Other Equity Interest											
		Share capital - common stock	Capital reserve	Legal reserve	Undistributed earnings	Financial statements translation differences of foreign operations	Unrealized gain or loss on available-for-sale financial assets	Unearned employee benefits	Treasury stocks	Total	Non-controlling interest							
2014 - New Taiwan Dollars																		
Balance at January 1, 2014		\$ 131,287,068	\$ 64,792,873	\$ 69,456,739	\$ 467,423,426	\$ 26,432,947	\$ 5,295,914	-	-	(\$18,901)	\$ 764,670,066	\$ 41,254,536	\$ 805,924,602					
Appropriations of 2013 earnings:																		
Legal reserve	6(27)	-	-	10,669,716	(10,669,716)	-	-	-	-	-	-	-	-					
Cash dividends	6(27)	-	-	-	(23,631,672)	-	-	-	-	-	(23,631,672)	-	(23,631,672)					
Stock dividends	6(27)	15,754,448	-	-	(15,754,448)	-	-	-	-	-	-	-	-					
Employees' stock bonus	6(33)	892,552	6,789,643	-	-	-	-	-	-	-	7,682,195	-	7,682,195					
Consolidated net income		-	-	-	130,534,729	-	-	-	-	-	130,534,729	1,947,093	132,481,822					
Other comprehensive income, net of income tax	6(28)	-	-	-	(33,021)	33,177,288	18,691,031	-	-	-	51,835,298	3,734,198	55,569,496					
Changes in equity of associates and joint ventures accounted for under the equity method	6(29)	-	-	-	(12,462)	-	-	-	-	-	115,506	-	115,506					
Adjustments arising from changes in percentage of ownership in subsidiaries	6(28)	-	(50,576)	-	(924,313)	-	-	-	-	-	(974,889)	-	(974,889)					
Increase in non-controlling interests - subsidiaries		-	-	-	-	-	-	-	-	-	-	7,509,742	7,509,742					
Balance at December 31, 2014		\$ 147,934,068	\$ 71,659,908	\$ 80,126,455	\$ 546,932,523	\$ 59,610,235	\$ 23,986,945	-	-	(\$18,901)	\$ 930,231,233	\$ 54,445,569	\$ 984,676,802					
2015 - New Taiwan Dollars																		
Balance at January 1, 2015		\$ 147,934,068	\$ 71,659,908	\$ 80,126,455	\$ 546,932,523	\$ 59,610,235	\$ 23,986,945	-	-	(\$18,901)	\$ 930,231,233	\$ 54,445,569	\$ 984,676,802					
Appropriations of 2014 earnings:																		
Legal reserve	6(27)	-	-	13,053,473	(13,053,473)	-	-	-	-	-	-	-	-					
Cash dividends	6(27)	-	-	-	(56,214,946)	-	-	-	-	-	(56,214,946)	-	(56,214,946)					
Stock dividends	6(27)	7,396,703	-	-	(7,396,703)	-	-	-	-	-	-	-	-					
Employees' stock bonus	6(33)	1,052,110	8,346,391	-	-	-	-	-	-	-	9,398,501	-	9,398,501					
Consolidated net income		-	-	-	146,866,977	-	-	-	-	-	146,866,977	3,334,439	150,201,416					
Other comprehensive loss	6(28)	-	-	-	(128,296)	(6,675,947)	(16,799,552)	-	-	-	(23,603,795)	(5,469,037)	(29,072,832)					
Changes in equity of associates and joint ventures accounted for under the equity method	6(29)	-	-	-	-	-	-	-	-	-	1,731,828	-	1,731,828					
Issuance of restricted stocks	6(22)	3,550,000	17,831,955	-	-	-	-	-	-	-	-	-	-					
Restricted stock revoked due to employees not meeting the vesting condition	6(22)	(3,550,000)	(17,831,955)	-	-	-	-	-	-	-	(21,381,955)	-	(21,381,955)					
Adjustments arising from changes in percentage of ownership in subsidiaries	6(28)	-	(1,589)	-	(778,371)	-	-	-	-	-	(779,960)	-	(779,960)					
Increase in non-controlling interest	6(29)	-	-	-	-	-	-	-	-	-	-	450,270	450,270					
Balance at December 31, 2015		\$ 156,382,881	\$ 81,736,538	\$ 93,179,928	\$ 616,227,711	\$ 52,934,288	\$ 7,187,393	-	-	(\$18,901)	\$ 1,007,629,838	\$ 52,761,241	\$ 1,060,391,079					

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 30, 2016.

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2015
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	Equity attributable to owners of the parent										Total Equity									
		Retained Earnings			Other Equity Interest																
		Share capital - common stock	Capital reserve	Legal reserve	Undistributed earnings	Financial statements translation differences of foreign operations	Unrealized gain or loss on available-for-sale financial assets	Unearned employee benefits	Treasury stocks	Total	Non-controlling interest										
2015 - US Dollars																					
Balance at January 1, 2015		\$ 4,502,361	\$ 2,180,963	\$ 2,438,642	\$ 16,645,845	\$ 1,814,232	\$ 730,041	\$ -	(\$ 575)	\$ 28,311,509	\$ 1,657,046	\$ 29,968,555									
Appropriations of 2014 earnings:																					
Legal reserve	6(27)	-	-	397,281	(397,281)	-	-	-	-	-	-	-	-								
Cash dividends	6(27)	-	-	-	(1,710,897)	-	-	-	-	(1,710,897)	-	(1,710,897)	-								
Stock dividends	6(27)	225,118	-	-	(225,118)	-	-	-	-	-	-	-	-								
Employees' stock bonus	6(33)	32,021	254,022	-	-	-	-	-	-	286,043	-	286,043	-								
Consolidated net income		-	-	-	4,469,884	-	-	-	-	4,469,884	-	4,469,884	-								
Other comprehensive loss	6(28)	-	-	-	(3,905)	(203,183)	(511,293)	-	-	(718,381)	(166,449)	(884,830)	-								
Changes in equity of associates and joint ventures accounted for under the equity method	6(29)	-	-	-	-	-	-	-	-	-	-	-	-								
Issuance of restricted stocks	6(22)	108,044	52,708	-	-	-	-	-	-	52,708	-	52,708	-								
Restricted stock revoked due to employees not meeting the vesting condition	6(22)	(108,044)	(542,714)	-	-	-	-	(650,758)	-	-	-	-	-								
Adjustments arising from changes in percentage of ownership in subsidiaries	6(28)	-	(48)	-	-	-	-	650,758	-	-	-	-	-								
Increase in non-controlling interest	6(29)	-	-	-	(23,690)	-	-	-	-	(23,738)	-	(23,738)	-								
Balance at December 31, 2015		\$ 4,759,500	\$ 2,487,645	\$ 2,835,923	\$ 18,754,838	\$ 1,611,049	\$ 218,748	\$ -	(\$ 575)	\$ 30,667,128	\$ 1,605,784	\$ 32,272,912	13,704								

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 30, 2016.

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2015
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	2014	2015	
			NT\$	US\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Profit before tax		\$ 174,120,372	\$ 199,038,315	\$ 6,057,714
Adjustments				
Adjustments to reconcile profit (loss)				
Depreciation	6(33)	69,402,883	70,330,897	2,140,515
Amortization	6(33)	828,967	926,227	28,190
Provision for doubtful accounts and sales discount		298,790	452,769	13,780
Impairment loss	6(32)	1,706,217	2,595,631	78,998
Gain on disposal of property, plant and equipment, net	6(32)	(565,745)	(631,716)	(19,226)
Loss (gain) on financial assets or liabilities at fair value through profit or loss, net	6(32)	(2,374,063)	3,801,694	115,704
Share of profit of associates and joint ventures accounted for using equity method		(2,980,013)	(4,908,342)	(149,385)
Gain on disposal of investment	6(32)	(3,010,171)	(4,624,214)	(140,737)
Gain on disposal of non-current assets held for sale	6(7)	-	(28,375)	(864)
Interest expense	6(35)	14,861,301	18,864,432	574,137
Interest income	6(31)	(26,053,459)	(26,024,974)	(792,068)
Dividend income	6(31)	(676,006)	(895,708)	(27,261)
Changes in operating assets and liabilities				
Changes in operating assets				
Financial assets held for trading		1,364,986	(7,264,591)	(221,097)
Notes receivable		(118,291)	237,111	7,216
Accounts receivable		(20,273,246)	181,012,131	5,509,089
Increase in accounts receivable due from related parties		(4,145,708)	(1,010,161)	(30,744)
Other receivables		(5,024,877)	8,378,661	255,004
Inventories		(56,411,721)	(55,428,204)	(1,686,953)
Prepayments		(4,019,388)	(4,028,787)	(122,616)
Changes in operating liabilities				
Accounts payable		11,008,696	(81,164,085)	(2,470,222)
Accounts payable to related parties		11,252,862	(10,152,066)	(308,977)
Other payables		42,818,053	(6,122,819)	(186,347)
Provisions for liabilities - current		268,543	(341,997)	(10,409)
Other current liabilities		23,185,244	5,403,159	164,445
Accrued pension liabilities		5,720	186,767	5,684
Cash inflow generated from operations		225,469,946	288,601,755	8,783,570
Income taxes (paid)		(34,794,235)	(46,279,121)	(1,408,501)
Net cash flows from operating activities		<u>190,675,711</u>	<u>242,322,634</u>	<u>7,375,069</u>

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2015
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	2014	2015	
			NT\$	US\$
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of property, plant and equipment	6(38)	(\$ 27,565,013)	(\$ 70,959,526)	(\$ 2,159,647)
Increase in other financial assets - current		(35,928,290)	(9,487,523)	(288,752)
Acquisition of available-for-sale financial assets		(15,493,910)	(3,149,709)	(95,861)
Acquisition of investments accounted for under equity method		(14,047,766)	(7,930,360)	(241,360)
Acquisition of financial assets at cost		(1,173,338)	(13,150,561)	(400,236)
Acquisition of intangible assets	6(13)	(128,600)	(56,610)	(1,723)
Proceeds from disposal of financial assets carried at cost		475,330	11,316	344
Proceeds from disposal of available-for-sale financial assets		4,318,161	7,460,257	227,052
Proceeds from disposal of investments accounted for using equity method		181,120	314,656	9,577
Proceeds from disposal of property, plant and equipment		1,006,829	4,718,741	143,614
Proceeds from disposal of non-current assets held for sale	6(7)	-	3,433,375	104,495
Increase in accounts receivable due from related parties	7	(475,107)	(1,107,647)	(33,711)
Interest received		25,844,433	20,897,825	636,024
Dividends received		1,615,892	3,379,604	102,858
(Increase) decrease in other financial assets - non-current		1,300	(12,677)	(386)
Increase in other prepayments		(150,405)	(368,768)	(11,223)
Increase in other non-current assets		(980,840)	(157,666)	(4,799)
Other investing activities		249,839	425,612	12,953
Net cash flows used in investing activities		(62,250,365)	(65,739,661)	(2,000,781)
CASH FLOWS FROM FINANCING ACTIVITIES				
Decrease in short-term loans		(146,255,411)	(156,067,298)	(4,749,895)
Increase (decrease) in short-term notes and bills payable		(20,000,000)	7,000,000	213,044
Proceeds from issuing bonds		53,118,404	50,212,659	1,528,218
Repayment of bonds payable		(6,410,000)	(16,500,000)	(502,176)
Proceeds from long-term debt		1,338,490	2,745,533	83,560
Repayment of long-term debt		(8,110,433)	(8,169,988)	(248,653)
Increase (decrease) in other non-current liabilities		(266,032)	55,315	1,684
Cash dividends paid	6(27)	(23,631,672)	(56,214,946)	(1,710,897)
Changes in non-controlling interests	6(29)	6,024,812	450,270	13,704
Interest paid		(14,026,640)	(14,689,929)	(447,087)
Net cash flows used in financing activities		(158,218,482)	(191,178,384)	(5,818,498)
Effect of exchange rate changes on cash and cash equivalents		14,803,392	(7,304,169)	(222,302)
Net decrease in cash and cash equivalents		(14,989,744)	(21,899,580)	(666,512)
Cash and cash equivalents at beginning of year		694,027,045	679,037,301	20,666,443
Cash and cash equivalents at end of year		\$ 679,037,301	\$ 657,137,721	\$ 19,999,931

The accompanying notes are an integral part of these consolidated financial statements.
See report of independent accountants dated March 30, 2016.

HON HAI PRECISION INDUSTRY CO., LTD.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2015
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)

1. HISTORY AND ORGANIZATION

Hon Hai Precision Industry Co., Ltd. (the “Company”) was incorporated as a company limited by shares under the provisions of the Company Act of the Republic of China (R.O.C.). The Company and its subsidiaries (collectively referred herein as the “Group”) are primarily engaged in the manufacture, sales and service of connectors, case, thermal module, wired/wireless communication products, optical products, power supply modules, and assemblies for use in the IT, communications, automotive equipment, precision molding, automobile, and consumer electronics industries.

2. THE DATE OF AUTHORIZATION FOR ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORIZATION

These consolidated financial statements were authorized for issuance by the Board of Directors on March 30, 2016.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

(1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS”) as endorsed by the Financial Supervisory Commission (“FSC”)

According to Financial-Supervisory-Securities-Auditing No. 1030010325 issued by FSC on April 3, 2014, commencing 2015, companies with shares listed on the TWSE or traded on the Taipei Exchange Securities Market or Emerging Stock Market shall adopt the 2013 edition of IFRS (not including IFRS 9, ‘Financial instruments’) as endorsed by the FSC and Regulations Governing the Preparation of Financial Reports by Securities Issuers effective January 1, 2015 (collectively referred herein as the “2013 edition of IFRSs”) in preparing the consolidated financial statements. The impact of adopting the 2013 edition of IFRS of the Group is listed below:

A. IAS 19 (revised), ‘Employee benefits’

This standard has no significant impact to the Group’s financial condition and operating result. Additional disclosures are required to present defined benefit plans.

B. IAS 1, ‘Presentation of financial statements’

The amendment requires entities to separate items presented in other comprehensive income (the “OCI”) classified by nature into two groups on the basis of whether they are potentially reclassifiable to profit or loss subsequently when specific conditions are met. As the items are required to be presented as pre-tax items, the tax related to each of the two groups of OCI items (those that might be reclassified and those that will not be reclassified) must be shown separately. Accordingly, the Group will adjust its presentation of the statement of comprehensive income.

C. IFRS 12, 'Disclosure of interests in other entities'

The standard integrates the disclosure requirements for subsidiaries, joint arrangements, associates and unconsolidated structured entities. Also, the Group will disclose additional information about its interests in consolidated entities and unconsolidated entities accordingly.

D. IFRS 13, 'Fair value measurement'

The standard defines fair value as the price that would be received when selling an asset or paid when transferring a liability in an orderly transaction between market participants at the measurement date. The standard sets out a framework for measuring fair value using the assumptions that market participants would use when pricing the asset or liability; for non-financial assets, the fair value is determined based on the highest and best use of the asset. Also, the standard requires disclosures about fair value measurements. Based on the Group's assessment, the adoption of the standard has no significant impact on its consolidated financial statements, and the Group will disclose additional information about fair value measurements accordingly.

E. Disclosures - Transfers of financial assets (amendment to IFRS 7)

The amendment enhances qualitative and quantitative disclosures for all transferred financial assets that are not derecognised and for any continuing involvement in transferred assets, existing at the reporting date. The Group included qualitative and quantitative disclosures for all transferred financial assets.

(2) Effect of new issuances of or amendments to IFRSs as endorsed by the FSC but not yet adopted by the Group

None.

(3) IFRSs issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the 2013 edition of IFRSs as endorsed by the FSC:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective Date by International Accounting Standards Board</u>
IFRS 9, 'Financial instruments'	January 1, 2018
Sale or contribution of assets between an investor and its associate or joint venture (amendments to IFRS 10 and IAS 28)	To be determined by International Accounting Standards Board
Investment entities: applying the consolidation exception (amendments to IFRS 10, IFRS 12 and IAS 28)	January 1, 2016
Accounting for acquisition of interests in joint operations (amendments to IFRS 11)	January 1, 2016
IFRS 14, 'Regulatory deferral accounts'	January 1, 2016
IFRS 15, 'Revenue from contracts with customers'	January 1, 2018

New Standards, Interpretations and Amendments	Effective Date by International Accounting Standards Board
IFRS 16, 'Leases'	January 1, 2019
Disclosure initiative (amendments to IAS 1)	January 1, 2016
Disclosure initiative (amendments to IAS 7)	January 1, 2017
Recognition of deferred tax assets for unrealised losses (amendments to IAS 12)	January 1, 2017
Clarification of acceptable methods of depreciation and amortisation (amendments to IAS 16 and IAS 38)	January 1, 2016
Agriculture: bearer plants (amendments to IAS 16 and IAS 41)	January 1, 2016
Defined benefit plans: employee contributions (amendments to IAS 19R)	July 1, 2014
Equity method in separate financial statements (amendments to IAS 27)	January 1, 2016
Recoverable amount disclosures for non-financial assets (amendments to IAS 36)	January 1, 2014
Novation of derivatives and continuation of hedge accounting (amendments to IAS 39)	January 1, 2014
IFRIC 21, 'Levies'	January 1, 2014
Improvements to IFRSs 2010-2012	July 1, 2014
Improvements to IFRSs 2011-2013	July 1, 2014
Improvements to IFRSs 2012-2014	January 1, 2016

The Group is assessing the potential impact of the new standards, interpretations and amendments above. The impact on the consolidated financial statements will be disclosed when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise stated, the principal accounting policies applied in the preparation of these consolidated financial statements set out below have been consistently applied to all the periods presented.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the "IFRSs").

(2) Basis of preparation

A. Except for the following items, these consolidated financial statements have been prepared under the historical cost convention:

- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

- (b) Available-for-sale financial assets measured at fair value.
 - (c) Liabilities on cash-settled share-based payment arrangements measured at fair value.
 - (d) Defined benefit liabilities recognized based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the FSC (collectively referred herein as the “IFRSs”) requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:
- (a) All subsidiaries are included in the Group’s consolidated financial statements. Subsidiaries are all entities (including structured entities) controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
 - (b) Inter-company transactions, balances and unrealized gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
 - (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
 - (d) Changes in a parent’s ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity.
 - (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognized in profit or loss. All amounts previously recognized in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss.

B. Subsidiaries included in the consolidated financial statements:

Investor	Subsidiary	Main Business Activities	Ownership (%)		Note
			December 31, 2014	December 31, 2015	
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Investment holdings in companies in Mainland China, Hong Kong, Europe and America primarily engaged in manufacturing, sale, research and development of computer cases, connectors and computer components	100	100	
"	Foxconn Holding Ltd. and subsidiaries	Investment holdings in hi-tech companies in Asia-Pacific and America	100	100	
"	Hyield Venture Capital Co., Ltd. and subsidiaries	Venture capital investments in companies primarily engaged in manufacturing of automobile wires/ electronic devices and electronic components, and services of planning, advisory and business management	97.95	97.95	
"	Bao Shin International Investment Co., Ltd. and subsidiaries	Domestic investments in companies primarily engaged in manufacturing and sale of machinery and equipment	100	100	
"	Hon Yuan International Investment Co., Ltd. and subsidiaries	Domestic investments in companies primarily engaged in manufacturing and sale of machinery and equipment	100	100	

Investor	Subsidiary	Main Business Activities	Ownership (%)		Note
			December 31, 2014	December 31, 2015	
Hon Hai Precision Industry Co., Ltd.	Hon Chi International Investment Co., Ltd. and subsidiaries	Domestic investments in companies primarily engaged in software and electronic information application services, and manufacturing and sale of machinery and equipment	100	100	
"	Lin Yih International Investment Co., Ltd. and subsidiaries	Domestic investments in companies primarily engaged in manufacturing electronic components	100	100	
"	Hon Hai/Foxconn Logistics California LLC.	Logistics services in America	100	100	
"	Hon Hai/Foxconn Logistics Texas LLC.	Logistics services in America	100	100	
"	Ambit International Ltd. and subsidiaries	Investment holdings in companies in Mainland China primarily engaged in manufacturing and sale of power supply modules, application modules and network cables assemblies	100	100	
"	Foxconn Singapore (Pte) Ltd. and subsidiaries	Asia-Pacific sales company	100	100	
"	Foxconn International Inc.	Patent applications in America	100	100	
"	Altus Technology Inc.	Leasing services	100	100	

Investor	Subsidiary	Main Business Activities	Ownership (%)		Note
			December 31, 2014	December 31, 2015	
Hon Hai Precision Industry Co., Ltd.	Premier Image Technology -Hong Kong Limited and subsidiaries	Investment holdings in companies in Mainland China, primarily engaged in manufacturing and trading of portable cameras	99.96	99.96	
"	Foxconn SA B.V. and subsidiaries	Investment holdings in Russian domestic sales companies	100	100	
"	Margini Holdings Limited and subsidiaries	Investment holdings in Vietnam export processing and construction services companies and Brazil domestic sales companies	100	100	
"	Foxconn Holdings B.V. - Netherland and subsidiaries	Investment holdings in companies in Europe	100	100	
"	Syntrend Creative Park Co., Ltd.	Retail of office machinery and equipment and electronic appliances, and information/software services	73.47	73.47	
"	Ambit Microsystems Corporation and subsidiaries	Mobile communications business, services of intellectual property rights, manufacturing and sale of communication and apparatus	85.1	-	Note

Note: On June 18, 2014, the Board of Directors has resolved the merger of the subsidiary, Ambit Microsystems Corporation, with Asia Pacific Telecom Co., Ltd. through stock swap. The merger was effective on December 31, 2015. The swap ratio was 1:0.4975. Under the merger, Ambit Microsystems Corporation was the dissolved company while Asia Pacific Telecom Co., Ltd. was the surviving company. Details are provided in Note 6(7).

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group:

As of December 31, 2014 and 2015, the non-controlling interest amounted to \$ 54,445,569, and \$52,761,241, respectively. The information on non-controlling interest and respective subsidiaries is as follows:

Name of subsidiary	Principal place of business	Non-controlling interest			
		December 31, 2014		December 31, 2015	
		Amount	Ownership %	Amount	Ownership %
FIH MOBILE LIMITED	Cayman	\$ 44,571,218	35%	\$ 46,002,803	35%

Summarised financial information of the subsidiary:

Balance sheets

	FIH MOBILE LIMITED	
	December 31, 2014	December 31, 2015
Current assets	\$ 180,659,529	\$ 148,905,685
Non-current assets	35,273,292	41,672,957
Current liabilities	(90,572,394)	(66,389,877)
Non-current liabilities	(980,042)	(898,524)
Total net assets	\$ 124,380,385	\$ 123,290,241

Statements of comprehensive income

	FIH MOBILE LIMITED	
	For the years ended December 31,	
	2014	2015
Revenue and other operating revenue	\$ 219,675,756	\$ 244,233,112
Profit before income tax	\$ 8,127,627	\$ 9,209,806
Income tax expense	(2,995,931)	(1,951,994)
Profit for the year from continuing operations	5,131,696	7,257,812
Other comprehensive loss, net of tax	(1,665,959)	(7,716,200)
Total comprehensive income (loss) for the year	\$ 3,465,737	(\$ 458,388)
Comprehensive loss attributable to non-controlling interest	(\$ 20,368)	(\$ 21,588)
Dividends paid to non-controlling interest	\$ -	\$ 2,123,356

Statements of cash flows

	FIH MOBILE LIMITED	
	For the years ended December 31,	
	2014	2015
Net cash provided by operating activities	\$ 7,641,969	\$ 27,840,931
Net cash used in investing activities	(17,278,276)	(8,616,267)
Net cash provided (used in) by financing activities	2,366,241	(11,324,039)
Effect of exchange rates on cash and cash equivalents	(1,213,309)	(4,532,567)
Increase (decrease) in cash and cash equivalents	(8,483,375)	3,368,058
Cash and cash equivalents, beginning of year	64,380,834	57,981,396
Cash and cash equivalents, end of year	\$ 55,897,459	\$ 61,349,454

(4) Foreign currency translation

- A. The consolidated financial statements are presented in NTD, which is the Company's functional and the Group's presentation currency.
- B. Foreign currency transactions and balances
- (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss in the period in which they arise.
- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognized in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognized in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (d) All foreign exchange gains and losses are presented in the statement of comprehensive income within "other gains and losses".
- C. Translation of foreign operations
- (a) The operating results and financial position of all the group entities and associates that have

a functional currency different from the presentation currency are translated into the presentation currency as follows:

- i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
 - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
 - iii. All resulting exchange differences are recognized in other comprehensive income.
- (b) When the foreign operation as an associate is partially disposed of or sold, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, when the Group still retains partial interest in the former foreign associate after losing significant influence over the former foreign associate, such transactions should be accounted for as disposal of all interest in these foreign operations.
- (c) When the foreign operation partially disposed of or sold is a subsidiary, cumulative exchange differences that were recorded in other comprehensive income are proportionately transferred to the non-controlling interest in this foreign operation. In addition, if the Group still retains partial interest in the former foreign subsidiary after losing control of the former foreign subsidiary, such transactions should be accounted for as disposal of all interest in the foreign operation.

(5) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
- (a) Assets arising from operating activities that are expected to be realized, or are intended to be sold or consumed within the normal operating cycle;
 - (b) Assets held mainly for trading purposes;
 - (c) Assets that are expected to be realized within twelve months from the balance sheet date;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to pay off liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
- (a) Liabilities that are expected to be paid off within the normal operating cycle;
 - (b) Liabilities arising mainly from trading activities;
 - (c) Liabilities that are to be paid off within twelve months from the balance sheet date;
 - (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the above criteria and are held for the purpose of meeting short-term cash commitment in operations are classified as cash equivalents.

(7) Financial assets at fair value through profit or loss

A. Financial assets at fair value through profit or loss are financial assets held for trading or designated as at fair value through profit or loss on initial recognition. Financial assets are classified in this category of held for trading if acquired principally for the purpose of selling in the short-term. Derivatives are also categorized as financial assets held for trading unless they are designated as hedges. Financial assets that meet one of the following criteria are designated as at fair value through profit or loss on initial recognition:

(a) Hybrid (combined) contracts; or

(b) Capable of eliminating or significantly reducing a measurement or recognition inconsistency;
or

(c) Performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.

B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognized and derecognized using trade date accounting.

C. Financial assets at fair value through profit or loss are initially recognized at fair value. Related transaction costs are expensed in profit or loss. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognized in profit or loss.

(8) Available-for-sale financial assets

A. Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

B. On a regular way purchase or sale basis, available-for-sale financial assets are recognized and derecognized using trade date accounting.

C. Available-for-sale financial assets are initially recognized at fair value plus transaction costs. These financial assets are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial assets are recognized in other comprehensive income. Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured or derivatives that are linked to and must be settled by delivery of such unquoted equity instruments are presented in 'financial assets measured at cost'.

(9) Accounts receivable

Accounts receivable are generated by selling goods or providing services to customers in the

ordinary course of business. Accounts receivable are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. However, short-term accounts receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(10) Impairment of financial assets

- A. The Group assesses at balance sheet date whether there is objective evidence that an individual financial asset or a group of financial assets is impaired as a result of one or more events that occurred after the initial recognition of the asset (a ‘loss event’) and that loss event (or events) has an impact on the estimated future cash flows of the individual financial asset or group of financial assets that can be reliably estimated.
- B. The criteria that the Group uses to determine whether there is an impairment loss is as follows:
- (a) Significant financial difficulty of the issuer or debtor;
 - (b) A breach of contract, such as a default or delinquency in interest or principal payments;
 - (c) The Group, for economic or legal reasons relating to the borrower’s financial difficulty, granted the borrower a concession that a lender would not otherwise consider;
 - (d) Increase in probability of the borrower going bankruptcy or suffering financial reorganisation;
 - (e) The disappearance of an active market for that financial asset because of financial difficulties;
 - (f) Observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial asset in the group, including adverse changes in the payment status of borrowers in the group or national or local economic conditions that correlate with defaults on the assets in the group;
 - (g) Information about significant changes with an adverse effect that have taken place in the technology, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in the equity instrument may not be recovered; or
 - (h) A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.
- C. When the Group assesses that there has been objective evidence of impairment and an impairment loss has occurred, accounting for impairment is made as follows according to the category of financial assets:
- (a) Financial assets measured at amortised cost
The amount of the impairment loss is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows discounted at the financial asset’s original effective interest rate, and is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be

related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset does not exceed its amortised cost that would have been at the date of reversal had the impairment loss not been recognised previously. Impairment loss is recognised and reversed by adjusting the carrying amount of the asset directly.

(b) Financial assets measured at cost

The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at current market return rate of similar financial asset, and is recognized in profit or loss. Impairment loss recognized for this category shall not be reversed subsequently. Impairment loss is recognized by adjusting the carrying amount of the asset directly.

(c) Available-for-sale financial assets

The amount of the impairment loss is measured as the difference between the asset's acquisition cost (less any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognized in profit or loss, and is reclassified from 'other comprehensive income' to 'profit or loss'. If, in a subsequent period, the fair value of an investment in a debt instrument increases, and the increase can be related objectively to an event occurring after the impairment loss was recognized, then such impairment loss is reversed through profit or loss. Impairment loss of an investment in an equity instrument recognized in profit or loss shall not be reversed through profit or loss. Impairment loss is recognized and reversed by adjusting the carrying amount of the asset directly.

(11) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

- A. The contractual rights to receive the cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows from the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows from the financial asset have been transferred; however, the Group has not retained control of the financial asset.

(12) Operating lease (lessor)

Lease income from an operating lease (net of any incentives given to the lessee) is recognized in profit or loss on a straight-line basis over the lease term.

(13) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average cost method. The cost of finished goods and work in process comprises raw materials, direct labour, other direct costs and related production overheads (allocated based on

normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and applicable variable selling expenses.

(14) Non-current assets held for sale

Non-current assets are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction rather than through continuing use, and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

(15) Investments accounted for under equity method / associates

- A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognized at cost.
- B. The Group's share of its associates' post-acquisition profits or losses is recognized in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- C. When changes in an associate's equity are not recognized in profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognizes change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.
- D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the

relevant assets or liabilities were disposed of.

- F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognized in profit or loss.
- G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognized in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- H. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognized as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, then the amounts previously recognized as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(16) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalized.
- B. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. While land is not depreciated, other property, plant and equipment that apply cost model are depreciated using the straight-line method to allocate their cost over their estimated useful lives. If each component of property, plant and equipment is significant in relation to the total cost of the item, it must be depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are audited, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change.

The estimated useful lives of property, plant and equipment are as follows:

Buildings	51 years
(Auxiliary buildings)	(6 ~ 11 years)

Machinery and equipment	3 ~ 9 years
Molding equipment	1 ~ 2 years
Other equipment	2 ~ 6 years

(17) Leased assets/ leases (lessee)

- A. Based on the terms of a lease contract, a lease is classified as a finance lease if the Group assumes substantially all the risks and rewards incidental to ownership of the leased asset.
- (a) A finance lease is recognised as an asset and a liability at the lease's commencement at the lower of the fair value of the leased asset or the present value of the minimum lease payments.
- (b) The minimum lease payments are apportioned between the finance charges and the reduction of the outstanding liability. The finance charges are allocated to each period over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.
- (c) Property, plant and equipment held under finance leases are depreciated over their estimated useful lives. If there is no reasonable certainty that the Group will obtain ownership at the end of the lease, the asset shall be depreciated over the shorter of the lease term and its useful life.
- B. Payments made under an operating lease (net of any incentives received from the lessor) are recognised in profit or loss on a straight-line basis over the lease term.

(18) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Investment property is depreciated on a straight-line basis over its estimated useful life of 6 to 51 years.

(19) Intangible assets

- A. Goodwill is generated by adopting the acquisition method when merger and acquisition occurs.
- B. Patent is amortised on a straight-line basis over its estimated useful life of 2 to 20 years.

(20) Impairment of non-financial assets

- A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognizing impairment loss for an asset in prior periods no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.
- B. The recoverable amount of goodwill shall be evaluated periodically. An impairment is recognized when recoverable amount is lower than carrying amount. Impairment loss should not be reversed in the future.

C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(21) Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

(22) Notes and accounts payable

Notes and accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. However, short-term accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(23) Financial liabilities at fair value through profit or loss

A. Financial liabilities at fair value through profit or loss are financial liabilities held for trading or financial liabilities designated as at fair value through profit or loss on initial recognition. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorized as financial liabilities held for trading unless they are designated as hedges. Financial liabilities that meet one of the following criteria are designated as at fair value through profit or loss on initial recognition:

1. Hybrid (combined) contracts; or
2. Capable of eliminating or significantly reducing a measurement or recognition inconsistency;
or
3. Performance is evaluated on a fair value basis, in accordance with a documented risk management policy.

B. Financial liabilities at fair value through profit or loss are initially recognised at fair value. Related transaction costs are expensed in profit or loss. These financial liabilities are subsequently remeasured and stated at fair value, and any changes in the fair value of these financial liabilities are recognised in profit or loss.

(24) Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability specified in the contract is discharged or cancelled or expires.

(25) Offsetting financial instruments

Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(26) Financial liabilities and equity instruments - Bonds payable

Ordinary corporate bonds issued by the Group are initially recognized at fair value, net of transaction costs incurred. Ordinary corporate bonds are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is accounted for as the premium or discount on bonds payable and presented as an addition to or deduction from bonds payable, which is amortised in profit or loss as an adjustment to the 'finance costs' over the period of bond circulation using the effective interest method.

(27) Derivative financial instruments

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Any changes in the fair value are recognized in profit or loss.

(28) Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date, which is discounted using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to passage of time is recognized as interest expense. Provisions are not recognized for future operating losses.

(29) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognized as expenses in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognized as pension expenses when they are due on an accrual basis. Prepaid contributions are recognized as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the

Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit net obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability; when there is no deep market in high-quality corporate bonds, the Group uses interest rates of government bonds (at the balance sheet date) instead.

ii. Remeasurement arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Employees', directors' and supervisors' remuneration

Employee stock bonus and remuneration for directors' and supervisors' are recognized as expenses and liabilities, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates. If employee compensation is distributed by shares, the Group calculates the number of shares based on the closing price at the previous day of the board meeting resolution.

(30) Employee share-based payment

A. For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognized as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-market vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognized is based on the number of equity instruments that eventually vest.

B. For the cash-settled share-based payment arrangements, the employee services received and the liability incurred are measured at the fair value of the liability to pay for those services, and are recognized as compensation cost and liability over the vesting period. The fair value of the liability shall be remeasured at each balance sheet date until settled, with any changes in fair value recognized in profit or loss.

C. Restricted stocks:

(a) Restricted stocks issued to employees are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period.

(b) For restricted stocks where employees do not need to pay to acquire those stocks, the Group will collect the stocks at no consideration from employees who resign during the vesting period.

(31) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity, in which cases the tax is recognized in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional 10% tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred income tax is recognized, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred income tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
- D. Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. At each balance sheet date, unrecognized and recognized deferred income tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred income tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that

intend to settle on a net basis or realise the asset and settle the liability simultaneously.

F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from acquisitions of equipment or technology, research and development expenditures and equity investments to the extent that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

(32) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are approved by the Company's shareholders. Cash dividends are recorded as liabilities; stock dividends are recorded as stock dividends to be distributed and are reclassified to ordinary shares on the effective date of new shares issuance.

(33) Revenue recognition

The Group manufactures and sells 3C products. Revenue is measured at the fair value of the consideration received or receivable, taking into account of business tax, returns, rebates and discounts for the sale of goods to external customers in the ordinary course of the Group's activities. Revenue arising from the sales of goods is recognized when the Group has delivered the goods to the customer, the amount of sales revenue can be measured reliably and it is probable that the future economic benefits associated with the transaction will flow to the entity. The delivery of goods is completed when the significant risks and rewards of ownership have been transferred to the customer, the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the customer has accepted the goods based on the sales contract or there is objective evidence showing that all acceptance provisions have been satisfied.

(34) Government grants

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes expenses for the related costs for which the grants are intended to compensate. Government grants related to property, plant and equipment are recognized as non-current liabilities and are amortised to profit or loss over the estimated useful lives of the related assets using the straight-line method.

(35) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments.

(36) Convenience translation into U.S. dollars (unaudit)

The Group maintains its accounting records and prepared its financial statements in New Taiwan ("NT") dollars. The United States ("US") dollar amounts disclosed in the financial statements are present solely for the convenience of the reader and were translated to US dollars at the rate of NT\$32.857 (in dollars) :US\$1.00 (in dollars), the rate in effect as of December 31, 2015 in the

Bloomberg for cable transfers in NT dollar per US dollar, as uniformly applied for all the financial statements accounts. Such translation amounts are unaudited and should not be construed as representations that the NT dollar amounts represent, have been, or could in the future be converted into U.S. dollars at that or any other rate.

5. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTION ON UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgments in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. The above information is addressed below:

(1) Critical judgments in applying the Group's accounting policies

A. Revenue recognition

The determination of whether the Group is acting as principal or agent in a transaction is based on an evaluation of Group's exposure to the significant risks and rewards associated with the sale of goods or the rendering of service in accordance with the business model and substance of the transaction. When exposed to the significant risks and rewards, the Group acts as a principal, and the amount received or receivable from customer is recognised as revenue on a gross basis. Where the Group acts as an agent, net revenue is recognised representing commission earned. The Group provides integrated electronics manufacturing services to meet the following criteria by judgment, and recognises revenue on a gross basis:

- a. The Group has primary responsibilities for the goods or services it provides;
- b. The Group bears inventory risk;
- c. The Group bears credit risk of customers.

B. Offsetting financial instruments

The Company's financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(2) Critical accounting estimates and assumptions

The Group makes estimates and assumptions based on the expectation of future events that are believed to be reasonable under the circumstances at the end of the reporting period. The resulting accounting estimates might be different from the actual results. The estimates and assumptions that may significantly adjust the carrying amounts of assets and liabilities within the next financial year are addressed below:

Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date based on judgments and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption,

obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be significant changes to the evaluation.

As of December 31, 2015, the carrying amount of inventories was \$424, 625,017.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Cash on hand and revolving funds	\$ 308,960	\$ 383,418
Checking accounts and demand deposits	268,252,902	388,395,146
Cash equivalents - Time deposits	410,475,439	266,661,491
Cash equivalents - Repo bonds	-	1,697,666
	<u>\$ 679,037,301</u>	<u>\$ 657,137,721</u>

A. The Group associates with a variety of financial institutions with high credit quality for the purpose of dispersing credit risk, so it expects that the probability of counterparty default is low.

B. The Group's time deposits pledged to others as collateral had been transferred to "other current assets". Please refer to Note 8 for details.

(2) Financial assets and liabilities at fair value through profit or loss

<u>Assets</u>	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Current items:		
Financial products	\$ 3,816	\$ -
Beneficiary certificates	712,541	404,246
Cross currency swap contracts	2,191,335	5,280,768
Forward exchange contracts	312,322	429,899
Others	218,241	-
	<u>\$ 3,438,255</u>	<u>\$ 6,114,913</u>
<u>Liabilities</u>	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Current items:		
Cross currency swap contracts	(\$ 811,314)	(\$ 12,727)
Forward exchange contracts	(459,698)	(472,046)
	<u>(\$ 1,271,012)</u>	<u>(\$ 484,773)</u>

A. For the years ended December 31, 2014 and 2015, the Group recognized net loss of \$3,801,694 and profit of \$2,374,063 on financial assets and liabilities recognized above, respectively.

B. The counterparties of the Group's debt derivative instruments have good credit quality.

C. The non-hedging derivative instruments transaction and contract information are as follows:

December 31, 2014			
<u>Derivative Financial Assets</u>	Contract amount (Nominal Principal in thousands)	Contract period	
Current items:			
Cross currency swap contracts	JPY (BUY)	32,791,000	2014.12.02~2015.06.09
	USD (BUY)	1,480,000	2014.07.11~2015.05.29
	TWD (SELL)	53,360,687	2014.07.11~2015.06.09
Foreign exchange forward contracts	RMB (BUY)	2,983,910	2014.05.28~2015.01.22
	USD (BUY)	301,364	2014.11.07~2015.03.18
	RMB (SELL)	1,862,490	2014.11.21~2015.03.18
	USD (SELL)	477,309	2014.05.28~2015.01.22
	EUR (SELL)	1,100	2014.11.07~2015.01.15
December 31, 2014			
<u>Derivative Financial Liabilities</u>	Contract amount (Nominal Principal in thousands)	Contract period	
Current items:			
Cross currency swap contracts	JPY (BUY)	64,758,000	2014.09.18~2015.03.23
	TWD (SELL)	17,989,772	2014.09.18~2015.03.23
Foreign exchange forward contracts	RMB (BUY)	3,902,087	2014.09.30~2015.03.23
	MXN (BUY)	1,119,325	2014.09.05~2015.03.12
	USD (BUY)	463,000	2014.10.24~2015.03.10
	KRW (BUY)	384,125	2014.11.12~2015.01.08
	INR (BUY)	28,330	2014.11.07~2015.01.06
	JPY (BUY)	8,752	2014.12.19~2015.01.09
	RMB (SELL)	2,859,805	2014.10.24~2015.03.10
	USD (SELL)	713,428	2014.09.05~2015.03.23
December 31, 2015			
<u>Derivative Financial Assets</u>	Contract amount (Nominal Principal in thousands)	Contract period	
Current items:			
Cross currency swap contracts	USD (BUY)	4,650,000	2015.05.26~2016.09.28
	TWD (SELL)	148,067,050	2015.05.26~2016.09.28
Foreign exchange forward contracts	JPY (BUY)	61,490,000	2015.12.18~2016.03.22
	RMB (BUY)	2,464,001	2015.12.30~2016.02.01
	CZK (BUY)	618,900	2015.12.30~2016.01.05
	AUD (BUY)	25,000	2015.12.31~2016.01.04
	USD (SELL)	916,220	2015.12.18~2016.03.22

December 31, 2015			
<u>Derivative Financial Liabilities</u>	Contract amount		Contract period
	(Nominal Principal in thousands)		
Current items:			
Cross currency swap contracts	USD (BUY)	200,000	2015.09.25~2016.06.30
	TWD (SELL)	6,599,600	2015.09.25~2016.06.30
Foreign exchange forward contracts	TWD (BUY)	16,437,500	2015.12.17~2016.03.21
	RMB (BUY)	8,457,434	2015.11.09~2016.02.01
	USD (BUY)	1,732	2015.12.23~2016.01.22
	USD (SELL)	1,797,441	2015.11.09~2016.03.21
	INR (SELL)	115,014	2015.12.23~2016.01.22

(a) Cross currency swap contracts

The cross currency swap contracts signed by the Company are to fulfill capital movement. For exchange rate, principals denominated in two currencies are exchanged at the same exchange rate at the initial and final exchanges. Thus, there is no foreign exchange risk. For interest rate, the fixed rate between two currencies is used to exchange. Thus, there is no interest rate risk.

(b) Forward foreign exchange contracts

The Group enters into foreign exchange forward transactions to hedge the following risk of exchange rate:

A. Operating activities: Import of raw materials and export sales.

B. Investing activities: Import of machinery and equipment.

C. Financing activities: Long-term and short-term foreign currency assets and liabilities.

D. The Group has no financial assets at fair value through profit or loss pledged to others.

(3) Available-for-sale financial assets

Items	December 31, 2014	December 31, 2015
Current items:		
Listed stocks	\$ 41,867	\$ 79,674
Adjustment of available-for-sale financial assets	993,837	547,834
	<u>\$ 1,035,704</u>	<u>\$ 627,508</u>
Non-current items:		
Listed stocks	\$ 27,997,755	\$ 29,656,793
Foreign investment fund	585,525	607,355
Emerging stocks	28,740	-
	28,612,020	30,264,148
Adjustment of available-for-sale financial assets	24,180,208	8,732,972
	<u>\$ 52,792,228</u>	<u>\$ 38,997,120</u>

The Group recognized net loss or gain in other comprehensive income for fair value change for the

years ended December 31, 2014 and 2015. Please refer to Notes 6(27) and (28) for details. The Group reclassified \$3,087,974 and \$4,607,161 from equity to profit or loss for the years ended December 31, 2014 and 2015, respectively.

(4) Notes and accounts receivable

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Notes receivable	\$ 1,478,235	\$ 1,241,124
Accounts receivable	752,039,045	569,065,964
Less: Allowance for sales returns and allowances (	2,479,974)	(2,398,514)
Allowance for doubtful accounts	(2,750,491)	(3,203,260)
	<u>\$ 748,286,815</u>	<u>\$ 564,705,314</u>

A. The Group entered into a factoring agreement with the following banks to sell its accounts receivable. Under the agreement, the Group is not obligated to bear the default risk of the transferred accounts receivable, but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. Thus, the Group derecognised the transferred accounts receivable.

As of December 31, 2015 and December 31, 2014, there is no unsettled accounts receivable factored.

B. As of December 31, 2014 and 2015, the Group has not signed promissory notes as guarantee for accounts receivable in commercial dispute.

C. For the years ended December 31, 2014 and 2015, the financing charges (expenses) incurred from accounts receivable factoring were \$145,774 and \$6,107 (shown as “finance costs”), respectively.

D. The Group does not hold any collateral as security.

(5) Other receivables

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Tax refund receivable	\$ 34,959,731	\$ 30,123,367
Interest receivable	1,759,614	6,833,196
Receivable from purchases made on behalf of others	2,954,006	411,376
Receivable from disposal of equipment	728,914	193,511
Others	5,521,555	6,218,505
	<u>\$ 45,923,820</u>	<u>\$ 43,779,955</u>

The counterparties of the Group’s other accounts receivable are good credit quality enterprises and government agencies. There is no significant breach concerns and credit risk.

(6) Inventories

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Raw materials	\$ 80,213,755	\$ 83,927,067
Work in process	73,037,270	66,706,827
Finished goods	208,537,221	278,832,141
Inventory in transit	<u>26,930,468</u>	<u>25,884,726</u>
	388,718,714	455,350,761
Less: Allowance for inventory obsolescence and market price decline	(19,521,901)	(30,725,744)
	<u>\$ 369,196,813</u>	<u>\$ 424,625,017</u>

Expenses and losses incurred on inventories for the years ended December 31, 2014 and 2015 were as follows:

	<u>For the years ended December 31,</u>	
	<u>2014</u>	<u>2015</u>
Cost of inventories sold	\$ 3,925,918,922	\$ 4,154,261,826
Loss on inventory obsolescence and market price decline	576,368	11,724,725
Revenue from sale of scraps	(5,623,224)	(5,171,131)
Others	<u>356,399</u>	<u>738,578</u>
	<u>\$ 3,921,228,465</u>	<u>\$ 4,161,553,998</u>

(7) Non-current assets held for sale

A. On June 18, 2014, the Board of Directors has resolved the merger of the subsidiary, Ambit Microsystems Corporation, with Asia Pacific Telecom Co., Ltd. through stock swap. The merger was effective on December 31, 2015. The swap ratio was 1:0.4975. Under the merger, Ambit Microsystems Corporation was the dissolved company while Asia Pacific Telecom Co., Ltd. was the surviving company.

B. The assets and liabilities related to Ambit have been reclassified as disposal group held for sale prior to the effective date of merger. The disposal group held for sale as at December 31, 2014 as follows:

(a) Assets directly relating to non-current assets held for sale:

	<u>December 31, 2014</u>
Cash and cash equivalents	\$ 88,977
Other current assets	8,058
Property, plant and equipment	688,424
Intangible assets	9,097,861
Other non-current assets	<u>18,769</u>
	<u>\$ 9,902,089</u>

(b) Liabilities directly relating to non-current assets held for sale:

	<u>December 31, 2014</u>
Short-term loans	\$ 2,000,000
Accounts payable and other payables	48,015
Other liabilities	6,818
	<u>\$ 2,054,833</u>

(C) Impairment loss of \$91,058 and \$2,325,982 was recognised for the years ended December 31, 2014 and 2015 (shown as “other gains and losses”), respectively, as a result of the remeasurement of the disposal group held for sale at the lower of its carrying amount or fair value less costs to sell.

C. On September 25, 2014, the Board of Directors of Ambit has resolved to dispose Ambit’s 5MHz spectrum of wireless broadband and to sell the use right of 728~733 MHz (upstream frequency band) and 783~788 MHz (downstream frequency band) of frequency band A3 of 700M Hz to Taiwan Mobile Co., Ltd.. The proceeds was \$3,433,375 and the gain on disposal was \$28,375. The transaction has been approved by the National Communications Commission and was completed in January 2015.

(8) Other current assets

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Capital guarantee financial products	\$ 32,502,752	\$ 12,629,860
Time deposits with maturity over three months	7,053,399	37,384,154
Refundable deposits	1,529,523	104,714
Pledged time deposits	7,777	462,246
	<u>\$ 41,093,451</u>	<u>\$ 50,580,974</u>

The Group has signed a contract for capital guarantee financial products with the bank for the years ended December 31, 2014 and 2015, and the expected range for annualised rate of return is between 3.9%~4.9% and 2.65%~5.63%, respectively.

(9) Financial assets carried at cost

<u>Items</u>	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Non-current item:		
Unlisted stocks	<u>\$ 5,792,900</u>	<u>\$ 18,795,163</u>

A. According to the Group’s intension, its investments in above equity instruments should be classified as “available-for-sale financial assets”. However, as the above equity instruments are not traded in active market, and no sufficient industry information of companies similar to the above companies or no financial information of the above companies can be obtained, the fair value of the investment in above equity instruments cannot be measured reliably. Accordingly, the Group classified those stocks as ‘financial assets carried at cost’. The addition in above

listed share investment in the third quarter of 2015 pertains to the investment in shares of Jasper Infotech Private Limited. The investment is approximately US\$200,004 thousand. Jasper Infotech Private Limited is primarily engaged in operations of online shopping sites.

- B. The Group has assessed the aforementioned financial instruments. Because partial investment was impaired, the Group has recognised impairment loss of \$87,730 and \$158,000 (shown as “other gain and loss”) for the years ended December 31, 2014 and 2015, respectively.
- C. As of December 31, 2014 and 2015, no financial assets measured at cost held by the Group were pledged to others.

(10) Investments accounted for under equity method

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Foxconn Technology Co., Ltd.	\$ 23,906,139	\$ 27,166,249
Zhen Ding Technology Holding Limited	13,582,549	16,385,926
Asia Pacific Telecom Co., Ltd.	9,536,143	9,796,713
Pan International Industrial Corporation	3,016,667	2,954,789
General Interface Solution Holding Limited	1,981,188	2,834,332
Others	11,389,584	18,496,928
	<u>\$ 63,412,270</u>	<u>\$ 77,634,937</u>

- A. The Group has assessed impairment of certain investees for the years ended December 31, 2014 and 2015, and has accrued impairment loss of \$244,847 and \$257,483, respectively (shown as “other gains and losses”).

B. Associates

(a) The basic information of the associates that are material to the Group is as follows:

<u>Company name</u>	<u>Principal place of business</u>	<u>Shareholding ratio</u>		<u>Nature of relationship</u>	<u>Method of measurement</u>
		<u>December 31, 2014</u>	<u>December 31, 2015</u>		
Foxconn Technology Co., Ltd.	Taiwan	30%	30%	Supplier	Equity method
Zhen Ding Technology Holding Limited	Cayman	41%	38%	Supplier	Equity method
Asia Pacific Telecom Co., Ltd.	Taiwan	15%	20%	Strategic Investment	Equity method
Pan International Industrial Corporation	Taiwan	27%	27%	Supplier	Equity method
General Interface Solution Holding Limited	Cayman	27%	25%	Supplier	Equity method

(b) The summarised financial information of the associates that are material to the Group is as below:

Balance sheet

	<u>Foxconn Technology Co., Ltd.</u>	
	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Current assets	\$ 108,418,633	\$ 102,516,113
Non-current assets	22,576,945	20,868,772
Current liabilities	(48,436,013)	(31,706,661)
Non-current liabilities	(503,684)	(704,866)
Total net assets	<u>\$ 82,055,881</u>	<u>\$ 90,973,358</u>
Share in associate's net assets	\$ 24,362,391	\$ 26,919,334
Goodwill	338,190	338,190
Others	(794,442)	(91,275)
Carrying amount of the associate	<u>\$ 23,906,139</u>	<u>\$ 27,166,249</u>

	<u>Zhen Ding Technology Holding Limited</u>	
	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Current assets	\$ 53,189,719	\$ 56,823,003
Non-current assets	32,294,828	34,432,412
Current liabilities	(39,629,322)	(39,250,046)
Non-current liabilities	(13,832,480)	(9,752,836)
Total net assets	<u>\$ 32,022,745</u>	<u>\$ 42,252,533</u>
Share in associate's net assets	\$ 13,244,607	\$ 16,039,062
Others	337,942	346,864
Carrying amount of the associate	<u>\$ 13,582,549</u>	<u>\$ 16,385,926</u>

	<u>Asia Pacific Telecom Co., Ltd.</u>	
	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Current assets	\$ 21,067,120	\$ 16,748,499
Non-current assets	21,350,361	28,782,036
Current liabilities	(5,149,441)	(4,913,354)
Non-current liabilities	(389,171)	(448,298)
Total net assets	<u>\$ 36,878,869</u>	<u>\$ 40,168,883</u>
Share in associate's net assets	\$ 5,532,498	\$ 7,881,135
Other intangible assets	4,003,645	2,346,630
Others	-	(431,052)
Carrying amount of the associate	<u>\$ 9,536,143</u>	<u>\$ 9,796,713</u>

	<u>Pan International Industrial Corporation</u>	
	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Current assets	\$ 13,049,731	\$ 13,011,823
Non-current assets	6,245,940	5,764,112
Current liabilities	(6,512,442)	(7,051,025)
Non-current liabilities	(831,507)	(408,395)
Total net assets	<u>\$ 11,951,722</u>	<u>\$ 11,316,515</u>
Share in associate's net assets	\$ 3,168,402	\$ 3,058,638
Goodwill	296,404	296,404
Others	(448,139)	(400,253)
Carrying amount of the associate	<u>\$ 3,016,667</u>	<u>\$ 2,954,789</u>

	<u>General Interface Solution Holding Limited</u>	
	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Current assets	\$ 22,697,137	\$ 33,357,097
Non-current assets	15,959,376	15,677,851
Current liabilities	(23,302,867)	(30,153,504)
Non-current liabilities	(7,928,409)	(7,411,061)
Total net assets	<u>\$ 7,425,237</u>	<u>\$ 11,470,383</u>
Share in associate's net assets	\$ 1,985,508	\$ 2,834,332
Others	(4,320)	-
Carrying amount of the associate	<u>\$ 1,981,188</u>	<u>\$ 2,834,332</u>

Statement of comprehensive income

	<u>Foxconn Technology Co., Ltd.</u>	
	<u>For the years ended December 31,</u>	
	<u>2014</u>	<u>2015</u>
Revenue	<u>\$ 83,895,142</u>	<u>\$ 99,425,613</u>
Profit for the year from continuing operations	9,382,287	12,182,417
Other comprehensive income (loss) , net of tax	4,428,146	(303,125)
Total comprehensive income	<u>\$ 13,810,433</u>	<u>\$ 11,879,292</u>
Dividends received from associates	<u>\$ 389,243</u>	<u>\$ 1,021,764</u>

Zhen Ding Technology Holding Limited		
For the years ended December 31,		
	2014	2015
Revenue	\$ 75,953,540	\$ 85,737,736
Profit for the year from continuing operations	6,734,684	7,730,720
Other comprehensive income (loss) , net of tax	907,946	(548,121)
Total comprehensive income	\$ 7,642,630	\$ 7,182,599
Dividends received from associates	\$ 922,684	\$ 1,127,766

Asia Pacific Telecom Co., Ltd.		
For the years ended December 31,		
	2014	2015
Revenue	\$ 16,302,527	\$ 14,848,518
Loss for the year from continuing operations	(8,412,424)	(1,600,913)
Other comprehensive loss, net of tax	(827)	(24,953)
Total comprehensive loss	(\$ 8,413,251)	(\$ 1,625,866)
Dividends received from associates	\$ -	\$ -

Pan International Industrial Corporation		
For the years ended December 31,		
	2014	2015
Revenue	\$ 17,181,487	\$ 18,933,935
Profit for the year from continuing operations	377,971	474,884
Other comprehensive income (loss) , net of tax	406,698	(741,291)
Total comprehensive income (loss)	\$ 784,669	(\$ 266,407)
Dividends received from associates	\$ -	\$ 39,228

General Interface Solution Holding Limited		
For the years ended December 31,		
	2014	2015
Revenue	\$ 75,963,195	\$ 93,678,500
Profit for the year from continuing operations	1,335,272	2,211,397
Other comprehensive income, net of tax	272,944	97,138
Total comprehensive income	\$ 1,608,216	\$ 2,308,535
Dividends received from associates	\$ -	\$ 153,000

(c) The carrying amount of the Group's interests in all individually immaterial associates and the Group's share of the operating results are summarised below:

As of December 31, 2014 and 2015, the carrying amount of the Group's individually immaterial associates amounted to \$11,389,584 and \$18,496,928, respectively.

	<u>For the years ended December 31,</u>	
	<u>2014</u>	<u>2015</u>
Loss for the year from continuing operations	(\$ 1,959,067)	(\$ 1,170,578)
Loss for the year from discontinued operations	117,020	-
Other comprehensive income (loss) , net of tax	<u>173,150</u>	<u>(384,129)</u>
Total comprehensive loss	<u>(\$ 1,668,897)</u>	<u>(\$ 1,554,707)</u>

(d) The fair value of the Group's material associates which have quoted market price was as follows:

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Foxconn Technology Co., Ltd.	\$ 35,230,414	\$ 28,730,355
Zhen Ding Technology Holding Limited	25,741,293	23,155,572
Asia Pacific Telecom Co., Ltd.	10,178,189	9,864,579
Pan International Industrial Corporation	2,757,084	1,821,288
General Interface Solution Holding Limited	<u>-</u>	<u>8,449,573</u>
	<u>\$ 73,906,980</u>	<u>\$ 72,021,367</u>

(11) Property, plant and equipment

	Land	Buildings	Machinery and equipment	Molding equipment	Others	Construction in progress	Total
<u>At January 1, 2014</u>							
Cost	\$ 4,275,148	\$ 175,137,724	\$ 296,433,194	\$ 36,823,985	\$ 95,517,371	\$ 19,506,426	\$ 627,693,848
Accumulated depreciation and impairment	-	(41,772,993)	(127,799,990)	(18,130,735)	(60,428,189)	-	(248,131,907)
<u>2014</u>							
Opening net book amount	\$ 4,275,148	\$ 133,364,731	\$ 168,633,204	\$ 18,693,250	\$ 35,089,182	\$ 19,506,426	\$ 379,561,941
Additions	492	1,368,005	11,557,516	879,261	6,210,401	3,957,846	23,973,521
Transfer	79,105	5,355,869	2,667,666	-	670,586	(8,501,716)	271,510
Disposals	(22,885)	(14,686)	(218,855)	(6,552)	(178,106)	-	(441,084)
Acquired through business combinations	-	-	8,316	-	20,591	-	28,907
Transferred to non-current assets held for sale	-	-	-	-	(32,363)	(662,454)	(694,817)
Depreciation charge	-	(10,698,373)	(42,234,700)	(5,393,545)	(11,076,265)	-	(69,402,883)
Impairment loss	-	-	(1,134,745)	-	-	-	(1,134,745)
Net exchange differences	(96,141)	4,697,388	13,429,742	648,224	4,312,480	3,714,515	26,706,208
Closing net book amount	\$ 4,235,719	\$ 134,072,934	\$ 152,708,144	\$ 14,820,638	\$ 35,016,506	\$ 18,014,617	\$ 358,868,558
<u>At December 31, 2014</u>							
Cost	\$ 4,235,719	\$ 186,559,953	\$ 304,064,762	\$ 38,852,709	\$ 101,454,212	\$ 18,014,617	\$ 653,181,972
Accumulated depreciation and impairment	-	(52,487,019)	(151,356,618)	(24,032,071)	(66,437,706)	-	(294,313,414)
	\$ 4,235,719	\$ 134,072,934	\$ 152,708,144	\$ 14,820,638	\$ 35,016,506	\$ 18,014,617	\$ 358,868,558

	Land	Buildings	Machinery and equipment	Molding equipment	Others	Construction in progress	Total
<u>At January 1, 2015</u>							
Cost	\$ 4,235,719	\$ 186,559,953	\$ 304,064,762	\$ 38,852,709	\$ 101,454,212	\$ 18,014,617	\$ 653,181,972
Accumulated depreciation and impairment	-	(52,487,019)	(151,356,618)	(24,032,071)	(66,437,706)	-	(294,313,414)
	\$ 4,235,719	\$ 134,072,934	\$ 152,708,144	\$ 14,820,638	\$ 35,016,506	\$ 18,014,617	\$ 358,868,558
<u>2015</u>							
Opening net book amount	\$ 4,235,719	\$ 134,072,934	\$ 152,708,144	\$ 14,820,638	\$ 35,016,506	\$ 18,014,617	\$ 358,868,558
Additions	203,274	14,186,801	7,350,884	3,809,128	9,562,110	20,637,552	55,749,749
Transfer	95,799	3,136,451	3,531,019	2,081,023	1,838,434	(9,984,098)	698,628
Disposals	(221)	(1,009,131)	(1,356,844)	(854,618)	(866,211)	-	(4,087,025)
Depreciation charge	-	(10,517,986)	(40,161,838)	(5,483,594)	(14,167,479)	-	(70,330,897)
Impairment loss and reversal of impairment	-	-	375,464	-	-	(80,077)	295,387
Net exchange differences	(170,351)	(1,737,354)	(1,569,257)	(152,828)	(280,624)	(545,520)	(4,455,934)
Closing net book amount	\$ 4,364,220	\$ 138,131,715	\$ 120,877,572	\$ 14,219,749	\$ 31,102,736	\$ 28,042,474	\$ 336,738,466
<u>At December 31, 2015</u>							
Cost	\$ 4,364,220	\$ 197,644,921	\$ 294,481,624	\$ 38,344,911	\$ 105,694,104	\$ 28,042,474	\$ 668,572,254
Accumulated depreciation and impairment	-	(59,513,206)	(173,604,052)	(24,125,162)	(74,591,368)	-	(331,833,788)
	\$ 4,364,220	\$ 138,131,715	\$ 120,877,572	\$ 14,219,749	\$ 31,102,736	\$ 28,042,474	\$ 336,738,466

The Company's subsidiaries assessed recoverable amounts of those assets where there is an indication that they are impaired. Impairment loss of \$1,134,745 and reversal of impairment loss of \$295,387 (shown as "other gains and losses") were recognized for the years ended December 31, 2014 and 2015, respectively.

(12) Investment property

	<u>Land and buildings</u>	
	<u>2014</u>	<u>2015</u>
<u>At January 1</u>		
Cost	\$ 3,149,232	\$ 4,810,944
Accumulated depreciation and impairment	(844,393)	(1,646,278)
	<u>\$ 2,304,839</u>	<u>\$ 3,164,666</u>
<u>For the year ended December 31</u>		
Opening net book amount	\$ 2,304,839	\$ 3,164,666
Additions	1,255,460	561,520
Disposals	(90,995)	(292,735)
Depreciation charge	(205,882)	(189,872)
Impairment loss	(147,837)	(148,853)
Net exchange differences	49,081	(80,078)
Closing net book amount	<u>\$ 3,164,666</u>	<u>\$ 3,014,648</u>
<u>At December 31</u>		
Cost	\$ 4,810,944	\$ 4,889,406
Accumulated depreciation and impairment	(1,646,278)	(1,874,758)
	<u>\$ 3,164,666</u>	<u>\$ 3,014,648</u>

A. Rental income from the lease of the investment property and direct operating expenses arising from the investment property are shown below:

	<u>For the years ended December 31</u>	
	<u>2014</u>	<u>2015</u>
Rental income from the lease of the investment property	<u>\$ 270,032</u>	<u>\$ 274,356</u>
Direct operating expenses arising from the investment property that generated rental income for the year	<u>\$ 205,882</u>	<u>\$ 189,872</u>

B. The Group assesses the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss of \$147,837 and \$148,853 (shown as “other gains or losses”) was recognized for the years ended December 31, 2014 and 2015, respectively.

C. The fair value of the investment property held by the Group as at December 31, 2014 and 2015 was \$3,422,770 and \$3,315,793, respectively, which was revalued by independent appraisers. The valuation is based on latest market price of similar investment property in the same area and condition which is categorised within Level 3 in the fair value hierarchy.

(13) Intangible assets

	Concession				
<u>At January 1, 2014</u>	<u>License</u>	<u>Goodwill</u>	<u>Patents</u>	<u>Trademarks</u>	<u>Total</u>
Cost	\$ 9,180,000	\$ 519,385	\$ 3,539,938	\$ -	\$ 13,239,323
Accumulated amortization and impairment	-	-	(424,045)	-	(424,045)
	<u>\$ 9,180,000</u>	<u>\$ 519,385</u>	<u>\$ 3,115,893</u>	<u>\$ -</u>	<u>\$ 12,815,278</u>
<u>2014</u>					
Opening net book amount	\$ 9,180,000	\$ 519,385	\$ 3,115,893	\$ -	\$ 12,815,278
Acquired through business combinations	-	215,375	461,011	235,982	912,368
Additions	-	68,180	60,420	-	128,600
Amortization charge	-	-	(430,215)	(2)	(430,217)
Transferred to non-current assets held for sale	(9,180,000)	(86)	-	-	(9,180,086)
Net exchange differences	-	17,962	176,188	(2)	194,148
Closing net book amount	<u>\$ -</u>	<u>\$ 820,816</u>	<u>\$ 3,383,297</u>	<u>\$ 235,978</u>	<u>\$ 4,440,091</u>
<u>At December 31, 2014</u>					
Cost	\$ -	\$ 820,816	\$ 4,282,987	\$ 236,031	\$ 5,339,834
Accumulated amortization and impairment	-	-	(899,690)	(53)	(899,743)
	<u>\$ -</u>	<u>\$ 820,816</u>	<u>\$ 3,383,297</u>	<u>\$ 235,978</u>	<u>\$ 4,440,091</u>
<u>At January 1, 2015</u>					
Cost	\$ 820,816	\$ 4,282,987	\$ 236,031	\$ -	\$ 5,339,834
Accumulated amortization and impairment	-	(899,690)	(53)	(899,743)	
	<u>\$ 820,816</u>	<u>\$ 3,383,297</u>	<u>\$ 235,978</u>	<u>\$ 4,440,091</u>	
<u>2015</u>					
Opening net book amount	\$ 820,816	\$ 3,383,297	\$ 235,978	\$ -	\$ 4,440,091
Acquired through business combinations	12,331	-	-	-	12,331
Additions	-	40,610	16,000	-	56,610
Amortization charge	-	(482,779)	(24,787)	(507,566)	
Changes in consolidated entities	(215,430)	(414,875)	(212,361)	(842,666)	
Net exchange differences	11,573	83,461	3	95,037	
Closing net book amount	<u>\$ 629,290</u>	<u>\$ 2,609,714</u>	<u>\$ 14,833</u>	<u>\$ 3,253,837</u>	
<u>At December 31, 2015</u>					
Cost	\$ 629,290	\$ 4,005,095	\$ 16,000	\$ -	\$ 4,650,385
Accumulated amortization and impairment	-	(1,395,381)	(1,167)	(1,396,548)	
	<u>\$ 629,290</u>	<u>\$ 2,609,714</u>	<u>\$ 14,833</u>	<u>\$ 3,253,837</u>	

- A. Goodwill arose mainly from the acquisition of Scientific-Atlanta de Mexico S. de R.L. de C.V. in 2011 which was accounted for using the acquisition method.
- B. Patents refer to the panel patents obtained from NEC in September, 2012.
- C. Ambit, a subsidiary of the Company, has received the approval of 4G mobile broadband

~47~

spectrum by the authority on October 30, 2013. The subsidiary won the bid of frequency band A3 and B3. The bid amounting to \$9,180,000 has been paid to the National Communications Commission. On June 18, 2014, the Board of Directors of Ambit has resolved the merger with APT. On September 25, 2014, the Board of Directors has resolved to dispose 5MHz spectrum and to sell the use right of 728~733 MHz (upstream frequency band) and 783~788 MHz (downstream frequency band) of frequency band A3 of 700MHz to Taiwan Mobile Co., Ltd. The Group has reclassified the above concession as non-current assets held for sale. Please refer to Note 6(7) for details.

D. The details of amortization are as follows:

	For the years ended December 31,	
	2014	2015
Operating costs	\$ 430,217	\$ 507,566

(14) Other non-current assets

	December 31, 2014	December 31, 2015
Long-term prepaid rent	\$ 18,959,706	\$ 18,650,335
Prepayments for equipment	728,900	343,502
Other financial assets - non-current	30,500	53,877
Others	4,727,416	4,295,448
	\$ 24,446,522	\$ 23,343,162

Long-term prepaid rent refers to the land use rights obtained in China. Upon signing of the lease, the amount has been paid in full. The Group recognized rental expense of \$398,750 and \$418,661 for the years ended December 31, 2014 and 2015, respectively.

(15) Short-term notes and bills payable

	December 31, 2014	December 31, 2015
Commercial paper	\$ -	\$ 7,000,000
Interest rates per annum	-	0.502%~0.512%

(16) Short-term loans

Type of loans	December 31, 2014	Interest rate range	Collateral
Bank loans			
Credit loans	\$ 226,500,507	0.562%~5.04%	None
Type of loans	December 31, 2015	Interest rate range	Collateral
Bank loans			
Credit loans	\$ 69,945,028	0.45%~4.14%	None
Secured loans	288,181	3.92%	Time deposits
	\$ 70,233,209		

A. As of December 31, 2014 and 2015, the Company provided guarantees on the short-term credit

facilities obtained by Foxconn Slovakia, SPOL S.R.O., a subsidiary of the Company, in the amount of EUR 291 million and EUR 331 million, respectively.

- B. As of December 31, 2014 and 2015, the Company provided guarantees on the short-term credit facilities obtained by Competition Team Technologies Limited, a subsidiary of the Company, totaling RMB 2 billion.
- C. As of December 31, 2014 and 2015, the Company provided guarantees on the short-term credit facilities obtained by Falcon Precision Trading Limited, a subsidiary of the Company, in the amount of RMB 2 billion and RMB 1.9 billion, respectively.
- D. As of December 31, 2014 and 2015, the Company provided guarantees on the short-term credit facilities obtained by Competition Team Ireland Limited, a subsidiary of the Company, in the amount of USD 250 and USD 0 million, respectively.
- E. As of December 31, 2014 and 2015, the Company provided guarantees on the short-term credit facilities obtained by Fusing International Inc., a subsidiary of the Company, totaling USD 145 million.
- F. The Group has signed an agreement to offset financial assets and liabilities with financial institutions since 2013. The agreement meets the offsetting criteria of IAS 32, whereby the financial assets and liabilities are offset and reported in the net amount in the balance sheet. Details of the offset ss of December 31, 2014 and 2015 are as follows:

December 31, 2014			
Description	Gross amount of recognised financial assets and liabilities	Gross amount of recognised financial assets and liabilities offset in the balance sheet	Net amount of financial assets and liabilities presented in the balance sheet
Bank deposits and loans	\$ 532,606,674	\$ 532,606,674	\$ -
December 31, 2015			
Description	Gross amount of recognised financial assets and liabilities	Gross amount of recognised financial assets and liabilities offset in the balance sheet	Net amount of financial assets and liabilities presented in the balance sheet
Bank deposits and loans	\$ 999,678,949	\$ 999,678,949	\$ -
Financial products and loans	28,711,888	28,711,888	-
	<u>\$ 1,028,390,837</u>	<u>\$ 1,028,390,837</u>	<u>\$ -</u>

(17) Other payables

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Awards and salaries payable	\$ 57,207,188	\$ 53,459,521
Royalty fees payable	36,321,703	37,894,494
Payables for equipment	33,614,650	18,109,912
Consumption goods expense payable (including indirect materials)	30,927,610	16,534,615
Accrued interest payable	2,653,833	6,828,336
Employees' bonuses payable	9,398,501	10,598,195
Tax payable	5,191,529	5,302,918
Others	48,260,505	48,296,442
	<u>\$ 223,575,519</u>	<u>\$ 197,024,433</u>

(18) Other current liabilities

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Receipts in advance of payments for equipment on behalf of others	\$ 33,030,873	\$ 30,964,845
Receipts in advance	10,708,398	16,353,276
Deferred income	4,179,062	5,429,313
Bonds payable maturing within one year	16,500,000	24,714,847
Long-term loans maturing within one year	11,773,239	20,955,283
Others	3,313,393	3,887,451
	<u>\$ 79,504,965</u>	<u>\$ 102,305,015</u>

(19) Bonds payable

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Corporate bonds payable	113,000,000	138,300,000
Foreign unsecured corporate bonds JPY-denominated	13,558,860	13,896,939
Foreign unsecured corporate bonds EUR-denominated	-	8,969,977
Foreign unsecured corporate bonds RMB-denominated	4,081,584	4,044,656
Foreign unsecured corporate bonds USD-denominated	20,572,500	21,339,500
Less: Discount on bonds payable	(68,531)	(46,971)
Total	151,144,413	186,504,101
Less: Current portion (shown as "other current liabilities")	(16,500,000)	(24,714,847)
	<u>\$ 134,644,413</u>	<u>\$ 161,789,254</u>

A. First unsecured corporate bonds issue in 2005

On September 14, 2005, following the approval from the Securities and Futures Bureau (the “SFB”), the Company issued domestic unsecured bonds in the amount of \$11,500,000. The unsecured bonds have matured and had been fully paid in September 2015.

B. First debenture issue of 2010

On December 17, 2010, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$6,000,000. The unsecured bonds have matured and been fully paid in December 2015.

C. First debenture issue of 2011

(a) On January 7, 2011, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$6,000,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
March 2011	5 years	\$ 6,000,000	1.47%	Pay half of principal each in the fourth and fifth year. Interest is paid annually at simple interest rate.

(b) As of December 31, 2015, in accordance with the conditions of the contractual arrangement, the Company has repaid \$3,000,000, and the remaining balance of \$3,000,000 was transferred to current liabilities in the first quarter of 2015.

D. Second debenture issue of 2011

(a) On June 1, 2011, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$7,050,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Type of bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond A	June 2011	5 years	\$ 3,000,000	1.43%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond B	June 2011	7 years	\$ 2,650,000	1.66%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond C	June 2011	10 years	\$ 1,400,000	1.82%	Principal is due at maturity. Interest is paid annually at simple interest rate.

(b) Payable of second unsecured corporate bonds issued in 2011 had been reclassified to “Current liabilities” in the second quarter of 2015 in accordance with the conditions of the contractual arrangement.

E. Third debenture issue of 2011

(a) On July 6, 2011, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$4,950,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
July 2011	5 years	\$ 4,950,000	1.51%	Principal is due at maturity. Interest is paid annually at simple interest rate.

(b) Payable of third unsecured corporate bonds issued in 2011 had been reclassified to “Current liabilities” in the third quarter of 2015 in accordance with the conditions of the contractual arrangement.

F. First debenture issue of 2012

On December 28, 2011, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$9,000,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
March 2012	5 years	\$ 9,000,000	1.34%	Principal is due at maturity. Interest is paid annually at simple interest rate.

G. Second debenture issue of 2012

On May 11, 2012, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$6,000,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
May 2012	5 years	\$ 6,000,000	1.43%	Principal is due at maturity. Interest is paid annually at simple interest rate.

H. Third debenture issue of 2012

On July 27, 2012, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$8,000,000. The unsecured bonds have matured and been fully paid on August 6, 2015.

I. Fourth debenture issue of 2012

On September 28, 2012, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$3,300,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
October 2012	5 years	\$ 3,300,000	1.35%	Principal is due at maturity. Interest is paid annually at simple interest rate.

J. First debenture issue of 2013

On January 7, 2013, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$11,050,000. The terms of these domestic unsecured bonds are summarized as follows:

Type of bonds	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond A	January 2013	5 years	\$ 7,450,000	1.33%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond B	January 2013	7 years	\$ 3,600,000	1.45%	Principal is due at maturity. Interest is paid annually at simple interest rate.

K. Second debenture issue of 2013

(a) On May 6, 2013, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$6,950,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
October 2013	3 years	\$ 6,950,000	1.45%	Principal is due at maturity. Interest is paid annually at simple interest rate.

(b) Payable of second unsecured corporate bonds issued in 2013 had been reclassified to “Current liabilities” in the fourth quarter of 2015 in accordance with the conditions of the contractual arrangement.

L. Third debenture issue of 2013

(a) On November 5, 2013, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$6,000,000. The terms of these domestic unsecured bonds are summarized as follows:

Type of bonds	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond A	December 2013	3 years	\$ 3,000,000	1.35%	Principal is due at maturity. Interest is paid annually at simple interest rate.

<u>Type of bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond B	December 2013	5 years	\$ 800,000	1.50%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond C	December 2013	7 years	\$ 2,200,000	1.85%	Principal is due at maturity. Interest is paid annually at simple interest rate.

(b) Payable of third unsecured corporate bonds issued in 2013 had been reclassified to “Current liabilities” in the fourth quarter of 2015 in accordance with the conditions of the contractual arrangement.

M. First debenture issue of 2014

On December 31, 2013, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$6,000,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Type of bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond A	March 2014	3 years	\$ 2,050,000	1.23%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond B	March 2014	5 years	\$ 1,100,000	1.40%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond C	March 2014	7 years	\$ 350,000	1.75%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond D	March 2014	10 years	\$ 2,500,000	2.00%	Principal is due at maturity. Interest is paid annually at simple interest rate.

N. Second debenture issue of 2014

On April 18, 2014, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$12,000,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Type of bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond A	May 2014	3 years	\$ 2,850,000	1.17%	Principal is due at maturity. Interest is paid annually at simple interest rate.

<u>Type of bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond B	May 2014	5 years	\$ 1,600,000	1.37%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond C	May 2014	7 years	\$ 3,350,000	1.70%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond D	May 2014	10 years	\$ 4,200,000	1.95%	Principal is due at maturity. Interest is paid annually at simple interest rate.

O. Third debenture issue of 2014

On June 5, 2014, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$12,000,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Type of bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond A	July 2014	7 years	\$ 6,000,000	1.70%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond B	July 2014	10 years	\$ 6,000,000	1.95%	Principal is due at maturity. Interest is paid annually at simple interest rate.

P. Fourth debenture issue of 2014

On September 3, 2014, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$9,200,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Type of bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond A	October 2014	3.5 years	\$ 2,200,000	1.25%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond B	October 2014	5 years	\$ 1,400,000	1.45%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond C	October 2014	7 years	\$ 3,200,000	1.80%	Principal is due at maturity. Interest is paid annually at simple interest rate.

<u>Type of bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond D	October 2014	10 years	\$ 2,200,000	2.02%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond E	October 2014	12 years	\$ 200,000	2.15%	Principal is due at maturity. Interest is paid annually at simple interest rate.

Q. Fifth debenture issue of 2014

On November 14, 2014, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$7,150,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Type of bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond A	January 2015	3 years	\$ 2,750,000	1.23%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond B	January 2015	5 years	\$ 1,600,000	1.45%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond C	January 2015	7 years	\$ 2,800,000	1.80%	Principal is due at maturity. Interest is paid annually at simple interest rate.

R. First debenture issue of 2015

On January 12, 2015, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$7,650,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Type of bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond A	April 2015	2 years	\$ 100,000	1.10%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond B	April 2015	3 years	\$ 4,150,000	1.23%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond C	April 2015	4 years	\$ 100,000	1.34%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond D	April 2015	5 years	\$ 2,300,000	1.44%	Principal is due at maturity. Interest is paid annually at simple interest rate.

<u>Type of bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond E	April 2015	7 years	\$ 1,000,000	1.75%	Principal is due at maturity. Interest is paid annually at simple interest rate.

S. Second debenture issue of 2015

On May 22, 2015, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$9,000,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Type of bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond A	June 2015	3 years	\$ 2,600,000	1.18%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond B	June 2015	3.5 years	\$ 600,000	1.23%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond C	June 2015	4 years	\$ 400,000	1.30%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond D	June 2015	5 years	\$ 2,200,000	1.39%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond E	June 2015	6 years	\$ 400,000	1.55%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond F	June 2015	7 years	\$ 2,300,000	1.70%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond G	June 2015	10 years	\$ 500,000	1.90%	Principal is due at maturity. Interest is paid annually at simple interest rate.

T. Third debenture issue of 2015

On August 26, 2015, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$9,000,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Type of bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond A	September 2015	2 years	\$ 1,400,000	0.95%	Principal is due at maturity. Interest is paid annually at simple interest rate.

<u>Type of bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond B	September 2015	3 years	\$ 1,800,000	1.05%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond C	September 2015	4 years	\$ 1,100,000	1.15%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond D	September 2015	5 years	\$ 2,800,000	1.25%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond E	September 2015	5.5 years	\$ 200,000	1.27%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond F	September 2015	6 years	\$ 400,000	1.33%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond G	September 2015	7 years	\$ 1,000,000	1.45%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond H	September 2015	12 years	\$ 300,000	2.00%	Principal is due at maturity. Interest is paid annually at simple interest rate.

U. Fourth debenture issue of 2015

On October 29, 2015, following the approval from the SFB, the Company issued domestic unsecured bonds in the amount of \$9,000,000. The terms of these domestic unsecured bonds are summarized as follows:

<u>Type of bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond A	November 2015	2 years	\$ 1,100,000	0.92%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond B	November 2015	3 years	\$ 1,500,000	1.00%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond C	November 2015	4 years	\$ 700,000	1.09%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond D	November 2015	5 years	\$ 3,900,000	1.20%	Principal is due at maturity. Interest is paid annually at simple interest rate.

<u>Type of bonds</u>	<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
Bond E	November 2015	6 years	\$ 100,000	1.28%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond F	November 2015	7 years	\$ 1,400,000	1.40%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond G	November 2015	10 years	\$ 100,000	1.75%	Principal is due at maturity. Interest is paid annually at simple interest rate.
Bond H	November 2015	12 years	\$ 200,000	1.95%	Principal is due at maturity. Interest is paid annually at simple interest rate.

V. Foreign unsecured corporate bonds USD-denominated

On December 13, 2012, Competition Team Technologies Ltd., a subsidiary of the Company, issued foreign unsecured corporate bonds in the amount of US\$ 650 million. The Company is the guarantor of the bonds. The terms of these foreign unsecured corporate bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
December 2012	5 years	USD 650 million	2.125%	Principal is due at maturity. Interest is paid semi-annually at simple interest rate.

W. Foreign unsecured corporate bonds JPY-denominated

i. On March 21, 2013, Foxconn (Far East) Limited, a subsidiary of the Company, issued foreign unsecured corporate bonds in the amount of JPY 10 billion, and the Company is the guarantor of the bonds. The terms of these foreign unsecured corporate bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
March 2013	3 years	JPY 10 billion	1.28%	Principal is due at maturity. Interest is paid semi-annually at simple interest rate.

ii. Foreign unsecured corporate bonds JPY-denominated issued in 2013 was transferred to current liabilities in the first quarter of 2015 in accordance with the conditions of the contractual arrangement.

X. Foreign unsecured corporate bonds JPY-denominated

i. On March 21, 2013, Foxconn (Far East) Limited, a subsidiary of the Company, issued foreign unsecured corporate bonds in the amount of JPY 4 billion. The Company is the guarantor of the bonds. The terms of these foreign unsecured corporate bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
March 2013	3 years	JPY 4 billion	Floating rate of 3-month LIBOR plus 1.10%	Principal is due at maturity. Interest is paid quarterly at simple interest rate.

ii. Foreign unsecured corporate bonds JPY-denominated issued in 2013 was transferred to current liabilities in the first quarter of 2015 in accordance with the conditions of the contractual arrangement.

Y. Foreign unsecured corporate bonds JPY-denominated

On May 9, 2014, Foxconn (Far East) Limited, a subsidiary of the Company, issued foreign unsecured corporate bonds in the amount of JPY 2 billion. The Company is the guarantor of the bonds. The terms of these foreign unsecured corporate bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
May 2014	3 years	JPY 2 billion	0.95%	Principal is due at maturity. Interest is paid semi-annually at simple interest rate.

Z. Foreign unsecured corporate bonds RMB-denominated

On May 23, 2014, Foxconn (Far East) Limited, a subsidiary of the Company, issued foreign unsecured corporate bonds in the amount of RMB 800 million. The Company is the guarantor of the bonds. The terms of these foreign unsecured corporate bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
May 2014	3 years	RMB 800 million	3.25%	Principal is due at maturity. Interest is paid semi-annually at simple interest rate.

AA. Foreign unsecured corporate bonds JPY-denominated

On August 15, 2014, Foxconn (Far East) Limited, a subsidiary of the Company, issued foreign unsecured corporate bonds in the amount of JPY 30 billion. The Company is the guarantor of the bonds. The terms of these foreign unsecured corporate bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
August 2014	3 years	JPY 30 billion	0.87%	Principal is due at maturity. Interest is paid semi-annually at simple interest rate.

BB. Foreign unsecured corporate bonds JPY-denominated

On September 18, 2014, Foxconn (Far East) Limited, a subsidiary of the Company, issued foreign unsecured corporate bonds in the amount of JPY 5 billion. The Company is the guarantor of the bonds. The terms of these foreign unsecured corporate bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
August 2014	3 years	JPY 5 billion	0.87%	Principal is due at maturity. Interest is paid semi-annually at simple interest rate.

CC. Foreign unsecured corporate bonds EUR-denominated

On February 13, 2015, Foxconn (Far East) Limited, a subsidiary of the Company, issued foreign unsecured corporate bonds in the amount of EUR 200 million, and the Company is the guarantor of the bonds. The terms of these foreign unsecured corporate bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
February 2015	3 years	EUR 200 million	1.076%	Principal is due at maturity. Interest is paid semi-annually at simple interest rate.

DD. Foreign unsecured corporate bonds EUR-denominated

On February 13, 2015, Foxconn (Far East) Limited, a subsidiary of the Company, issued foreign unsecured corporate bonds in the amount of EUR 50 million, and the Company is the guarantor of the bonds. The terms of these foreign unsecured corporate bonds are summarized as follows:

<u>Issuance date</u>	<u>Period</u>	<u>Amount</u>	<u>Coupon rate</u>	<u>Payment term</u>
February 2015	3 years	EUR 50 million	Floating rate of 3-month EURLIBOR plus 1%	Principal is due at maturity. Interest is paid quarterly at simple interest rate.

(20) Long-term loans

<u>Institution</u>	<u>Loan period</u>	<u>Interest rate</u>	<u>Collateral</u>	<u>December 31, 2014</u>
Mizuho Corporate Bank Ltd., etc. syndicated loan	2011/3/31~2016/3/31	0.6977%	None	\$ 8,434,125
"	2013/8/22~2016/8/22	1.1600%	"	15,825,000
ING Bank, N.V. etc. syndicated loan	2010/10/22~2015/10/22	0.5390%	"	4,231,700
First Commercial Bank	2011/11/30~2026/11/30	2.0507%	Note	2,383,000
Mizuho Corporate Bank Ltd., etc. syndicated loan	2012/6/28~2017/6/28	1.0300%	None	2,884,671
Citibank	2012/9/21~2015/7/31	1.1971%	"	1,061,451
ING Bank, N.V. etc. syndicated loan	2013/1/7~2020/7/29	1.7900%	"	817,019
First Commercial Bank	2013/9/6~2033/9/6	1.7865%	"	334,000
				<u>35,970,966</u>
Less: Current portion				<u>(11,773,239)</u>
				<u>\$ 24,197,727</u>

<u>Institution</u>	<u>Loan period</u>	<u>Interest rate</u>	<u>Collateral</u>	<u>December 31, 2015</u>
Mizuho Corporate Bank Ltd., etc. syndicated loan	2013/8/22~2016/8/22	1.2550%	None	\$ 16,415,000
"	2011/3/31~2016/3/31	0.6840%	"	2,897,438
ING Bank, N.V. etc. syndicated loan	2015/11/30~2020/11/30	0.4800%	"	5,382,000
Mizuho Corporate Bank Ltd., etc. syndicated loan	2012/6/28~2017/6/28	0.9780%	"	2,248,188
First Commercial Bank	2011/11/30~2026/11/30	1.9767%	Note	2,500,000
ING Bank, N.V. etc. syndicated loan	2013/1/7~2020/7/29	1.7900%	None	701,690
First Commercial Bank	2013/9/6~2033/9/6	1.9767%	"	642,500
First Commercial Bank	2015/4/9~2022/4/9	2.1776%	"	361,000
The Shanghai Commercial & Savings Bank, Ltd.	2013/6/17~2028/4/15	2.2000%	Note	28,642
				<u>31,176,458</u>
Less: Current portion				<u>(20,955,283)</u>
				<u>\$ 10,221,175</u>

Note: Details of long-term borrowings pledged as collateral are provided in Note 8.

A. The Company entered into a comprehensive credit contract with China Development Industrial

Bank on August 3, 2011, and obtained a credit limit in the amount of \$2 billion. As of December 31, 2014, the entire loan had been repaid.

- B. Foxconn (Far East) Limited, a subsidiary of the Company, entered into a syndicated credit facility agreement with Mizuho Corporate Bank Ltd. as the lead bank on June 18, 2013 and obtained a credit limit in the amount of USD 500 million, with the Company as the guarantor of the loan. The amount of USD 500 million, which will due within one year, has been reclassified to “Current liabilities” in the fourth quarter of 2015.
- C. On March 21, 2011, the Company entered into a syndicated credit facility agreement with Mizuho Corporate Bank Ltd. as the lead bank and obtained a credit limit in the amount of JPY 51 billion. The partial amount of JPY 10,625 million had been extended until March 31, 2016. The amount of JPY 10,625 million, which will due within one year, has been reclassified to “Current liabilities” in the first quarter of 2015.
- D. Foxconn Slovakia, SPOL. S R. O., a subsidiary of the Company, entered into a syndicated credit facility agreement with ING Bank N.V. as the lead bank and obtained a credit limit in the amount of EUR 410 million, of which EUR 35 million had been due for settlement and EUR 265 million had been repaid in advance. The subsidiary has extended the duration of agreement to November 30, 2020 in the fourth quarter of 2015. The credit limit is EUR 150 million, with the Company as the guarantor of the loan. As of December 31, 2015, the loan amount is EUR 150 million.
- E. Honfujin Precision Electronics (Chengdu) Limited, a subsidiary of the Company, entered into a syndicated credit facility agreement with Mizuho Corporate Bank Ltd. and Sumitomo Mitsui Banking Corporation on June 11, 2012, and obtained a credit limit in the amount of JPY 11 billion. The contract was extended to June 28, 2017 and the loan is payable in installments during the remaining contract period. The amount to be repaid within one year is JPY 5,500 million and is reclassified to current liabilities in the third quarter of 2015. The Company is the guarantor of the loan.
- F. On April 18, 2011, the subsidiary, Syntrend Creative Park Co. Ltd., has signed the facility agreement with First Commercial Bank for the credit limit of \$2.5 billion.
- G. On December 7, 2012, the Company entered into a comprehensive credit facility agreement with ING Bank, N.V. as the lead bank and the loan amount is JPY 2,573,122 thousand, which will be repaid by installment over the contract period. The amount of JPY 514,626 thousand, which will due within one year, has been reclassified to “Current liabilities” in the first quarter of 2015.
- H. On October 19, 2012, the subsidiaries, Altus Technology Inc., Ingrasys Technology Co., Ltd. and Dynamic Computing Technology Co., Ltd., have signed the facility agreements with First Commercial Bank for a total credit limit of \$1,390,000. The limit has been transferred to Altus Technology Inc. in the second quarter of 2015.
- I. On March 23, 2015, the subsidiary, Syntrend Creative Park Co. Ltd., has signed the facility

agreement with First Commercial Bank for the credit limit of \$600 thousand.

- J. On June 17, 2013, the subsidiary, Synergy Integration Technology, Inc., has signed the facility agreement with The Shanghai Commercial & Savings Bank, Ltd. for the credit limit of \$32 thousand. The amount of \$3,357 has matured and been repaid. The amount of \$3,715 that the subsidiary shall repay within one year was reclassified as current liabilities in the fourth quarter of 2015.
- K. Honfujin Precision Electronics (Chengdu) Limited, a subsidiary of the Company, entered into a U.S. dollar regular loan commitment agreement with Citibank (China) Ltd. on September 21, 2012, and obtained a credit limit in the amount of USD 50 million, of which USD 12 million had been repaid in advance and USD 8 million had been due for settlement. The amount of USD 30 million, which will due within one year, has been repaid in advance in June, 2015.
- L. Throughout the term of Mizuho Corporate Bank Ltd. and ING Bank, N.V. etc. syndicated term loan agreement, the Group shall maintain the agreed financial ratios, to be tested semi-annually and annually on consolidated basis.

(21) Pensions

A. Defined benefit plans

- (a) The Company has a defined benefit pension plan in accordance with the Labor Standards Law, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Law. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company contributes monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is not enough to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company will make contribution for the deficit by next March.

- (b) The amounts recognised in the balance sheet are as follows:

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Present value of defined benefit obligations	\$ 2,240,746	\$ 2,401,073
Fair value of plan assets	(646,426)	(631,567)
Net defined benefit liability	<u>\$ 1,594,320</u>	<u>\$ 1,769,506</u>

- (c) Movements in net defined benefit liabilities are as follows:

~64~

	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
<u>Year ended December 31, 2014</u>			
Balance at January 1	\$ 2,171,528	\$ 632,662	\$ 1,538,866
Current service cost	23,594	-	23,594
Interest income	-	12,654	(12,654)
Interest expense	43,431	-	43,431
	<u>2,238,553</u>	<u>645,316</u>	<u>1,593,237</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	2,530	(2,530)
Experience adjustments	42,314	-	42,314
	<u>42,314</u>	<u>2,530</u>	<u>39,784</u>
Pension fund contribution	-	38,701	(38,701)
Paid pension	(40,121)	(40,121)	-
Balance at December 31	<u>\$ 2,240,746</u>	<u>\$ 646,426</u>	<u>\$ 1,594,320</u>
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
<u>Year ended December 31, 2015</u>			
Balance at January 1	\$ 2,240,746	\$ 646,426	\$ 1,594,320
Current service cost	25,618	-	25,618
Interest income	-	12,928	(12,928)
Interest expense	44,815	-	44,815
	<u>2,311,179</u>	<u>659,354</u>	<u>1,651,825</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	4,326	(4,326)
Change in financial assumptions	104,580	-	104,580
Experience adjustments	54,320	-	54,320
	<u>158,900</u>	<u>4,326</u>	<u>154,574</u>
Pension fund contribution	-	36,893	(36,893)
Paid pension	(69,006)	(69,006)	-
Balance at December 31	<u>\$ 2,401,073</u>	<u>\$ 631,567</u>	<u>\$ 1,769,506</u>

- (d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plans in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard

and Utilisation of the Labor Retirement Fund” (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitization products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorized by the Regulator. The Company has no right to participate in managing and operating that fund and hence the Company is unable to disclose the classification of plan asset fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2014 and 2015 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	Year ended December 31, 2014	Year ended December 31, 2015
Discount rate	2.00%	1.7%
Future salary increases	3.50%	3.50%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
<u>December 31, 2014</u>				
Effect on present value of defined benefit obligation	(\$ 313,307)	\$ 381,419	\$ 346,865	(\$ 293,600)
<u>December 31, 2015</u>				
Effect on present value of defined benefit obligation	(\$ 326,664)	\$ 395,790	\$ 358,032	(\$ 304,634)

The sensitivity analysis above was arrived at based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same as prior period.

(f) Expected contributions to the defined benefit pension plans of the Group for the year ended December 31, 2016 are \$36,899.

(g) As of December 31, 2015, the weighted average duration of that retirement plan is 16 years.

B. Defined contribution plans

- (a) Effective July 1, 2005, the Company and its domestic subsidiaries have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the Company and its domestic subsidiaries contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.
- (b) The subsidiaries in mainland China have defined contribution pension plans and contribute an amount monthly based on 8%~9% of employees’ monthly salaries and wages to an independent fund administered by a government agency. The plan is administered by the government of mainland China. Other than the monthly contributions, the Group does not have further pension liabilities.
- (c) As of December 31, 2014 and 2015, the subsidiaries which participated in defined contribution pension plans recognized reserve according to the respective local laws for retirement plan in the amount of \$56,418 and \$67,999, respectively. The pension costs under the defined contribution pension plans of the Group for the years ended December 31, 2014 and 2015 were \$20,860,726 and \$22,403,876, respectively.

(22) Share-based payment

As of December 31, 2014 and 2015, the share-based payment transactions of the Company and FIH Mobile Limited, a subsidiary of the Company, are set forth below:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conditions
Employee stock options	July 8, 2011	256,159,719	1~3 years	Note (1)
Other share-based payment plans	December 29, 2006	5,748,145	-	Note (2)(12)
"	July 24, 2007	502,090	-	Note (3)(12)
"	December 28, 2007	20,459,322	-	Note (4)(12)
"	October 29, 2009	26,161,489	-	Note (12)
"	April 27, 2010	9,435,264	-	"
"	November 19, 2010	25,616,428	-	"
"	December 29, 2010	35,573,029	-	"
"	April 29, 2011	3,302,725	-	"
"	July 8, 2011	5,138,266	-	"
"	October 18, 2011	21,948,624	-	"
"	December 29, 2011	62,423,773	-	Note (5)(12)
"	December 28, 2012	135,564,990	-	Note (6)(12)
"	April 22, 2013	10,633,361	-	Note (7)(12)
"	October 17, 2013	92,215,205	-	Note (8)(12)
"	May 8, 2014	138,267,922	-	Note (9)

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conditions
Other share-based payment plans	July 3, 2014	10,900,786	-	Note (10)(12)
"	August 19, 2015	114,717,017	-	Note (11)(12)
Employee restricted shares plans	May 28, 2015	355,000,000	3 years	Note (13)

Note 1: Vested upon completion of service for certain periods.

Note 2: Of the shares granted, 2,737,718 shares cannot be sold within 1 to 3 years from the grant date.

Note 3: Of the shares granted, 407,000 shares cannot be sold within 1 to 2 years from the grant date.

Note 4: Of the shares granted, 20,362,078 shares cannot be sold within 1 to 3 years from the grant date.

Note 5: Of the shares granted, 13,939,379 shares cannot be sold within 1 to 2 years from the grant date.

Note 6: Of the shares granted, 14,934,766 shares cannot be sold within 1 to 2 years from the grant date.

Note 7: Of the shares granted, 6,210,640 shares cannot be sold within 1 to 2 years from the grant date.

Note 8: Of the shares granted, 33,957,285 shares cannot be sold within 1 to 2 years from the grant date.

Note 9: Of the shares granted, 138,267,922 shares cannot be sold within 1 to 3 years from the grant date.

Note 10: Of the shares granted, 10,712,895 shares cannot be sold within 1 year from the grant date.

Note 11: Of the shares granted, 108,541,274 shares cannot be sold within 1 year from the grant date.

Note 12: Vested immediately.

Note 13: Employees do not need to pay to acquire those stocks. Issuance of shares is based on employees' service periods (1 to 3 years). Shares are vested in accordance with the amount of employees' shares at 40%, 30% and 30% in each year over the 3-year period. The following vesting conditions must be met:

A. The Company's average operating performance is better than competitors' average earnings per share and return on assets for the 3 years prior to the lock-up period of restricted stocks;

B. Employees' performance has reached the Company's performance standard.

C. For restricted stocks where employees do not meet the vesting condition, the Company will collect all the stocks at no consideration and revoke those stocks.

A. Employee stock options

For the stock options granted with the compensation cost accounted for using the fair value method, their fair value on the grant date is estimated using the Black-Scholes option-pricing model. The parameters used in the estimation of the fair value are as follows:

<u>Grant date</u>	<u>Stock price (HK\$)</u>	<u>Exercise price (HK\$)</u>	<u>Exercise price volatility</u>	<u>Expected dividend yield rate</u>	<u>Risk-free interest rate</u>	<u>Fair value per share (US\$)</u>
July 8, 2011	\$ 3.62	\$ 3.62	37%	-	0.297%~0.667%	\$ 0.11

(a) The plan of employee stock options was expired in 2014. For the year ended December 31, 2014, the weighted-average exercise price of employee stock options outstanding was US\$0.57 (in dollars) per share. For the year ended December 31, 2014, expenses incurred on employee stock options transactions was \$285 (US\$9.4 thousand).

(b) Details of the employee stock options are set forth below:

	<u>For the year ended December 31, 2014</u>
Options outstanding at beginning of year	157,670,091
Options exercised	(77,022,839)
Options revoked	(80,647,252)
Options outstanding at end of year	-
Options exercisable at end of year	-

B. Other share-based payment plans

These share-based payments were granted to employees without consideration received. For the years ended December 31, 2014 and 2015, expenses incurred on other share-based payments were \$2,330,354 (US\$76,884 thousand) and \$1,197,663 (US\$37,733 thousand), respectively.

C. Restricted stocks to employees

(a) Movements in the number of the Company's restricted stocks to employees is as follows:

	<u>For the year ended December 31, 2015 (Shares in thousands)</u>
Restricted shares outstanding at beginning of year	-
Issuance of restricted stock	355,000
Restricted stock revoked due to employees not meeting the vesting condition	(355,000)
Restricted shares outstanding at end of year	-

(b) As of December 31, 2015, the Company collected 355 million shares of restricted stocks to employees not meeting the vesting condition, in accordance with the terms of restricted stocks. The capital reduction is effective on November 16, 2015.

(23) Other non-current liabilities

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Reserve for retirement pension	\$ 1,650,738	\$ 1,837,505
Government grants	3,961,070	4,409,847
Finance lease payable	2,948,552	3,042,986
Others	944,133	905,014
	<u>\$ 9,504,493</u>	<u>\$ 10,195,352</u>

(24) Provisions

	<u>Warranty</u>
At January 1, 2015	\$ 2,674,879
Additional provisions	934,996
Used during the year	(355,905)
Unused amounts reversed	(924,251)
Exchange differences	3,163
At December 31, 2015	<u>\$ 2,332,882</u>

Analysis of total provisions:

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Current	\$ 2,674,879	\$ 2,332,882

The Group provides warranties on 3C products sold. Provision for warranty is estimated based on historical warranty data of 3C products.

(25) Share capital—common stock

A. On June 26, 2013, the Company's shareholders adopted a resolution to increase the authorized shares to 18 billion shares. As of December 31, 2015, the Company's authorized capital was \$180,000,000, consisting of 18 billion shares of ordinary stock, and the paid-in capital was \$156,382,881, consisting of 15,638,288 thousand shares with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows:

	<u>For the years ended December 31,</u>	
	<u>2014</u>	<u>2015</u>
	<u>(Shares in thousands)</u>	<u>(Shares in thousands)</u>
At January 1	13,128,707	14,793,407
Stock dividends	1,575,445	739,670
Employees' stock bonus	89,255	105,211
Issuance of restricted stock	-	355,000
Restricted stock revoked due to employees not meeting the vesting condition	-	<u>(355,000)</u>
At December 31	<u>14,793,407</u>	<u>15,638,288</u>

B. Pursuant to the resolution adopted at the stockholders' meeting held on June 1, 1999, and after obtaining approval from the SFC, the Company issued 25 million units of global depository

receipts (GDRs) in Europe, Asia and the USA. The issuance amounted to USD 347,250 thousand, and the main terms and conditions of the GDRs are as follows:

(a) Voting

Holders of GDRs have no right to directly exercise voting rights or attend the Company's stockholders' meeting, except when a motion is on the election of directors or supervisors.

A holder or holders together holding at least 51% of the GDRs outstanding at the relevant record date of the stockholders' meeting can instruct the Depositary to vote in the same direction in respect of one or more resolutions to be proposed at the meeting.

(b) Sale and withdrawal of GDRs

Under the current R.O.C. law, shares represented by the GDRs may be withdrawn by holders of GDRs commencing three month after the initial issue of GDRs. A holder of a GDR may, provided that the Company has delivered to the custodian physical share certificates in respect of the Deposited Shares, request the Depositary to sell or cause to be sold on behalf of such holder the shares represented by such GDRs.

(c) Dividends

GDR holders are entitled to receive dividends to the same extent as the holders of common stock.

(d) As of December 31, 2015, 138,593 thousand units of GDRs were outstanding, which represents 277,187 thousand shares of common stock.

C. On May 28, 2015, the Company's Board of Directors has resolved to issue restricted stocks of 355 million shares at the approval of the shareholders, and has set May 28, 2015 as the record date of capital increase. The issued ordinary shares restrict the transfer rights, voting rights at the shareholders' meetings, and rights to receive (subscribe) shares and dividends before the employees meet the vesting conditions. As of September 30, 2015, the Company collected 355 million shares of restricted stocks to employees not meeting the vesting condition, in accordance with the terms of restricted stocks. The capital reduction is effective on November 16, 2015.

D. Treasury stocks

The Company's subsidiary, Hon Jin International Investment Co., Ltd., acquired ordinary shares issued by the Company in 1998. As of December 31, 2014 and 2015, the subsidiary owned 1,605,064 and 1,685,317 shares, respectively, of the Company's common stock at a cost of \$18,901.

(26) Capital surplus

Pursuant to the R.O.C. Company Act, capital reserve arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Law requires that the amount of capital reserve to be capitalized mentioned above should not exceed 10% of the

paid-in capital each year. Capital reserve should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	Share premium	Changes in ownership interests in subsidiaries	Net change in equity of associates	Total
At January 1, 2014	\$ 64,033,016	\$ 52,165	\$ 707,692	\$ 64,792,873
Employees' stock bonus	6,789,643	-	-	6,789,643
Adjustments arising from changes in percentage of ownership in subsidiaries	-	(50,576)	-	(50,576)
Changes in equity of associates and joint ventures accounted for under the equity method	-	-	127,968	127,968
At December 31, 2014	<u>\$ 70,822,659</u>	<u>\$ 1,589</u>	<u>\$ 835,660</u>	<u>\$ 71,659,908</u>

	Share premium	Employee restricted shares	Changes in ownership interests in subsidiaries	Net change in equity of associates	Total
At January 1, 2015	\$ 70,822,659	\$ -	\$ 1,589	\$ 835,660	\$ 71,659,908
Employees' stock bonus	8,346,391	-	-	-	8,346,391
Employee restricted shares	-	17,831,955	-	-	17,831,955
Restricted stock revoked due to employees not meeting the vesting condition	-	(17,831,955)	-	-	(17,831,955)
Adjustments arising from changes in percentage of ownership in subsidiaries	-	-	(1,589)	-	(1,589)
Changes in equity of associates and joint ventures accounted for under the equity method	-	-	-	1,731,828	1,731,828
At December 31, 2015	<u>\$ 79,169,050</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,567,488</u>	<u>\$ 81,736,538</u>

(27) Retained earnings

A. In accordance with the Company's Articles of Incorporation, current year's earnings must be distributed in the following order:

- (a) Covering accumulated deficit;
- (b) Setting aside as legal reserve equal to 10% of current year's net income;
- (c) Setting aside a special reserve in accordance with applicable legal and regulatory requirement;
- (d) The remainder is distributable earnings of which 8% is appropriated as employees' bonus; qualified employees include employees of affiliates per criteria set by Board of Directors.

The remaining earnings along with the unappropriated earnings at the beginning of the period are considered as accumulated distributable earnings. In accordance with dividend policy, the proposal of earnings appropriation is prepared by the Board of Directors and resolved by the shareholders.

The Company is at the growing stage. The Company's stock dividend policy shall consider the Company's current and future investment environment, capital needs, local and foreign competition situation and capital budget, along with shareholders' profit and the Company's long-term financial plans. The shareholders' dividends are appropriated based on accumulated distributable earnings, which shall not be lower than 15% of the distributable earnings for the period and the cash dividend shall not be less than 10% of the shareholders' dividends.

- B. Except for covering accumulated deficit or issuing new stocks or cash to shareholders in proportion to their share ownership, the legal reserve shall not be used for any other purpose. The use of legal reserve for the issuance of stocks or cash to shareholders in proportion to their share ownership is permitted, provided that the balance of the reserve exceeds 25% of the Company's paid-in capital.
- C. In accordance with the regulations, the Company shall set aside special reserve from the debit balance on other equity items at the balance sheet date before distributing earnings. When debit balance on other equity items is reversed subsequently, the reversed amount could be included in the distributable earnings.
- D. The appropriations of 2013 and 2014 earnings had been resolved at the stockholders' meeting on June 25, 2014 and June 25, 2015, respectively. Details are summarized below:

	2013		2014	
	Amount	Dividends per share (in dollars)	Amount	Dividends per share (in dollars)
Legal reserve	\$ 10,669,716	\$ -	\$ 13,053,473	\$ -
Stock dividends	15,754,448	1.2	7,396,703	0.5
Cash dividends	23,631,672	1.8	56,214,946	3.8
	<u>\$ 50,055,836</u>	<u>\$ 3.0</u>	<u>\$ 76,665,122</u>	<u>\$ 4.3</u>

As of March 30, 2016, the distribution of 2015 earnings had not been approved by the board of directors. The information on distribution of earnings will be posted on the "Market Observation Post System" of the TSEC.

- E. For the information relating to employees' remuneration (bonuses) and directors' and supervisors' remuneration, please refer to Note 6(34).

(28) Other equity items

	Currency translation	Available-for-sale	Total
	adjustments	investment	
At January 1, 2014	\$ 26,432,947	\$ 5,295,914	\$ 31,728,861
- Group	32,918,490	18,343,813	51,262,303
- Associates	258,798	347,218	606,016
At December 31, 2014	<u>\$ 59,610,235</u>	<u>\$ 23,986,945</u>	<u>\$ 83,597,180</u>

	Currency translation adjustments	Available-for-sale investment	Unearned employee benefits	Total
At January 1, 2015	\$ 59,610,235	\$ 23,986,945	\$ -	\$ 83,597,180
- Group	(6,852,147)	(16,141,335)	-	(22,993,482)
- Associates	176,200	(658,217)	-	(482,017)
Employee restricted shares	-	-	(21,381,955)	(21,381,955)
Restricted stock revoked due to employees not meeting the vesting condition	-	-	21,381,955	21,381,955
At December 31, 2015	<u>\$ 52,934,288</u>	<u>\$ 7,187,393</u>	<u>\$ -</u>	<u>\$ 60,121,681</u>

(29) Non-controlling interests

	For the years ended December 31,	
	2014	2015
At January 1	\$ 41,254,536	\$ 54,445,569
Share attributable to non-controlling interests:		
Gain for the year	1,947,093	3,334,439
Currency translation difference	3,658,489	(5,442,046)
Unrealized gains and losses on available- for-sale financial assets	75,709	(26,991)
Acquired through business combinations	1,484,930	-
Increase in non-controlling interests	<u>6,024,812</u>	<u>450,270</u>
At December 31	<u>\$ 54,445,569</u>	<u>\$ 52,761,241</u>

Certain subsidiaries of the Group have issued employee share-based payment and new shares during 2014 and 2015. The Group has not purchased additional shares in proportion to its ownership and thus, the non-controlling interest of the Group increased by \$6,024,812 and \$450,270, and equity attributable to owners of the parent decreased by \$974,889 and \$779,960 for the years ended December 31, 2014 and 2015, respectively.

(30) Operating revenue

	For the years ended December 31,	
	2014	2015
3C products (Contain components and related electronic products)	<u>\$ 4,213,172,321</u>	<u>\$ 4,482,145,967</u>

(31) Other income

	For the years ended December 31,	
	2014	2015
Rental revenue	\$ 762,889	\$ 1,064,501
Dividend income	676,006	895,708
Interest income	26,053,459	26,024,974
Other non-operating income	4,380,212	5,142,867
	<u>\$ 31,872,566</u>	<u>\$ 33,128,050</u>

~74~

(32) Other gains and losses

	For the years ended December 31,	
	2014	2015
Net gain on financial assets at fair value through profit or loss	\$ 6,646,398	\$ 11,875,460
Net loss on financial liabilities at fair value through profit or loss	(4,272,335)	(15,677,154)
Net currency exchange gain	6,907,888	18,047,098
Gain on disposal of property, plant and equipment	565,745	631,716
Gain on disposal of investment	3,010,171	4,624,214
Impairment loss	(1,706,217)	(2,595,631)
Other losses	(68,193)	(1,301,812)
	<u>\$ 11,083,457</u>	<u>\$ 15,603,891</u>

(33) Expenses by nature

Additional disclosures related to cost of sales and operating expenses are as follows:

	For the years ended December 31,	
	2014	2015
Royalty expenses	\$ 66,992,990	\$ 82,191,509
Product warranty costs	49,969,793	42,786,962
Employee benefit expense	323,731,213	335,682,247
Depreciation	69,402,883	70,330,897
Amortisation	828,967	926,227
	<u>\$ 510,925,846</u>	<u>\$ 531,917,842</u>

(34) Employee benefit expense

	For the years ended December 31,	
	2014	2015
Wages and salaries	\$ 269,692,140	\$ 280,209,166
Share-based payment	2,330,639	1,197,663
Labor and health insurance fees	12,919,588	13,712,529
Pension costs	20,915,097	22,461,381
Other personnel expenses	17,873,749	18,101,508
	<u>\$ 323,731,213</u>	<u>\$ 335,682,247</u>

A. According to the Articles of Incorporation of the Company, when distributing earnings, the Company shall distribute bonus to the employees and pay remuneration to the directors and supervisors that account for 8% and 0%, respectively, of the total distributed amount.

However, in accordance with the Company Act amended on May 20, 2015, a company shall distribute employee remuneration, based on the current year's profit condition, in a fixed amount or a proportion of profits. If a company has accumulated deficit, earnings should be channeled to cover losses. Aforementioned employee remuneration could be paid by cash or stocks. Specifics of the compensation are to be determined in a board meeting that registers

two-thirds of directors in attendance, and the resolution must receive support from half of participating members. The resolution should be reported to the shareholders' meeting. Qualification requirements of employees, including the employees of subsidiaries of the company meeting certain specific requirements, entitled to receive aforementioned stock or cash may be specified in the Articles of Incorporation. The board of directors of the Company has approved the amended Articles of Incorporation of the Company on March 30, 2016. According to the amended articles, a ratio of profit of the current year distributable, after covering accumulated losses, shall be distributed as employees' compensation and directors' and supervisors' remuneration. The ratio shall be between 5% to 7% for employees' compensation and shall be 0% for directors' and supervisors' remuneration. The amended articles will be resolved in the shareholders' meeting in 2016.

- B. For the years ended December 31, 2014 and 2015, employees' compensation (bonus) was accrued at \$9,398,501 and \$10,598,195, respectively; while no directors' and supervisors' remuneration was accrued. The aforementioned amounts were recognized in salary expenses. The expenses recognized for 2015 were estimated and accrued based on 6% of profit of current year; the expenses recognized for 2014 were accrued based on the net income of 2014 and the percentage specified in the Articles of Incorporation of the Company (estimated and accrued based on 8%), taking into account other factors such as legal reserve.

The employees' compensation for 2015 as resolved by the board of directors was in agreement with those amounts recognized in the 2015 financial statements. The employees' compensation was \$10,598,195 and will be distributed in the form of shares.

Calculation basis of the shares is based on share price of \$83.7 (in dollars), which takes into consideration the Company's closing price one day (March 29, 2016) prior to the meeting of board of directors. Actual number of shares distributed as employees' compensation for 2015 is 126,621 thousand shares.

The expenses recognized for 2014 were accrued based on the net income of 2014 and the percentage of 8% and 0% for employees and directors/supervisors, respectively, taking into account other factors such as legal reserve. Where the accrued amounts for employees' bonus and directors' and supervisors' remuneration are different from the actual distributed amounts as resolved by the stockholders at their stockholders' meeting subsequently, the differences are accounted for as changes in estimates. Employees' bonus and directors' and supervisors' remuneration for 2014 as resolved by the stockholders were in agreement with those amounts recognized in the 2014 financial statements. Actual number of shares distributed as employees' bonus for 2014 is 105,211 thousand shares. Calculation basis of the shares is based on share price of \$89.33 (in dollars), which takes into consideration the Company's closing price one day (June 24, 2015) prior to the shareholders' resolution and the effects of ex-rights and ex-dividends.

Information about the appropriation of employees' bonus and directors' and supervisors' remuneration by the Company as proposed by the Board of Directors and resolved by the stockholders will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(35) Financial costs

	For the years ended December 31,	
	2014	2015
Interest expense:		
Bank borrowings	\$ 12,818,940	16,251,730
Corporate bonds	2,042,361	2,612,702
Financing expense from accounts receivable factoring	145,774	6,107
	<u>\$ 15,007,075</u>	<u>\$ 18,870,539</u>

(36) Income tax

A. Income tax expense

(a) Components of income tax expense:

	For the years ended December 31,	
	2014	2015
Current tax:		
Current tax on profits for the year	\$ 38,380,967	\$ 44,192,616
Tax on undistributed surplus earnings	5,664,132	5,289,981
Adjustments in respect of prior years	(1,745,608)	944,467
Total current tax	<u>42,299,491</u>	<u>50,427,064</u>
Deferred tax:		
Origination and reversal of temporary differences	(660,941)	(1,590,165)
Income tax expense	<u>\$ 41,638,550</u>	<u>\$ 48,836,899</u>

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	For the years ended December 31,	
	2014	2015
Remeasurement of defined benefit obligations	<u>\$ 6,763</u>	<u>\$ 26,278</u>

B. Reconciliation between income tax expense and accounting profit

	For the years ended December 31,	
	2014	2015
Tax calculated based on profit before tax and statutory tax rate	\$ 54,152,394	\$ 60,241,405
Effects from items disallowed by tax regulation	(16,534,397)	(17,750,773)
Prior year income tax (over) under estimate	(1,745,608)	944,467
Additional 10% tax on undistributed earnings	5,669,372	5,295,815
Others	96,789	105,985
Income tax expense	41,638,550	48,836,899
Changes in deferred income tax	660,941	(1,590,165)
Prior year income tax over (under) estimate	1,745,608	(944,467)
Prepaid income tax	(14,495,414)	(16,341,231)
Income tax payable for prior years	1,906,418	2,669,117
Others	234,119	53,960
Current income tax liability	<u>\$ 31,690,222</u>	<u>\$ 32,684,113</u>

C. Amounts of deferred tax assets or liabilities as a result of temporary differences are as follows:

	For the year ended December 31, 2014			
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	December 31
Temporary differences:				
-Deferred tax assets:				
Allowance for sales allowances	\$ 383,565	\$ 38,031	\$ -	\$ 421,596
Reserve for inventory obsolescence and market price decline	2,741,123	75,296	-	2,816,419
Deferred income	1,110,343	(2,834)	-	1,107,509
Unrealized expenses	4,682,904	(1,295,507)	-	3,387,397
Difference from finance and tax due to depreciation expense	3,841,240	2,035,627	-	5,876,867
Reserve for pension cost	262,262	2,622	6,763	271,647
Unused compensated absences	508,137	16,190	-	524,327
Others	2,307,467	662,930	-	2,970,397
	<u>15,837,041</u>	<u>1,532,355</u>	<u>6,763</u>	<u>17,376,159</u>

For the year ended December 31, 2014				
	<u>January 1</u>	<u>Recognised in profit or loss</u>	<u>Recognised in other comprehensive income</u>	<u>December 31</u>
-Deferred tax liabilities:				
Foreign investment income using equity method				
	(4,598,888)	20,626	-	(4,578,262)
Unrealised exchange gain				
	(1,353,041)	(234,377)	-	(1,587,418)
Others				
	(266,174)	(657,663)	-	(923,837)
	(6,218,103)	(871,414)	-	(7,089,517)
	<u>\$ 9,618,938</u>	<u>\$ 660,941</u>	<u>\$ 6,763</u>	<u>\$ 10,286,642</u>

For the year ended December 31, 2015				
	<u>January 1</u>	<u>Recognised in profit or loss</u>	<u>Recognised in other comprehensive income</u>	<u>December 31</u>
Temporary differences:				
-Deferred tax assets:				
Allowance for sales allowances				
	\$ 421,596	(\$ 13,849)	\$ -	\$ 407,747
Reserve for inventory obsolescence and market price decline				
	2,816,419	(53,393)	-	2,763,026
Deferred income				
	1,107,509	277,248	-	1,384,757
Unrealized expenses				
	3,387,397	(1,021,137)	-	2,366,260
Difference from finance and tax due to depreciation expense				
	5,876,867	1,385,332	-	7,262,199
Reserve for pension cost				
	271,647	3,217	26,278	301,142
Unused compensated absences				
	524,327	79,942	-	604,269
Others				
	<u>2,970,397</u>	<u>243,774</u>	<u>-</u>	<u>3,214,171</u>
	<u>17,376,159</u>	<u>901,134</u>	<u>26,278</u>	<u>18,303,571</u>
-Deferred tax liabilities:				
Foreign investment income using equity method				
	(4,578,262)	(1,535,723)	-	(6,113,985)
Unrealised exchange gain				
	(1,587,418)	702,085	-	(885,333)
Interest income				
	(125,485)	(722,182)	-	(847,667)
Unrealized gain on financial instruments				
	(218,584)	(672,034)	-	(890,618)
Others				
	(579,768)	(263,445)	-	(843,213)
	(7,089,517)	(2,491,299)	-	(9,580,816)
	<u>\$ 10,286,642</u>	<u>(\$ 1,590,165)</u>	<u>\$ 26,278</u>	<u>\$ 8,722,755</u>

D. The Company did not recognise taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As of December 31, 2014 and 2015, the amounts of temporary differences unrecognised as deferred tax liabilities were \$648,931,298 and \$711,626,570, respectively.

E. The Company's income tax returns through 2013 have been assessed and approved by the Tax Authority.

F. Unappropriated retained earnings:

	December 31, 2014	December 31, 2015
Earnings generated in and before 1997	\$ 2,163,509	\$ 2,163,509
Earnings generated in and after 1998	544,769,014	614,064,202
Total	<u>\$ 546,932,523</u>	<u>\$ 616,227,711</u>

G. The stockholders' deductible tax and expected deductible tax rate are as follows:

	December 31, 2014	December 31, 2015
Balance of stockholders deductible tax account	<u>\$ 57,048,266</u>	<u>\$ 64,741,033</u>
	<u>2014 (Actual)</u>	<u>2015 (Expected)</u>
Tax deductible rate of earnings distribution	<u>12.70%</u>	<u>12.96%</u>

(37) Earnings per share

	<u>For the year ended December 31, 2014</u>		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	<u>\$ 130,534,729</u>	<u>15,531,392</u>	<u>\$ 8.40</u>
<u>Diluted earnings per share:</u>			
Profit attributable to ordinary shareholders of the parent	\$ 130,534,729	15,531,392	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	<u>-</u>	<u>162,547</u>	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	<u>\$ 130,534,729</u>	<u>15,693,939</u>	<u>\$ 8.32</u>

	For the year ended December 31, 2015		
	Amount after tax	Weighted average number of ordinary shares outstanding (shares in thousands)	Earnings per share (in dollars)
<u>Basic earnings per share</u>			
Profit attributable to ordinary shareholders of the parent	\$ 146,866,977	15,586,159	\$ 9.42
<u>Diluted earnings per share:</u>			
Profit attributable to ordinary shareholders of the parent	\$ 146,866,977	15,586,159	
Assumed conversion of all dilutive potential ordinary shares			
Employees' bonus	-	181,610	
Profit attributable to ordinary shareholders of the parent plus assumed conversion of all dilutive potential ordinary shares	\$ 146,866,977	15,767,769	\$ 9.31

The number of shares had retroactively been adjusted by the stock dividends as of December 31, 2015.

(38) Supplemental cash flow information

A. Investing activities with partial cash payments

	For the years ended December 31,	
	2014	2015
Purchase of property, plant and equipment	\$ 23,973,521	\$ 55,749,749
Add: opening balance of payable on equipment	36,080,249	33,614,650
Less: ending balance of payable on equipment	(33,614,650)	(18,109,912)
Net exchange differences	1,125,893	(294,961)
Cash paid during the year	\$ 27,565,013	\$ 70,959,526

B. Financing activities with no cash flow effects

	For the years ended December 31,	
	2014	2015
Employees' stock dividends	\$ 7,682,195	\$ 9,398,501

7. RELATED PARTY TRANSACTIONS

(1) Significant transactions and balances with related parties

A. Sales

	For the years ended December 31,	
	2014	2015
Sales of goods:		
Associates	\$ 50,630,860	\$ 68,982,194
Other related party	7,445,267	7,182,707
	<u>\$ 58,076,127</u>	<u>\$ 76,164,901</u>

The amounts above include administration and service revenue. Goods are sold based on the price and terms that would be available to third parties. The Group sold materials to the above related parties for processing and repurchased the finished goods. The sales amount of materials and repurchase price of finished goods were offset against each other and shown at net amount in the financial statements.

B. Purchases

	For the years ended December 31,	
	2014	2015
Purchase of goods:		
Associates	\$ 94,401,624	\$ 98,354,506
Other related party	19,191,934	18,461,860
	<u>\$ 113,593,558</u>	<u>\$ 116,816,366</u>

Purchases from related enterprises are based on normal commercial terms and conditions.

C. Receivables from related parties

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Accounts receivable:		
Associates	\$ 20,972,718	\$ 23,927,466
Other related party	3,121,248	2,275,810
	<u>24,093,966</u>	<u>26,203,276</u>
Other receivables - sale of property, plant and equipment:		
Associates	459,909	103,695
Other receivables - purchase of materials on behalf of related parties:		
Associates	1,061,948	398,850
Other related party	1,892,058	12,526
	<u>3,413,915</u>	<u>515,071</u>
	<u>\$ 27,507,881</u>	<u>\$ 26,718,347</u>

The receivables from related parties arise mainly from sale transactions, sales of property, plant and equipment and purchase of raw materials on behalf of others. The amount is due 30 to 90

days after the transaction date. The receivables are unsecured and non-interest bearing.

D. Payables to related parties

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Accounts payable:		
Associates	\$ 33,475,570	\$ 27,915,396
Other related party	<u>7,539,031</u>	<u>2,947,139</u>
	<u>41,014,601</u>	<u>30,862,535</u>
Other payables - acquisition of property, plant and equipment:		
Associates	699,346	127,342
Other related party	<u>130,899</u>	<u>129,209</u>
	<u>830,245</u>	<u>256,551</u>
	<u>\$ 41,844,846</u>	<u>\$ 31,119,086</u>

Payables to related parties primarily arose from purchase transactions and procurement of raw materials by the related parties on behalf of the Company. The amount is due 30 to 90 days after the transaction date. The payables are non-interest bearing.

E. Prepayments:

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Associates	<u>\$ 14,430</u>	<u>\$ 870</u>

F. Property transactions:

(a) Acquisition of property, plant and equipment:

	<u>For the years ended December 31,</u>	
	<u>2014</u>	<u>2015</u>
Acquisition of property, plant and equipment:		
Associates	\$ 721,129	\$ 974,018
Other related party	<u>152,458</u>	<u>5,466</u>
	<u>\$ 873,587</u>	<u>\$ 979,484</u>

(b) Proceeds from sale of property, plant and equipment and gain (loss) on disposal:

	<u>For the years ended December 31,</u>			
	<u>2014</u>		<u>2015</u>	
	<u>Proceeds from sale of property, plant and equipment</u>	<u>Gain</u>	<u>Proceeds from sale of property, plant and equipment</u>	<u>Gain</u>
Sale of property, plant and equipment:				
Associates	<u>\$ 980,142</u>	<u>\$ 250,860</u>	<u>\$ 501,591</u>	<u>\$ 116,901</u>

G. Loans to related parties

Receivables from related parties

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Associates	\$ 475,107	\$ 1,582,754

Interest income

	<u>For the years ended December 31,</u>	
	<u>2014</u>	<u>2015</u>
Associates	\$ 7,048	\$ 17,830

As of December 31, 2014 and 2015, the interest was both charged at the rate of 1.41%~7.2%.

(2) Key management compensation

	<u>For the years ended December 31,</u>	
	<u>2014</u>	<u>2015</u>
Salaries and other short-term employee benefits	\$ 429,356	\$ 731,374
Service execution fees	606	610
Share-based payments	143,294	209,689
	<u>\$ 573,256</u>	<u>\$ 941,673</u>

8. PLEDGED ASSETS

As of December 31, 2014 and 2015, the book values of the Group's pledged assets are as follows:

<u>Assets</u>	<u>Nature</u>	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Time deposits and cash (shown as "other current assets")	Customs deposits and short-term loans	\$ 7,777	\$ 462,246
Time deposits and cash (shown as "other non-current assets")	Security deposit for provisional attachment, bond deposit as security for court proceedings, security deposit for employment of foreign employees and customs deposits	30,500	53,877
Property, plant and equipment and other non-current assets	Long-term loans	917,395	917,865
		<u>\$ 955,672</u>	<u>\$ 1,433,988</u>

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

A. Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Property, plant and equipment	\$ 6,133,518	\$ 24,482,786

B. Operating lease commitments

The Company's subsidiary leases factory dormitory under non-cancellable operating lease agreements. The lease terms are between 5 and 10 periods, and the majority of lease agreements are renewable at the end of the lease period at market rate.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Not later than one year	\$ 700,882	\$ 642,152
Later than one year but not later than five years	1,504,217	1,106,635
Later than five years	314,902	18,611
	<u>\$ 2,520,001</u>	<u>\$ 1,767,398</u>

C. The Group entered into an agreement with Qualcomm Incorporated regarding mobile phone use right. Under the agreement, the Group shall pay royalties based on sales volume of the related products.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

A. The Board of Directors has approved the proposal of employees' compensation for 2015 on March 30, 2016. Please refer to Note 6(34).

B. To expand global business, the Board of Directors during its meeting on March 30, 2016 adopted a resolution for the Company and its subsidiary, Foxconn (Far East) Limited, to subscribe newly issued ordinary shares of Sharp Corporation (Sharp) at JPY88 (in yen) per share for 2,215,550,697 shares, which represent 44.55% of total outstanding shares. The subscription amount is JPY 194,968,461 thousand. Furthermore, the Company acquired 11,363,636 shares of Class C preferred shares without voting rights at JPY 8,800 (in yen) per share, which is JPY 99,999,997 thousand in total.

12. OTHERS

(1) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to operate with the goal to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current

borrowings' as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet less the total of intangible assets.

During 2015, the Group's strategy, which was unchanged from 2014, was to maintain the gearing ratio at 70% or below.

(2) Financial instruments

A. Fair value information of financial instruments

- (a) Except those listed in the table below, the carrying amounts of the Group's financial instruments not measured at fair value (including cash and cash equivalents, financial assets measured at fair value through profit or loss, available-for-sale financial assets, notes and accounts receivable inclusive of related parties and other financial assets, short-term loans, financial liabilities measured at fair value through profit or loss, notes and accounts payable inclusive of related parties and current portion of the long-term liabilities.) approximate to their fair values. The fair value information of financial instruments measured at fair value is provided in Note 12(3).

	December 31, 2014			
	Book Value	Fair value		
		Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	\$ 151,144,413	\$ -	\$ 143,536,408	\$ -
Finance lease payable	2,948,552	-	1,798,562	-
	<u>\$ 154,092,965</u>	<u>\$ -</u>	<u>\$ 145,334,970</u>	<u>\$ -</u>
	December 31, 2015			
	Book Value	Fair value		
		Level 1	Level 2	Level 3
Financial liabilities:				
Bonds payable	\$ 186,504,101	\$ -	\$ 181,408,402	\$ -
Finance lease payable	3,042,986	-	2,510,621	-
	<u>\$ 189,547,087</u>	<u>\$ -</u>	<u>\$ 183,919,023</u>	<u>\$ -</u>

- (b) The methods and assumptions of fair value measurement are as follows:

Bonds payable: Regarding the bonds issued by the Group, the coupon rate approximates to the current market rate. Therefore, the fair value is estimated using the present value of the expected cash flows and market interest rate.

Finance lease payable : The fair value is estimated using the present value of the expected cash flows of market rates.

B. Financial risk management policies

- (a) Risk categories:

The Group employs a comprehensive risk management and control system to clearly

identify, measure, and control the various kinds of financial risk it faces, including market risk (including foreign exchange risk, interest rate risk and price risk), credit risk, and liquidity risk.

(b) Management objectives:

- i. Except for market risk, which is controlled by outside factors, the remainder of the foregoing types of risks can be controlled internally or removed from business processes. Therefore, the goal in managing each of these risks is to reduce them to zero.
- ii. As for market risk, the goal is to optimize its overall position through strict analysis, suggestion, execution and audit processes, and proper consideration of a) long-term trends in the external economic/financial environment, b) internal operating conditions, and c) the actual effects of market fluctuations.
- iii. The Group's overall risk management policy focuses on the unpredictable item of financial markets and seeks to reduce the risk that potentially pose adverse effects on the Group's financial position and financial performance.
- iv. For the information of the derivative financial instruments that the Group enters into, please refer to Note 6(2).

(c) Management system:

- i. Risk management is executed by the Group's finance department by following policies approved by the Board. Through cooperation with the Group's operating units, finance department is responsible for identifying, evaluating and hedging financial risks.
- ii. The Board has a written policy covering overall risk management. It also has written policies covering specific issues, such as exchange rate risk, interest rate risk, credit risk, derivative and non-derivative financial instruments used, and the investment of excess working capital.

C. Significant financial risks and degrees of financial risks

(a) Market risk

i. Foreign exchange risk

(i) Nature:

The Group is a multinational group in the Electronic manufacturing services industry. Most of the exchange rate risk from operating activities comes from:

- a. Foreign exchange risk arises from different exchange rates to functional currency as the invoice dates of accounts receivable and payable denominated in non-functional foreign currency are different. Due to the characteristics of the subcontracting industry, the Company's revenue and expenditures are mostly denominated in foreign currency. Thus, the remaining net foreign exchange risk is not material after offsetting assets and liabilities. Furthermore, although the variations in currencies of the Company's certain foreign investments in emerging countries (i.e. Brazil, Mexico, etc.) are considered

huge, the percentage of the investments is not significant and thus the Company's foreign exchange risk can be maintained in the controllable range. (Note: The Group has several sites in various countries and thus is exposed to various foreign exchange risks. The main risk arises from USD and RMB.)

b. Except for the above transactions (operating activities) recognized in the income statement, assets and liabilities recognized in the balance sheet and the net investment in foreign operations also result in the exchange rate risk.

(ii) Management:

a. For such risks, the Group has set up policies requiring companies in the Group to manage its exchange rate risks.

b. As to the exchange rate risk arising from the difference between various functional currencies and the reporting currency in the consolidated financial statements, it is managed by the Group's finance department.

(iii) The source:

a. U.S. dollar and NT dollar:

Foreign exchange risk arises primarily from U.S. dollar-denominated cash, cash equivalents, accounts receivable and other receivables, other assets, loans, accounts payable and other payables and other liabilities, which results in exchange loss or gain when they are translated into New Taiwan dollars.

b. U.S. dollars and RMB:

Foreign exchange risk arises primarily from U.S. dollar-denominated cash, cash equivalents, accounts receivable and other receivables, other assets, loans, accounts payable and other payables and other liabilities, which results in exchange loss or gain when they are translated into RMB.

c. JPY and NT dollar:

Foreign exchange risk arises primarily from yen-denominated loans, accounts payable and other payables, which results in exchange loss or gain when they are translated into New Taiwan dollars.

(iv) Extent

The information on assets and liabilities denominated in foreign currencies whose values would be materially affected by the exchange rate fluctuations is as follows:

December 31, 2014					
(Foreign currency: Functional currency)	Foreign currency amount	Exchange rate	Book value (NTD)	Sensitivity analysis	
	(in thousands)			Extent of variation	Effect on profit or loss
<u>Financial assets</u>					
<u>Monetary items</u>					
USD : NTD	\$ 20,861,761	31.65	\$ 660,274,736	1%	\$ 6,602,747
USD : RMB	15,258,675	31.65	482,937,064	1%	4,829,371
<u>Net effect in consolidated entities with foreign currency</u>					
USD : NTD	\$ 25,289,125	31.65	\$ 800,400,806		
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD : NTD	\$ 17,166,911	31.65	\$ 543,332,733	1%	\$ 5,433,327
USD : RMB	16,739,892	31.65	529,817,582	1%	5,298,176
JPY : NTD	38,278,023	0.2646	10,128,365	1%	101,284

December 31, 2015					
(Foreign currency: Functional currency)	Foreign currency amount	Exchange rate	Book value (NTD)	Sensitivity analysis	
	(in thousands)			Extent of variation	Effect on profit or loss
<u>Financial assets</u>					
<u>Monetary items</u>					
USD : NTD	\$ 18,757,042	32.83	\$ 615,793,689	1%	\$ 6,157,937
USD : RMB	18,494,483	32.83	607,173,877	1%	6,071,739
<u>Net effect in consolidated entities with foreign currency</u>					
USD : NTD	\$ 27,239,256	32.83	\$ 894,264,774		
<u>Financial liabilities</u>					
<u>Monetary items</u>					
USD : NTD	\$ 9,106,324	32.83	\$ 298,960,617	1%	\$ 2,989,606
USD : RMB	20,294,327	32.83	666,262,755	1%	6,662,628
JPY : NTD	15,699,765	0.2727	4,281,326	1%	42,813

(v) Total exchange gain (loss), including realised and unrealised arising from significant foreign exchange variation on the monetary items held by the Group

for the years ended December 31, 2014 and 2015 amounted to \$6,907,888 and \$18,047,098, respectively.

ii. Equity securities

(i) Nature

The Group primarily invests in domestic and foreign publicly traded and unlisted equity instruments, which are accounted for as available-for-sale financial assets and financial assets carried at cost. The price of those equity instruments will be affected by the uncertainty of the future value of the investment.

(ii) Extent

If such equity instruments' price rise or fall by 1%, with all other factors held constant, the impact on equity due to available-for-sale equity instruments are \$538,279 and \$396,246 for the years ended December 31, 2014 and 2015, respectively.

iii. Futures

(i) Nature

The Group is exposed to commodity price risk because of future commodity price fluctuations.

(ii) Extent

The Group sets stop-loss amount to reduce its futures market risk whenever futures contracts are entered into. As a result, there is no significant futures market risk.

iv. Interest rate risk

The Group's interest rate risk arises from long-term loans or corporate bonds with floating rates. The Company's long-term corporate bonds with fixed interest rates do not have interest rate risk or fair value interest rate risk.

Long-term loans or corporate bonds with floating rates expose the Group to cash flow interest rate risk, but most of the risks are offset by cash and cash equivalents with variable interest rates.

(b) Credit risk

i. Credit risk refers to the risk of financial loss to the Group arising from default by the clients or counterparties of financial instruments.

ii. According to the Group's credit policy, each local entity in the Group is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. The Group assesses the credit quality of the customers by taking into account their financial position, past experience and other factors to conduct its internal risk management.

iii. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board of directors. The utilisation of credit limits is regularly monitored. Major credit risk arises from cash and cash equivalents, derivative financial instruments and other financial instruments. The counterparties are banks with good credit quality and financial institutions with investment grade or above and government

agencies, so there is no significant compliance concerns and credit risk.

- iv. The aging analysis of notes receivable and accounts receivable (including related parties) that were past due but not impaired is as follows:

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Up to 30 days	\$ 3,531,918	\$ 5,713,897
31 to 90 days	666,286	2,404,766
91 to 180 days	168,622	91,945
181 to 360 days	98,228	101,446
Over 360 days	146,943	154,083
	<u>\$ 4,611,997</u>	<u>\$ 8,466,137</u>

- v. Movements on the Group's provision for impairment of notes receivable and accounts receivable (including related parties) are as follows:

(i) As of December 31, 2014 and 2015, accounts receivable that had been impaired were \$2,750,491 and \$3,203,260, respectively.

(ii) Movement in allowance for individual provision for bad debts is as follows:

	<u>2014</u>	<u>2015</u>
At January 1	\$ 2,451,701	\$ 2,750,491
Provision for impairment	298,790	452,769
At December 31	<u>\$ 2,750,491</u>	<u>\$ 3,203,260</u>

- vi. The credit quality of accounts receivable (including related parties) that were neither past due nor impaired is in the following categories based on the Group's Credit Quality Control Policy:

	<u>December 31, 2014</u>	<u>December 31, 2015</u>
Group 1	\$ 565,262,325	\$ 340,721,330
Group 2	85,020,468	117,431,308
Group 3	90,722,555	96,012,262
Group 4	26,763,436	28,277,553
	<u>\$ 767,768,784</u>	<u>\$ 582,442,453</u>

Group 1: Standard Poor's, Fitch's, or Moody's rating of A-level, or rated as A-level in accordance with the Group's credit policies for those that have no external credit ratings.

Group 2: Standard Poor's or Fitch's rating of BBB, Moody's rating of Baa, or rated as B or C in accordance with the Group's credit policies for those that have no external credit ratings.

Group 3: Standard Poor's or Fitch's rating of BB + and below, or Moody's rating of Ba1 and below.

Group 4: Rated as other than A, B, or C in accordance with the Group's credit policies for those that have no external credit ratings.

(c) Liquidity risk

- i. Cash flow forecasting is performed by each operating entity of the Group and aggregated by Group treasury. The Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements, for example, currency restrictions.
- ii. The table below analyses the Group's non-derivative financial liabilities and net-settled or gross-settled derivative financial liabilities into relevant maturity groups based on the remaining period at the balance sheet date to the contractual maturity date for non-derivative financial liabilities and to the expected maturity date for derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities:

December 31, 2014	Between					Total
	Less than 3 months	Between 3 to 6 months	6 months to 1 year	Between 1 to 2 years	Between 2 to 5 years	
Short-term loans	\$ 175,757,699	\$ 42,489,059	\$ 8,253,749	\$ -	\$ -	\$ 226,500,507
Accounts payable (including related parties)	701,184,167	34,139,450	6,243	-	-	735,329,860
Other payables	215,911,358	7,272,793	391,368	-	-	223,575,519
Bonds payable	3,000,000	-	13,500,000	24,622,040	74,890,904	151,212,944
Long-term loans	3,004,337	-	8,768,902	20,214,881	1,129,677	35,970,966
Finance lease payable	-	-	-	-	-	2,948,552
	<u>\$ 1,098,857,561</u>	<u>\$ 83,901,302</u>	<u>\$ 30,920,262</u>	<u>\$ 44,836,921</u>	<u>\$ 76,020,581</u>	<u>\$ 1,375,538,348</u>
December 31, 2015						
Short-term notes and bills payable	\$ 7,000,000	\$ -	\$ -	\$ -	\$ -	\$ 7,000,000
Short-term loans	67,928,627	95,696	2,208,886	-	-	70,233,209
Accounts payable (including related parties)	626,790,666	16,659,870	607,240	-	-	644,057,776
Other payables	164,573,016	32,108,373	343,044	-	-	197,024,433
Bonds payable	6,814,847	3,000,000	14,900,000	61,266,248	60,469,977	186,551,072
Long-term loans	2,968,619	750,408	17,236,256	893,116	5,813,159	31,176,458
Finance lease payable	-	-	-	-	-	3,042,986
	<u>\$ 876,075,775</u>	<u>\$ 52,614,347</u>	<u>\$ 35,295,426</u>	<u>\$ 62,159,364</u>	<u>\$ 66,283,136</u>	<u>\$ 1,139,085,934</u>

Derivative financial liabilities:

	Less than 3 months	Between 3 to 6 months	Between 6 months to 1 year	Between 1 to 2 years	Between 2 to 5 years	Over 5 years	Total
<u>December 31, 2014</u>							
Cross currency swap contracts	(\$ 811,314)	\$ -	\$ -	-	\$ -	-	(\$ 811,314)
Forward exchange contracts	(459,698)	-	-	-	-	-	(459,698)
	<u>(\$ 1,271,012)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 1,271,012)</u>
<u>December 31, 2015</u>							
Cross currency swap contracts	\$ -	\$ -	(\$ 12,727)	\$ -	\$ -	-	(\$ 12,727)
Forward exchange contracts	(410,972)	(61,074)	-	-	-	-	(472,046)
	<u>(\$ 410,972)</u>	<u>(\$ 61,074)</u>	<u>(\$ 12,727)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(\$ 484,773)</u>

(3) Fair value information

A. Details of the fair value of the Group's financial assets and financial liabilities not measured at fair value are provided in Note 12(2)A. Details of the fair value of the Group's investment property measured at cost are provided in Note 6(16).

B. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of the Group's investment in listed stocks is included in Level 1.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The fair value of the Group's investment in derivative instruments is included in Level 2.

Level 3: Unobservable inputs for the asset or liability.

C. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2014 and 2015 is as follows:

<u>December 31, 2014</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
<u>Recurring fair value</u>				
<u>measurements</u>				
Financial assets at fair value through profit or loss				
Financial products	\$ -	\$ 3,816	\$ -	\$ 3,816
Beneficiary certificates	79,825	632,716	-	712,541
Cross currency swap contracts	-	2,191,335	-	2,191,335
Forward exchange contracts	-	312,322	-	312,322
Others	218,241	-	-	218,241
Available-for-sale financial assets				
Equity securities	53,290,617	-	-	53,290,617
Foreign investment fund	-	537,315	-	537,315
	<u>\$ 53,588,683</u>	<u>\$ 3,677,504</u>	<u>\$ -</u>	<u>\$ 57,266,187</u>

<u>December 31, 2014</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Liabilities:				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Cross currency swap contracts	\$ -	(\$ 811,314)	\$ -	(\$ 811,314)
Forward exchange contracts	-	(459,698)	-	(459,698)
	<u>\$ -</u>	<u>(\$ 1,271,012)</u>	<u>\$ -</u>	<u>(\$ 1,271,012)</u>
<u>December 31, 2015</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets:				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Beneficiary certificates	\$ 84,484	\$ 319,762	\$ -	\$ 404,246
Cross currency swap contracts	-	5,280,768	-	5,280,768
Forward exchange contracts	-	429,899	-	429,899
Available-for-sale financial assets				
Equity securities	39,106,595	-	-	39,106,595
Foreign investment fund	-	518,033	-	518,033
	<u>\$ 39,191,079</u>	<u>\$ 6,548,462</u>	<u>\$ -</u>	<u>\$ 45,739,541</u>
Liabilities:				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Cross currency swap contracts	\$ -	(\$ 12,727)	\$ -	(\$ 12,727)
Forward exchange contracts	-	(472,046)	-	(472,046)
	<u>\$ -</u>	<u>(\$ 484,773)</u>	<u>\$ -</u>	<u>(\$ 484,773)</u>

D. The methods and assumptions the Group used to measure fair value are as follows:

- (a) The instruments the Group used market quoted prices as their fair values (that is, Level 1) are listed below by characteristics:

	<u>Listed shares</u>	<u>Open-end fund</u>
Market quoted price	Closing price	Net asset value

- (b) Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques or by reference to counterparty

quotes. The fair value of financial instruments measured by using valuation techniques method can be referred to current fair value of instruments with similar terms and characteristics in substance, discounted cash flow method or other valuation methods, including calculated by applying model using market information available at the consolidated balance sheet date.

- (c) When assessing non-standard and low-complexity financial instruments, for example, debt instruments without active market, interest rate swap contracts, foreign exchange swap contracts and options, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- (d) The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
- (e) The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
- (f) The Group takes into account adjustments for credit risks to measure the fair value of financial and non-financial instruments to reflect credit risk of the counterparty and the Group's credit quality.

E. For the years ended December 31, 2014 and 2015, there was no transfer between Level 1 and Level 2.

F. For the years ended December 31, 2014 and 2015, there was no transfer into or out from Level 3.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

- D. Acquisition or sale of the same security with the accumulated cost reaching NT \$300 million or 20% of paid-in capital or more: Please refer to table 4.
- E. Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- F. Disposal of real estate reaching NT\$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 5.
- H. Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more: Please refer to table 6.
- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Note 6(2).
- J. Significant inter-company transactions during the reporting periods: Please refer to table 7.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China) : Please refer to table 8.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 9.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: The Company appointed Foxconn (Far East) Limited's Mainland investee to render processing services and to trade. The transactions were eliminated in the consolidated financial statements. For significant transactions of processing services, trading, receivables and payables, endorsements and guarantees or collaterals provided, and financing, please refer to Note 13(1) A, B, G and H.

14. SEGMENT INFORMATION

(1) General information

The Group has adopted eCMMS (E-enabled Components, Modules, Moves & Services) strategy, and provided a one-stop shop to its customers, which are primarily in the 3C industries, with a total solution for design, development, engineering, procurement, manufacturing, logistics and after-sales service. The Group segregates operating segments from both a customer service and product perspective.

In accordance with IFRS No. 8, "Operating Segments", the Group has determined the operating segments and reportable operating segments. Operating segments which have met certain quantitative threshold are disclosed individually or aggregately as reportable operating segments; other segments which have not met the quantitative threshold are included in the 'all other segments'. The Group has identified the electronic manufacturing integrated services department, which provides global 3C production-related one-stop services, as a reportable operating segment.

(2) Measurement of segment information

The chief operating decision maker assesses performance and allocates resources of the operating segments based on each operating segment's revenue and operating income after adjusting the internal costs and allocated expenses. Except for the recognition of internal costs which shall be in accordance with the Group's related internal calculation basis, the operating segments' accounting policies are the same as disclosed in Note 4.

(3) Segment information

The financial information of reportable segments provided to chief operating decision maker is as follows:

	For the years ended December 31,	
	2014	2015
	Electronic	Electronic
	Manufacturing	Manufacturing
	Integration Service	Integration Service
Net external revenue	\$ 3,965,607,295	\$ 4,241,938,841
Revenue from internal customers	983,748,322	485,824,862
Segment revenue	<u>\$ 4,949,355,617</u>	<u>\$ 4,727,763,703</u>
Segment profit	<u>\$ 189,661,480</u>	<u>\$ 174,142,198</u>

(4) Reconciliation for segment income (loss)

Sales between segments are carried out at arm's length. The revenue from external parties reported to the chief operating decision-maker is measured in a manner consistent with that in the income statement.

A reconciliation of reportable segment profit or loss to the profit before tax and discontinued operations for the years ended December 31, 2014 and 2015 is provided as follows:

Operating revenue	For the years ended December 31,	
	2014	2015
Total reported segment revenue	\$ 4,949,355,617	\$ 4,727,763,703
Other operating segment revenue	76,502,022	53,517,300
Elimination of intersegment revenue	(812,685,318)	(299,135,036)
Total corporate revenue	<u>\$ 4,213,172,321</u>	<u>\$ 4,482,145,967</u>

Profit and loss	For the years ended December 31,	
	2014	2015
Profit of reported segment	\$ 189,661,480	\$ 174,142,198
Profit of other operating segments	(8,312,990)	4,668,036
Elimination of intersegment transactions and internal costs and allocated expenses adjustments	(7,228,118)	20,228,081
Profit before income tax	<u>\$ 174,120,372</u>	<u>\$ 199,038,315</u>

(5) Geographical information

Geographical information for the years ended December 31, 2014 and 2015 is as follows:

	For the years ended December 31,			
	2014		2015	
	Revenue	Non-current assets	Revenue	Non-current assets
U.S.A	\$ 1,252,126,006	\$ 1,598,750	\$ 1,479,056,371	\$ 987,418
Ireland	1,223,538,332	137,804	1,337,438,634	143,624
China	357,642,516	309,636,283	318,429,095	277,574,412
Singapore	439,119,155	62,168	398,082,724	84,602
Japan	231,536,895	142,028	209,884,007	110,788
Taiwan	30,157,005	24,081,411	45,654,125	32,358,863
Others	679,052,412	55,261,393	693,601,011	55,090,406
	<u>\$ 4,213,172,321</u>	<u>\$ 390,919,837</u>	<u>\$ 4,482,145,967</u>	<u>\$ 366,350,113</u>

(6) Major customer information

Major customer information of the Group for the years ended December 31, 2014 and 2015 is as follows:

	For the years ended December 31,	
	2014	2015
	Revenue (in millions)	Revenue (in millions)
Client E	\$ 2,119,957	\$ 2,405,381
Client C	378,000	340,234

Hon Hai Precision Industry Co., Ltd. and Subsidiaries

Loans to others

December 31, 2015

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during December 31, 2015	Balance at December 31, 2015	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Ceiling on total loans granted	Footnote
													Item	Value		
1	Hon Yuan International Investment Co., Ltd.	UER Technology Corporation	Finance Receivables - Related Parties	Y	\$ 100,000	\$ 50,000	\$ 50,000	1.41	Short term financing	\$ -	Business operation	\$ -	None	\$ -	\$ 390,168	Note 1
2	Hon Chi International Investment Co., Ltd.	UER Technology Corporation	Finance Receivables - Related Parties	Y	350,000	350,000	350,000	1.41~1.50	Short term financing	-	Business operation	-	None	-	388,946	Note 1
3	Bon Shin International Investment Co., Ltd.	UER Technology Corporation	Finance Receivables - Related Parties	Y	560,000	524,000	524,000	1.41~1.50	Short term financing	-	Business operation	-	None	-	1,393,128	Note 1
4	Lin Yih International Investment Co., Ltd.	UER Technology Corporation	Finance Receivables - Related Parties	Y	100,000	50,000	50,000	1.41	Short term financing	-	Business operation	-	None	-	104,783	Note 1
5	Hyield Venture Capital Co., Ltd.	Syntrend Creative Park Co., Ltd.	Finance Receivables - Related Parties	Y	30,000	-	-	N/A	Short term financing	-	Business operation	-	None	-	2,138,082	Note 1
5	Hyield Venture Capital Co., Ltd.	UER Technology Corporation	Finance Receivables - Related Parties	Y	314,000	314,000	314,000	1.70	Short term financing	-	Business operation	-	None	-	2,138,082	Note 1
6	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Fu Xun Tong Trading (Shenzhen) Co., Ltd.	Other Receivables - Related Parties	Y	563,134	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	Note 2
6	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	WWV (Jin Cheng) Precision Industrial Co., Ltd.	Other Receivables - Related Parties	Y	2,098,954	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	Note 2

Table 1, Page 1

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2015	Balance at December 31, 2015	Actual amount drawn down	Interest rate (%)	Nature of loan financing	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
6	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Beijing/TuopuWang Logistics Co., Ltd.	Other Receivables - Related Parties	Y	25,933	25,323	25,323	4.60	Short term financing	-	Business operation	-	None	-	8,296,648	33,186,591	Note 3
6	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Shanghai TuopuWang Logistics Co., Ltd.	Other Receivables - Related Parties	Y	41,493	40,516	40,516	4.60	Short term financing	-	Business operation	-	None	-	8,296,648	33,186,591	Note 3
6	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Chengdu JUSDA Supply Chain Management Co., Ltd.	Other Receivables - Related Parties	Y	253,225	253,225	253,225	3.92	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
7	Futaihua Industrial (Shenzhen) Co., Ltd.	Shenzhen Futai Trade Co., Ltd.	Other Receivables - Related Parties	Y	1,146,239	359,580	359,580	2.10	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
7	Futaihua Industrial (Shenzhen) Co., Ltd.	Jizhun Precision Industry (Huizhou) Co., Ltd.	Other Receivables - Related Parties	Y	4,253,012	3,139,990	3,139,990	2.7~5.04	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
7	Futaihua Industrial (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Other Receivables - Related Parties	Y	509,660	-	-	N/A	Short term financing	-	Business operation	-	None	-	14,216,159	56,864,638	Note 3
7	Futaihua Industrial (Shenzhen) Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Other Receivables - Related Parties	Y	2,559,700	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
7	Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Other Receivables - Related Parties	Y	2,302,830	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
7	Futaihua Industrial (Shenzhen) Co., Ltd.	Fuhongyang Precision Industrial (Shenzhen) Co., Ltd.	Other Receivables - Related Parties	Y	2,099,799	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
7	Futaihua Industrial (Shenzhen) Co., Ltd.	FuShiKui Zhengzhou Precision Industry Co., Ltd.	Other Receivables - Related Parties	Y	129,665	126,613	126,613	4.59	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2

Table 1, Page 2

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2015	Balance at December 31, 2015	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
7	Futaihua Industrial (Shenzhen) Co., Ltd.	FuShiRui Precision Industry (JinCheng) Co., Ltd.	Other Receivables - Related Parties	Y	\$ 157,000	\$ 157,000	\$ 157,000	3.915~4.59	Short term financing	\$ -	Business operation	-	None	\$ -	\$ 201,525,968	Note 2	
7	Futaihua Industrial (Shenzhen) Co., Ltd.	FuShiRui ChengDu Precision Industry Co., Ltd.	Other Receivables - Related Parties	Y	379,838	379,838	379,838	3.915~4.59	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
7	Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfuzhun Precision (Shenzhen) Co., Ltd.	Other Receivables - Related Parties	Y	954,334	931,868	931,868	4.14~4.59	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
7	Futaihua Industrial (Shenzhen) Co., Ltd.	Fuguikang Precision Electronics (Guizhou) Co., Ltd.	Other Receivables - Related Parties	Y	1,012,900	1,012,900	1,012,900	1.80	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
7	Futaihua Industrial (Shenzhen) Co., Ltd.	Shenzhen Fertile Plan international Logistics Co., Ltd.	Other Receivables - Related Parties	Y	2,076,445	2,076,445	2,076,445	3.915~4.365	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
8	Premier Image Technology (China) Ltd.	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Other Receivables - Related Parties	Y	4,149,280	4,051,600	4,051,600	1.80	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
9	Fujian Precision Industry (Shenzhen) Co., Ltd.	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Other Receivables - Related Parties	Y	1,555,980	1,519,350	1,519,350	3.30	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
10	Hongzhun Precision Tooling (Shenzhen) Co., Ltd.	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Other Receivables - Related Parties	Y	511,740	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
11	Foxconn Precision Component (Shenzhen) Co., Ltd.	Hongfujin Precision Industrial (Shenzhen) Co., Ltd.	Other Receivables - Related Parties	Y	2,038,640	1,519,350	1,519,350	3.00	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
12	Amplinda Precision Industrial (Huizhou) Co., Ltd.	Jizhun Precision Industry (Huizhou) Co., Ltd.	Other Receivables - Related Parties	Y	2,150,148	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2

Table 1, Page 3

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2015	Balance at December 31, 2015	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
13	Shenzhen Fertile Plan International Logistics Co., Ltd.	Chengdu Futaitong Logistics Co., Ltd.	Other Receivables -Related Parties	Y	\$ 40,955	\$ -	-	N/A	Short term financing	\$ -	Business operation	\$ -	None	\$ -	\$ 100,762,984	\$ 201,525,968	Note 2
13	Shenzhen Fertile Plan International Logistics Co., Ltd.	Chengdu JUSDA Supply Chain Management Co., Ltd.	Other Receivables -Related Parties	Y	102,102	101,290	101,290	2.00~4.365	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
14	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fu Yu Electronical Technology (Huaian) Co., Ltd.	Other Receivables -Related Parties	Y	254,830	-	-	N/A	Short term financing	-	Business operation	-	None	-	1,391,895	5,567,582	Note 3
14	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Foxconn (Kunshan) Computer Connector Co., Ltd.	Other Receivables -Related Parties	Y	560,626	-	-	N/A	Short term financing	-	Business operation	-	None	-	1,391,895	5,567,582	Note 3
14	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Anhui HongQing Precision Machine Co., Ltd.	Other Receivables -Related Parties	Y	264,517	258,290	258,290	2.10	Short term financing	-	Business operation	-	None	-	1,391,895	5,567,582	Note 3
14	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fuxian Precision Industry (Kunshan) Co., Ltd.	Other Receivables -Related Parties	Y	30,040,754	2,279,025	2,279,025	1.35	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
14	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	System Integration Electronics (Hangzhou) Co., Ltd.	Other Receivables -Related Parties	Y	3,286,600	3,286,600	3,286,600	0.51	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
14	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Kangzhun Precision Tooling (Kunshan) Co., Ltd.	Other Receivables -Related Parties	Y	5,788,238	4,482,083	4,482,083	1.35	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
15	Fuyang Electronical Technology (Changshu) Co., Ltd.	Hongye Precision Component (Kunshan) Co., Ltd.	Other Receivables -Related Parties	Y	358,358	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2

Table 1, Page 4

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2015	Balance at December 31, 2015	Actual amount drawn down	Interest rate (%)	Nature of loan financing	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
15	Fuyang Electronical Technology (Changshu) Co., Ltd.	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Other Receivables -Related Parties	Y	\$ 455,449	\$ -	-	N/A	Short term financing	\$ -	Business operation	\$ -	None	\$ -	\$ 100,762,984	\$ 201,525,968	Note 2
15	Fuyang Electronical Technology (Changshu) Co., Ltd.	Fuxian Precision Industry (Kunshan) Co., Ltd.	Other Receivables -Related Parties	Y	2,675,040	1,418,060	1,418,060	1.35	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
15	Fuyang Electronical Technology (Changshu) Co., Ltd.	Kangzhun Precision Tooling (Kunshan) Co., Ltd.	Other Receivables -Related Parties	Y	2,148,216	2,127,090	2,127,090	1.35	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
16	Fu Ding Electronical Technology (Jiashan) Co., Ltd.	Foxconn (Kunshan) Computer Connector Co., Ltd.	Other Receivables -Related Parties	Y	3,583,580	-	-	N/A	Short term financing	-	Business operation	-	None	-	2,477,983	9,911,934	Note 3
16	Fu Ding Electronical Technology (Jiashan) Co., Ltd.	Shan Hai Pengzhan Investment Co., Ltd.	Other Receivables -Related Parties	Y	153,582	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
16	Fu Ding Electronical Technology (Jiashan) Co., Ltd.	Shanghai KetaiHuijie Investment Co., Ltd.	Other Receivables -Related Parties	Y	20,258	20,258	20,258	1.35	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
16	Fu Ding Electronical Technology (Jiashan) Co., Ltd.	Beijing HengYu New Energy Auto Rental Co., Ltd.	Other Receivables -Related Parties	Y	182,568	178,270	178,270	5.35	Short term financing	-	Business operation	-	None	-	2,477,983	9,911,934	Note 3
16	Fu Ding Electronical Technology (Jiashan) Co., Ltd.	Shanghai Foxconn Co., Ltd.	Other Receivables -Related Parties	Y	570,526	557,095	557,095	2.25	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
17	Fuzhun Precision Tooling (Huaian) Co., Ltd.	Fu Yu Electronical Technology (Huaian) Co., Ltd.	Other Receivables -Related Parties	Y	2,354,004	-	-	N/A	Short term financing	-	Business operation	-	None	-	501,753	2,007,012	Note 3

Table 1, Page 5

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2015	Balance at December 31, 2015	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
					\$	\$	\$		financing	\$	Business operation	\$	Item	\$	\$	
17	Fuzhoun Precision Tooling (Huaian) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Other Receivables -Related Parties	Y	2,960,958	-	-	N/A	Short term financing	-	Business operation	-	None	100,762,984	201,525,968	Note 2
18	Hongye Precision Component (Kunshan) Co., Ltd.	Foxconn (Kunshan) Computer Connector Co., Ltd.	Other Receivables -Related Parties	Y	622,392	-	-	N/A	Short term financing	-	Business operation	-	None	49,148	196,593	Note 3
19	Ambit Microsystems (Shanghai) Co., Ltd.	System Integration Electronics (Hangzhou) Co., Ltd.	Other Receivables -Related Parties	Y	2,311,260	-	-	N/A	Short term financing	-	Business operation	-	None	100,762,984	201,525,968	Note 2
20	Hongfujin Precision Electrons (Yantai) Co., Ltd.	Synergy Technology (CengDu) Co., Ltd.	Other Receivables -Related Parties	Y	622,392	607,740	607,740	2.85	Short term financing	-	Business operation	-	None	3,689,327	14,757,309	Note 3
20	Hongfujin Precision Electrons (Yantai) Co., Ltd.	Honghuasheng Precision Electronics (Yantai) Co., Ltd.	Other Receivables -Related Parties	Y	511,740	-	-	N/A	Short term financing	-	Business operation	-	None	3,689,327	14,757,309	Note 3
20	Hongfujin Precision Electrons (Yantai) Co., Ltd.	Beijing TuofuWang Logistics Co., Ltd.	Other Receivables -Related Parties	Y	103,732	50,645	50,645	4.35	Short term financing	-	Business operation	-	None	3,689,327	14,757,309	Note 3
20	Hongfujin Precision Electrons (Yantai) Co., Ltd.	Foxconn Precision Electronics (Yantai) Co., Ltd.	Other Receivables -Related Parties	Y	4,259,186	3,920,476	3,920,476	0.15~1.35	Short term financing	-	Business operation	-	None	100,762,984	201,525,968	Note 2
20	Hongfujin Precision Electrons (Yantai) Co., Ltd.	YanTai FuHuaDa Precision Electronics Co., Ltd.	Other Receivables -Related Parties	Y	4,380,624	4,246,287	4,246,287	0.62~0.65	Short term financing	-	Business operation	-	None	100,762,984	201,525,968	Note 2
21	Hongfujin Precision Electronic (Zhengzhou) Co., Ltd.	ZhengZhou Fu LianWang Electronic Technology Co., Ltd.	Other Receivables -Related Parties	Y	311,196	-	-	N/A	Short term financing	-	Business operation	-	None	100,762,984	201,525,968	Note 2

Table 1, Page 6

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2015	Balance at December 31, 2015	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
21	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Fuatahua Precision Electronics (Jiyuan) Co., Ltd.	Other Receivables -Related Parties	Y	\$ 10,752,880	\$ 8,599,000	\$ 8,599,000	0.6~4.14	Short term financing	\$ -	Business operation	\$ -	None	\$ -	\$ 100,762,984	\$ 201,525,968	Note 2
21	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Fuding Precision Industrial (Zhengzhou) Co., Ltd.	Other Receivables -Related Parties	Y	1,023,880	-	-	N/A	Short term financing	-	Business operation	-	None	-	6,296,030	25,184,119	Note 3
21	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Other Receivables -Related Parties	Y	1,570,500	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
21	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	WWW (Jin Cheng) Co., Ltd.	Other Receivables -Related Parties	Y	990,540	985,980	985,980	0.60	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
22	Erdos HongHan Precision Electronics Co., Ltd.	Fuatahua Precision Electronics (Zhengzhou) Co., Ltd.	Other Receivables -Related Parties	Y	793,550	774,869	724,224	3.00	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
23	Foxcomm Precision Electronics (Taiyuan) Co., Ltd.	WWW (Jin Cheng) Co., Ltd.	Other Receivables -Related Parties	Y	2,126,506	1,823,220	1,823,220	5.10	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
24	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	ChengDu FuLianWang Trading Co., Ltd	Other Receivables -Related Parties	Y	163,821	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
25	FuTaiHua Precision Electronics (ChengDu) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Other Receivables -Related Parties	Y	311,196	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2

Table 1, Page 7

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2015	Balance at December 31, 2015	Actual amount drawn down	Interest rate (%)	Nature of loan financing	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
26	Chengdu Ketai Huajie Technology Co., Ltd.	Shanghai KetaiHuajie Investment Co., Ltd.	Other Receivables - Related Parties	Y	\$ 6,743	\$ -	-	N/A	Short term financing	\$ -	Business operation	\$ -	None	\$ -	\$ 100,762,984	\$ 201,525,968	Note 2
27	Chongqingshi Futaitong Logistics Co., Ltd.	Chengdu Futaitong Logistics Co., Ltd.	Other Receivables - Related Parties	Y	81,910	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
28	GuiZhou FuNaYuan Chuang Technology Ltd.	Tianjin FuNaYuan Chuang Technology Co., Ltd.	Other Receivables - Related Parties	Y	129,665	126,613	126,613	2.50	Short term financing	-	Business operation	-	None	-	223,865	447,730	Note 3
29	Foxconn (Far East) Limited	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Finance Receivables	Y	457,914	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
29	Foxconn (Far East) Limited	Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Finance Receivables	Y	2,671,000	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
29	Foxconn (Far East) Limited	Jusda International Limited	Finance Receivables	Y	42,602	42,407	42,407	0.00	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
29	Foxconn (Far East) Limited	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Finance Receivables	Y	107,918	106,938	106,938	1.05	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
29	Foxconn (Far East) Limited	Fuxian Precision Industry (Kunshan) Co., Ltd.	Finance Receivables	Y	1,450,332	1,207,457	1,207,457	1.05~1.28	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
29	Foxconn (Far East) Limited	Competition Team Ireland Limited	Finance Receivables	Y	5,117,790	3,286,600	3,286,600	0.00	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
29	Foxconn (Far East) Limited	Competition Team Technologies Limited	Finance Receivables	Y	6,603,600	3,286,600	3,286,600	0.00	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
29	Foxconn (Far East) Limited	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Finance Receivables	Y	11,093,843	4,046,536	4,046,536	3.25	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2

Table 1, Page 8

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2015	Balance at December 31, 2015	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
29	Foxconn (Far East) Limited	Fu Ding Electronical Technology (Jiashan) Co., Ltd.	Finance Receivables	Y	4,319,031	4,279,810	4,279,810	1.05~1.28	Short term financing	-	Business operation	-	None	-	86,318,578	345,274,312	Note 3
29	Foxconn (Far East) Limited	Hightech Electronics Components Inc.	Finance Receivables	Y	4,523,466	4,502,642	4,502,642	0.00	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
29	Foxconn (Far East) Limited	Fu Yu Electronical Technology (Huaitan) Co., Ltd.	Finance Receivables	Y	83,691	82,931	82,931	1.28	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
29	Foxconn (Far East) Limited	Ambit Microsystem (Shanghai) Co., Ltd.	Finance Receivables	Y	3,410,000	3,410,000	3,410,000	1.05	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
30	Foxteq Holding Inc.	Foxconn Holding Ltd.	Finance Receivables	Y	569,903	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
30	Foxteq Holding Inc.	ICREATE INVESTMENTS LIMITED	Finance Receivables	Y	3,962,160	-	-	N/A	Short term financing	-	Business operation	-	None	-	100,762,984	201,525,968	Note 2
31	FOXCONN INTERCONNECT TECHNOLOGY LIMITED	FOXCONN OPTICAL TECHNOLOGIES INC.	Finance Receivables	Y	711,647	711,647	711,647	0.00	Short term financing	-	Purchase of Equipment	-	None	-	14,393,963	14,393,963	Note 4
31	FOXCONN INTERCONNECT TECHNOLOGY LIMITED	FOXCONN OPTICAL TECHNOLOGIES SINGAPORE PTE. LIMITED	Finance Receivables	Y	1,643,300	1,643,300	1,643,300	0.00	Short term financing	-	Purchase of Equipment	-	None	-	14,393,963	14,393,963	Note 4
32	Foxconn (Kunshan) Computer Connector Co., Ltd.	Fuding Precision Industrial (Zhengzhou) Co., Ltd.	Other Receivables - Related Parties	Y	1,555,980	1,519,350	1,519,350	1.35	Short term financing	-	Business operation	-	None	-	14,393,963	14,393,963	Note 4
32	Foxconn (Kunshan) Computer Connector Co., Ltd.	Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Other Receivables - Related Parties	Y	943,961	921,739	921,739	1.35	Short term financing	-	Business operation	-	None	-	14,393,963	14,393,963	Note 4

Table 1, Page 9

No.	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended December 31, 2015	Balance at December 31, 2015	Actual amount drawn down	Interest rate (%)	Nature of loan financing	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
33	Fu Yu Technology (Huanan) Co., Ltd.	Fuding Precision Industrial (Zhengzhou) Co., Ltd.	Other Receivables - Related Parties	Y	\$ 1,037,320	\$ 1,012,900	\$ 1,012,900	1.35	Short term financing	-	Business operation	-	None	\$ -	\$ 14,393,963	\$ 14,393,963	Note 4
34	ShunSin Technology (Samoa) Corporation Limited	ShunSin Technology Holdings (HongKong) Limited	Finance Receivables - Related Parties	Y	495,270	492,990	295,794	0.00	Short term financing	-	Business operation	-	None	-	616,813	2,467,252	Note 5
35	ShunSin Technology Holdings (HongKong) Limited	ShunSin Technology (Samoa) Corporation Limited	Finance Receivables - Related Parties	Y	495,270	492,990	295,794	0.00	Short term financing	-	Business operation	-	None	-	616,813	2,467,252	Note 5
36	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Hengyang Futaihong Precision Industry Co., Ltd.	Other Receivables - Related Parties	Y	463,059	-	-	N/A	Short term financing	-	Business operation	-	None	-	36,987,072	73,974,144	Note 6
36	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	FIH (Tian Jin) Precision Industry Co., Ltd.	Other Receivables - Related Parties	Y	3,071,640	-	-	N/A	Short term financing	-	Business operation	-	None	-	36,987,072	73,974,144	Note 6
37	FIH Precision Component (Beijing) Co., Ltd.	Fu TaiJing Precision Electronics (Yantai) Co., Ltd.	Other Receivables - Related Parties	Y	1,535,820	-	-	N/A	Short term financing	-	Business operation	-	None	-	36,987,072	73,974,144	Note 6
37	FIH Precision Component (Beijing) Co., Ltd.	Futaijing Precision Electronics (Beijing) Co., Ltd.	Other Receivables - Related Parties	Y	3,630,620	2,025,800	2,025,800	1.50	Short term financing	-	Business operation	-	None	-	36,987,072	73,974,144	Note 6
37	FIH Precision Component (Beijing) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Other Receivables - Related Parties	Y	3,889,950	3,798,375	3,798,375	2.50	Short term financing	-	Business operation	-	None	-	36,987,072	73,974,144	Note 6
37	FIH Precision Component (Beijing) Co., Ltd.	FIH (Tian Jin) Precision Industry Co., Ltd.	Other Receivables - Related Parties	Y	4,149,280	4,051,600	4,051,600	2.25~2.5	Short term financing	-	Business operation	-	None	-	36,987,072	73,974,144	Note 6

Table 1, Page 10

No.	Creditor	Borrower	General ledger account	Is a related party	Balance at December 31, 2015	Actual amount drawn down	Interest rate (%)	Nature of loan	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral Item	Value	Limit on loans granted to a single party	Ceiling on total loans granted	Footnote
38	FIH Mobile Limited	FIH Precision Component (Beijing) Co., Ltd.	Finance Receivables	Y	\$ 3,876,480	\$ -	N/A	Short term financing	\$ -	Business operation	\$ -	None	\$ -	\$ 36,987,072	\$ 73,974,144	Note 6
38	FIH Mobile Limited	FIH Precision Electronics (Lang Fang) Co., Ltd.	Finance Receivables	Y	6,282,000	4,929,900	0.50	Short term financing	-	Business operation	-	None	-	36,987,072	73,974,144	Note 6

Note 1: The ceiling on total loans granted by a domestic subsidiary to all parties is 40% of its net assets value; the ceiling on single loan granted by a domestic subsidiary to all parties is 10% of its net assets value.

Note 2: The policy for loans granted mutually between overseas subsidiaries of which the Company directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by an overseas subsidiary to all overseas subsidiaries is 20% of the Company's net assets; limit on loans granted by an overseas subsidiary to a single overseas subsidiary is 10% of the Company's net assets.

Note 3: The policy for loans granted by subsidiaries to the company whose voting shares are not directly or indirectly wholly-owned is as follows: ceiling on total loans granted by an subsidiary is 40% of all subsidiary's net assets; limit on loans granted by subsidiary to a single party is 10% of the subsidiary's net assets. Except for GuiZhou FuNaYuan Chuang Technology Co., Ltd., whose limit on loans to a single party is 20% of the net assets value of GuiZhou FuNaYuan Chuang Technology Co., Ltd..

Note 4: The policy for loans granted by Foxconn Interconnect Technology Limited is as follows: ceiling on total loans to all parties is 40% of the net assets value of Foxconn Interconnect Technology Limited; limit on loans to a single party is 40% of the net assets value of Foxconn Interconnect Technology Limited. The policy for loans granted by subsidiaries of Foxconn Interconnect Technology Limited is as follows: ceiling on total loans to all parties is 40% of the net assets value of Foxconn Interconnect Technology Limited; limit on loans to a single party is 40% of the net assets value of Foxconn Interconnect Technology Limited.

Note 5: The policy for loans granted by subsidiaries of which ShunSin Technology Holdings Limited directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by an subsidiary to all parties for short-term financing is 40% of the net assets of the subsidiary; limit on loans granted by an subsidiary to a single party is 10% of the net assets value of the subsidiary. Except for overseas subsidiaries of which the ShunSin Technology Holdings Limited directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by overseas subsidiaries is 20% of the net assets value of ShunSin Technology Holdings Limited; limit on loans granted by an overseas subsidiary to a single party is 10% of the net assets value of ShunSin Technology Holdings Limited.

Note 6: The policy for loans granted by overseas subsidiaries of which FIH Mobile Limited directly or indirectly holds 100% of their voting shares is as follows: ceiling on total loans granted by an overseas subsidiary to all parties is 60% of the net assets of FIH Mobile Limited; limit on loans granted by an overseas subsidiary to a single party is 30% of the net assets value of FIH Mobile Limited.

Note 7: The net assets referred to above are based on the latest audited financial statements.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Provision of endorsements and guarantees to others

December 31, 2015

Table 2

Expressed in thousands of NTD
(Except as otherwise indicated)

No.	Endorser/ guarantor	Company name	Party being endorsed/guaranteed		Relationship with the endorser/ guarantor	Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount as of December 31, 2015	Outstanding endorsement/ guarantee amount at December 31, 2015	Actual amount drawn down	Amount of endorsements/ guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the endorser/ guarantor company (%)	Ceiling on total amount of endorsements/ guarantees provided	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
			December 31, 2015	December 31, 2015												
0	Hon Hai Precision Industry Co., Ltd.	Competition Team			Note 2	\$ 503,814,919	\$ 8,254,500	\$ -	\$ -	-	0.00	\$ 1,007,629,838	Y	N	N	Note 3 - 4
0	Hon Hai Precision Industry Co., Ltd.	Ireland Limited			Note 2	503,814,919	4,787,610	4,765,570	2,563,548	-	0.47	1,007,629,838	Y	N	N	Note 3 - 4
0	Hon Hai Precision Industry Co., Ltd.	Fusing International Inc.			Note 2	503,814,919	10,290,200	9,622,550	-	-	0.95	1,007,629,838	Y	N	N	Note 3 - 4
0	Hon Hai Precision Industry Co., Ltd.	Falcon Precision Trading Limited			Note 2	503,814,919	31,834,900	31,491,900	21,362,900	-	3.13	1,007,629,838	Y	N	N	Note 3 - 4
0	Hon Hai Precision Industry Co., Ltd.	Competition Team Technologies Limited			Note 1	503,814,919	110,610,300	110,101,100	43,369,825	-	10.93	1,007,629,838	Y	N	N	Note 3 - 4
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited			Note 2	503,814,919	4,005,700	2,250,600	2,250,600	-	0.22	1,007,629,838	Y	N	Y	Note 3 - 4
0	Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.			Note 2	503,814,919	11,879,491	11,879,491	7,315,828	-	1.18	1,007,629,838	Y	N	N	Note 3 - 4

Note 1: The Company directly holds 50% of common shares of the subsidiary.

Note 2: The Company and its subsidiaries hold more than 50% of common shares of the investee company.

Note 3: The total endorsements and guarantees of the Company to others should not be in excess of the Company's net assets, and for a single party should not be in excess of 50% of the Company's net assets.

Note 4: The net assets referred to above are based on the latest audited financial statements.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries

Holding of marketable securities as of the year ended (not including subsidiaries, associates and joint ventures)

December 31, 2015

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer	General ledger account (Note 2)	As of December 31, 2015			Footnote
				Number of shares	Book value	Ownership (%)		Fair value
Hon Hai Precision Industry Co., Ltd.	Common stock of Media Tek Inc.	None	(1)	2,134	\$ 533,565	-	\$ 533,565
"	Common stock of Innolux Co., Ltd.	The Company's chairman is the major shareholder	(1)	147,965	1,470,776	1	1,470,776
"	Global Strategic Investment Inc.	None	(2)	2,450	49,097	13	49,097
"	Usun Technology Co., Ltd.	None	(1)	7,400	446,960	8	446,960
"	Others (Note 3)	None	(2)	-	76,631	-	76,631
Bon Shin International Investment Co., Ltd. and subsidiaries	Common stock of Simplo Technology Co., Ltd.	None	(1)	12,884	1,352,828	4	1,352,828
"	Common stock of UV/AT Technology Co., Ltd.	None	(1)	7,558	69,532	14	69,532
"	Common stock of Portwell Inc.	None	(1)	1,165	48,816	1	48,816
"	Common stock of MiTAC Inc.	None	(2)	3,003	39,252	1	39,252
"	Common stock of Wallop International Corporation	None	(2)	660	9,900	2	9,900
"	Common stock of MiTAC Information Technology Corporation	None	(2)	887	33,006	1	33,006
"	Others (Note 3)	None	(1)	-	110,960	-	110,960
Hon Chi International Investment Co., Ltd.	Common stock of Wallop International Corporation	None	(2)	660	9,900	2	9,900
Hon Yuan International Investment Co., Ltd.	Common stock of Entire Technology Co., Ltd.	None	(1)	2,206	57,578	2	57,578
"	Usun Technology Co., Ltd.	None	(1)	1,120	67,648	1	67,648
"	Common stock of Wallop International Corporation	None	(2)	660	9,900	2	9,900
Lin Yih International Investment Co., Ltd.	Common stock of AcBel Polytech Inc.	None	(1)	3,857	89,675	1	89,675
"	Common stock of Wallop International Corporation	None	(2)	660	9,900	2	9,900
Hyield Venture Capital Co., Ltd. and subsidiaries	Common stock of Unimicron Corporation	None	(1)	3,400	47,430	-	47,430
"	Common stock of Foxlink Image Technology Co., Ltd.	None	(1)	3,098	51,582	2	51,582
"	Common stock of Innolux Co., Ltd.	The Company's chairman is the major shareholder	(1)	176,311	1,752,534	2	1,752,534
"	Common stock of Microelectronics Technology Inc.	None	(1)	14,524	167,754	4	167,754
"	Common stock of Tai Tung Communication Co., Ltd.	None	(1)	4,304	79,186	4	79,186
"	Usun Technology Co., Ltd.	None	(1)	5,480	330,992	6	330,992
"	Common stock of Simplo Technology Co., Ltd.	None	(1)	13,691	1,437,566	4	1,437,566
"	Common stock of Taiwan Mobile Co., Ltd.	None	(1)	31,974	3,197,425	1	3,197,425
"	Common stock of Wallop International Corporation	None	(2)	660	9,900	2	9,900
"	Common stock of Deer Computer Co., Ltd.	None	(2)	435	4,467	15	4,467
"	Others (Note 3)	None	(1)(2)(3)	-	168,775	-	168,775
Foxconn (Far East) Limited and subsidiaries	Solytech Enterprise Corporation	None	(1)	6,430	31,317	3	31,317
"	Olympus Corporation	None	(1)	1,743	2,280,014	-	2,280,014

Table 3, Page 1

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer	General ledger account (Note 2)	As of December 31, 2015			Footnote
				Number of shares	Book value	Ownership (%)		Fair value
Foxcomm (Far East) Limited and subsidiaries	Common stock of GoPro, Inc.	None	(1)	2,150	\$ 1,271,227	2	\$ 1,271,227
"	Common stock of SK C&C Co., Limited	None	(1)	2,450	17,409,831	3	17,409,831
"	Conquer Hill Advantage Fund	None	(1)	166	518,033	-	518,033
"	Common stock of China Harmony Auto Holding Ltd.	None	(1)	128,734	2,982,230	8	2,982,230
"	Guangzhou Oed Technologies Co., Ltd.	None	(2)	16,000	65,660	6	65,660
"	Shenzhen Yuto Printing Corporation	None	(2)	7,472	131,096	5	131,096
"	Witriciti Corporation	None	(2)	980	328,300	5	328,300
"	Msde Denali Investors, L.P.	None	(2)	-	984,900	-	984,900
"	Meitu, Inc.	None	(2)	6,087	623,770	3	623,770
"	Scratch Wireless Inc.	None	(2)	1,391	65,660	17	65,660
"	Fablelabs Inc.	None	(2)	951	65,660	11	65,660
"	Soundhawk Corporation Ltd.	None	(2)	1,286	66,954	11	66,954
"	Common stock of Nanosystems Technology Ltd.	None	(2)	12,383	203,267	10	203,267
"	Common stock of Cyanogen Inc.	None	(2)	317	164,150	1	164,150
"	Common stock of Ainemo Inc.	None	(2)	85,714	196,980	6	196,980
"	Common stock of Dyna Image Corporation	None	(2)	4,500	168,895	17	168,895
"	Lemonade Lab, INC.	None	(2)	1	175,772	11	175,772
"	Noodoe Corporation	None	(2)	282	50,332	5	50,332
"	Liangjin Electronic Business	None	(2)	-	75,837	5	75,837
"	Jasper Infotech Private LTD.	None	(2)	109	6,566,137	4	6,566,137
"	Jide Holdings	None	(2)	3,800	98,490	4	98,490
"	The Lightco INC.	None	(2)	6,863	82,984	4	82,984
"	Connexionone Corporation	None	(2)	522	58,735	-	58,735
"	Shenzhen Aoshijiachuang Equity Investment Limited Partnership	None	(2)	-	331,593	-	331,593
"	"Hui Li Feng" Financial Products	None	(4)	-	1,570,545	-	1,570,545
"	"Guang Ying An Xin" Interest Guaranteed (Type B)	None	(4)	-	9,029,104	-	9,029,104
"	RMB Wealth Management Products	None	(4)	-	2,030,211	-	2,030,211
"	Steady Series RMB 47 Days Interest Guaranteed Wealth Management Products	None	(4)	-	2,030,211	-	2,030,211
"	Others (Note 3)	None	(1)(2)	-	542,414	-	542,414
Foxcomm Holding Ltd. and subsidiaries	S.A.S. Dragon Holdings Ltd.	None	(1)	124,000	782,472	20	782,472
"	P.I.E Industrial Berhad	None	(1)	2,624	214,250	3	214,250
"	Invensense Inc.	None	(1)	751	252,112	1	252,112
"	Next Biometrics Group	None	(1)	263	105,739	2	105,739
"	Silverlink Capital L.P.	None	(1)	322	859,719	-	859,719
"	Common sotok of GOPRO, INC.	None	(1)	85	50,464	-	50,464
"	Diamondhead Ventures, L.P.	None	(1)	2,712	1,349,656	15	1,349,656
"	Alliance Fiber Optic Products	None	(1)	30	16,578	-	16,578
"	Telenor ASA	None	(1)	44	54,696	-	54,696
"	Globant S.A. (Glob)	None	(2)	-	328,726	-	328,726
"	Firebrand Wireless LLC	None	(2)	-	92,391	19	92,391
"	FUHU Inc.	None	(2)	1,776	328,300	7	328,300
"	Innovation Works Development Fund. L.P.	None	(2)	-	415,736	9	415,736
"	Innovation Works Development Fund III	None	(2)	-	123,113	-	123,113

Table 3, Page 2

Securities held by	Marketable securities (Note 1)	Relationship with the securities issuer	General ledger account (Note 2)	As of December 31, 2015				
				Number of shares	Book value	Ownership (%)	Fair value	Footnote
Foxcomm Holding Ltd. and subsidiaries	Innovation Works Limited	None	(2)	2,600	\$ 85,358	6	\$ 85,358	
"	Riverwood Capital L.P.	None	(2)	-	1,068,738	11	1,068,738	
"	Translink Capital II	None	(2)	-	288,289	12	288,289	
"	Translink Capital III	None	(2)	-	315,168	-	315,168	
"	Onset Vi, L. P. Partnership	None	(2)	-	117,551	2	117,551	
"	Sotera Wireless Inca	None	(2)	2,476	164,150	5	164,150	
"	Master Image 3D	None	(2)	296	65,660	9	65,660	
"	Airsig Inc.	None	(2)	1,111	65,660	10	65,660	
"	Nautilus Ventures LLC	None	(2)	-	295,470	-	295,470	
"	Gvfx1 L.P.	None	(2)	-	763,957	-	763,957	
"	Playground Ventures	None	(2)	-	393,960	-	393,960	
"	Playground Global	None	(2)	-	393,960	3	393,960	
"	500 Startups III, L.P.	None	(2)	-	164,150	-	164,150	
"	WRV II-A L.P.	None	(2)	-	927,769	-	927,769	
"	Common stock of Enevo OY	None	(2)	1	91,934	3	91,934	
"	Common stock of Katerra Inc.	None	(2)	400	65,660	2	65,660	
"	Actility S.A.	None	(2)	51	145,188	7	145,188	
"	Keywise Greater China Fund LTD.	None	(2)	3,500	114,905	-	114,905	
"	Silverlink Capital LP	None	(2)	-	350,187	-	350,187	
"	Others (Note 3)	None	(2)	-	358,172	-	358,172	
Foxcomm Singapore Pte. Ltd.	P.I.E. Industrial Berhad	None	(1)	12	980	-	980	

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IAS 39 'Financial instruments : recognition and measurement'.

Note 2: Code of general ledger accounts: (1) Available-for-sale financial assets

(2) Financial assets carried at cost

(3) Financial assets at fair value through profit or loss

(4) Other current assets

Note 3: Due to the amount is insignificant, combined disclosure is adopted.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries

Acquisition or sale of the same security with the accumulated cost reaching NT \$300 million or 20% of paid-in capital or more

For the year ended December 31, 2015

Table 4

Expressed in thousands
(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Transaction currency	Balance as at January 1, 2015			Addition			Disposal			Balance as at December 31, 2015	
						Number of shares	Amount	Transaction currency	Number of shares	Amount	Transaction currency	Number of shares	Amount	Transaction currency	Number of shares	Amount
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited	Note 1	Capital increase by Cash	Note 6	USD	4,427,612	\$ 4,427,612	USD	558,204	\$ 558,204	-	-	-	-	4,985,816	\$ 4,985,816
"	Foxconn Holding Ltd.	Note 1	Capital increase by Cash	Note 6	USD	120,680	120,680	USD	120,415	120,415	-	-	-	-	241,095	241,095
Foxconn (Far East) Limited and subsidiaries	Meitu, Inc.	Note 5	Note 7	None	USD	4,364,444	9,500	USD	1,722,870	9,500	-	-	-	6,087,314	19,000	19,000
"	Jasper Infotech Private Ltd.	Note 5	Note 8	None	USD	-	-	USD	108,783	200,004	-	-	-	108,783	200,004	200,004
"	Common stock of China Harmony Auto Holding Ltd.	Note 2	China Harmony Auto Holding Ltd.	None	HKD	-	-	HKD	128,734	608,912	-	-	-	128,734	608,912	608,912
"	Common stock of GoPro, Inc.	Note 2	Public Market	None	USD	9,414	150,908	USD	-	-	7,264	215,673	116,450	99,223	2,150	34,458
"	Henan Harmony Futeng Internet and Intelligent Electric Vehicle New Energy Partnership (Limited)	Note 1	Henan Harmony Futeng Internet and Intelligent Electric Vehicle New Energy Partnership (Limited)	None	RMB	-	-	RMB	-	294,000	-	-	-	-	-	294,000

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Transaction currency	Balance as at January 1, 2015			Balance as at December 31, 2015				
						Number of shares	Amount	Number of shares	Disposal	Gain (loss) on disposal	Number of shares	Amount	
Foxcomm (Far East) Limited and subsidiaries	Shenzhen Aoshijiachuang Equity Investment Limited Partnership	Note 5	Shenzhen Aoshijiachuang Equity Investment Limited Partnership	None	USD	-	\$ -	-	\$ -	-	\$ -	-	\$ 2,020
						Number of shares	Amount	Number of shares	Book value		Number of shares	Amount	
"	Shenzhen Aoshijiachuang Equity Investment Limited Partnership	Note 5	Shenzhen Aoshijiachuang Equity Investment Limited Partnership	None	RMB	-	52,649	-	-	-	-	-	52,649
"	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	140,000	-	140,604	604	-	-	-
"	"Zeng Li" RMB Financial Products	Note 4	Industrial and Commercial Bank of China Limited	None	RMB	-	165,000	-	167,089	2,089	-	-	-
"	"Wen Li" RMB Financial Products	Note 4	Industrial and Commercial Bank of China Limited	None	RMB	-	250,000	-	251,434	1,434	-	-	-
"	RMB" Permanent Organization" Financial Products	Note 4	Industrial Bank Co., Ltd.	None	RMB	-	600,000	-	602,483	2,483	-	-	-
"	"Li Duo Duo" Company RMB Financial Products	Note 4	"Li Duo Duo" Company RMB Financial Products	None	RMB	-	340,000	-	341,141	1,141	-	-	-
"	"Hui Li Feng" Financial Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	3,518,000	-	3,537,005	19,005	-	-	-
"	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	1,283,000	-	1,290,223	7,223	-	-	-

Table 4, Page 2

Investor	Marketable securities	General ledger account	Relationship with the investor	Transaction currency	Balance as at January 1, 2015			Balance as at December 31, 2015		
					Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Foxconn Limited and subsidiaries	"Winners" Currency and Bond Series (Gold) Products	Note 4	Shanghai Commercial & Savings Bank, Ltd.	RMB	-	\$ -	-	\$ 301,490	-	\$ 1,490
					-	\$ 300,000	-	\$ 300,000	-	\$ -
"	All-Win Financial Product	Note 4	Industrial and Commercial Bank of China Limited	RMB	-	-	-	301,295	-	1,295
					-	-	-	6,443,031	-	43,031
"	"Guang Ying An Xin" Interest Guaranteed (Type B) RMB Wealth Management Products	Note 4	China Guangfa Bank Co., Ltd.	RMB	-	-	-	-	-	-
					-	-	-	552,004	-	2,004
"	Steady Series RMB 35 Days Interest Guaranteed Wealth Management Products	Note 4	Bank of Beijing Co., Ltd.	RMB	-	-	-	261,054	-	1,054
					-	-	-	301,249	-	1,249
"	Steady Series RMB 40 Days Interest Guaranteed Wealth Management Products	Note 4	Bank of Beijing Co., Ltd.	RMB	-	-	-	904,272	-	4,272
					-	-	-	900,000	-	-

Table 4, Page 3

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Transaction currency	Balance as at January 1, 2015		Addition			Disposal			Balance as at December 31, 2015	
						Number of shares	Amount	Number of shares	Amount	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount
Foxconn (Far East) Limited and subsidiaries	Steady Series RMB 47 Days Interest Guaranteed Wealth Management Products	Note 4	Bank of Beijing Co., Ltd.	None	RMB	-	\$ -	-	\$ 350,000	-	\$ 352,073	\$ 350,000	\$ 2,073	-	\$ -
"	Steady Series RMB 90 Days Interest Guaranteed Wealth Management Products	Note 4	Bank of Beijing Co., Ltd.	None	RMB	-	-	-	100,000	-	101,159	100,000	1,159	-	-
"	Steady Series RMB 94 Days Interest Guaranteed Wealth Management Products	Note 4	Bank of Beijing Co., Ltd.	None	RMB	-	-	-	250,000	-	253,026	250,000	3,026	-	-
"	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	-	-	3,010,000	-	3,028,822	3,010,000	18,822	-	-
"	Steady Series RMB 180 Days Interest Guaranteed Wealth Management Products	Note 4	Bank of Beijing Co., Ltd.	None	RMB	-	-	-	230,000	-	234,537	230,000	4,537	-	-
"	"Guang Ying An Xin" Interest Guaranteed (Type B) RMB Wealth Management Products	Note 4	China Guangfa Bank Co., Ltd.	None	RMB	-	-	-	500,000	-	501,808	500,000	1,808	-	-

Table 4, Page 4

Investor	Marketable securities	General ledger account	Relationship with the investor	Transaction currency	Balance as at January 1, 2015			Addition			Disposal			Balance as at December 31, 2015	
					Number of shares	Amount	Number of shares	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount		
Foxconn (Far East) Limited and subsidiaries	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	RMB	-	\$ -	-	\$ 70,000	-	\$ 70,673	\$ 70,000	673	\$ -	-	
"	RMB "Permanent Organization" Financial Products	Note 4	Industrial Bank Co., Ltd.	RMB	-	-	-	116,000	-	116,480	116,000	480	-	-	
"	"Hui Li Feng" Financial Products	Note 4	Agricultural Bank of China Ltd.	RMB	-	-	-	478,000	-	481,333	478,000	3,333	-	-	
"	All-Win Financial Product	Note 4	Industrial and Commercial Bank of China Limited	RMB	-	-	-	700,000	-	702,044	700,000	2,044	-	-	
"	All-Win Financial Product	Note 4	Industrial and Commercial Bank of China Limited	RMB	-	-	-	100,000	-	101,122	100,000	1,122	-	-	
"	All-Win Financial Product	Note 4	Industrial and Commercial Bank of China Limited	RMB	-	-	-	1,320,000	-	1,330,329	1,320,000	10,329	-	-	
"	"AN XIN" Financial Products	Note 4	Agricultural Bank of China Ltd.	RMB	-	-	-	430,000	-	433,396	430,000	3,396	-	-	
"	"AN XIN .LING DONG" Financial Products	Note 4	Agricultural Bank of China Ltd.	RMB	-	-	-	740,000	-	741,835	740,000	1,835	-	-	
"	"Golden Keys · An Xin De Li" RMB Financial Products	Note 4	Agricultural Bank of China Ltd.	RMB	-	-	-	2,150,000	-	2,157,845	2,150,000	7,845	-	-	
"	Closed Net Type RMB Wealth Management Product of Industrial And Commercial Bank of China for Corporate Clients	Note 4	Industrial and Commercial Bank of China Limited	RMB	-	-	-	460,000	-	462,295	460,000	2,295	-	-	

Table 4, Page 5

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Transaction currency	Balance as at January 1, 2015			Balance as at December 31, 2015		
						Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Foxconn (Far East) Limited and subsidiaries	RMB Financial Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	\$ -	310,000	\$ 310,000	1,570	\$ -
"	Specialized For Public Business Client										
"	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	310,000	310,000	1,359	-
"	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	-	360,000	360,000	1,669	-
"	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	250,000	250,000	1,096	-
"	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	-	243,000	243,000	2,517	-
"	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	-	100,000	100,000	395	-
"	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	-	70,000	70,000	394	-
"	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	-	220,000	220,000	2,125	-

Table 4, Page 6

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Transaction currency	Balance as at January 1, 2015			Balance as at December 31, 2015		
						Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Foxconn (Far East) Limited and subsidiaries	RMB	Note 4	Bank of China Limited	None	RMB	-	\$ -	450,930	\$ 450,000	930	\$ -
	Continuous Serial Deposits Financial Products										
"	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	351,282	350,000	1,282	-
"	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	-	703,372	700,000	3,372	-
"	All-Win Financial Product	Note 4	Industrial and Commercial Bank of China Limited	None	RMB	-	-	101,122	100,000	1,122	-
"	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	525,273	520,000	5,273	-
"	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	-	390,834	389,000	1,834	-
"	"Hui Li Feng" RMB Financial Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	1,429,199	1,420,000	9,199	-
"	"Hui Li Feng" RMB Financial Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	100,495	100,000	495	-

Table 4, Page 7

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Transaction currency	Balance as at January 1, 2015			Balance as at December 31, 2015			
						Number of shares	Amount	Number of shares	Disposal	Gain (loss) on disposal	Number of shares	Amount
Foxconn (Far East) Limited and subsidiaries	RMB Continuous Serial Deposits Financial Products	Note 4	Bank of China Limited	None	RMB	-	\$ -	-	\$ 1,030,385	\$ 1,025,000	5,385	-
"	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	-	353,366	350,000	3,366	-
"	RMB Structured Products (Front Lock Products)	Note 4	Mizuho Bank, Ltd.	None	RMB	-	-	-	772,616	767,300	5,316	-
"	"Qianyuan" Capital Preservation RMB Financial Products	Note 4	China Construction Bank Corporation	None	RMB	-	-	-	80,694	80,000	694	-
"	"Guang Ying An Xin" High-End Interest Guaranteed (Type A) RMB Wealth Management Products	Note 4	China Guangfa Bank Co., Ltd.	None	RMB	-	-	-	2,205,565	2,200,000	5,565	-
"	"Guang Ying An Xin" Interest Guaranteed (Type B) RMB Wealth Management Products	Note 4	China Guangfa Bank Co., Ltd.	None	RMB	-	-	-	2,375,100	2,350,000	25,100	-
"	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	-	-	832,513	825,000	7,513	-

Table 4, Page 8

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Transaction currency	Balance as at January 1, 2015			Balance as at December 31, 2015			
						Number of shares	Amount	Number of shares	Disposal	Gain (loss) on disposal	Number of shares	Amount
Foxconn (Far East) Limited and subsidiaries	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	\$ -	6,080,000	\$ 6,080,000	\$ 49,713	-	\$ -
"	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	-	550,000	550,000	3,967	-	-
"	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	370,000	370,000	4,428	-	-
"	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	840,400	840,400	3,999	-	-
"	"Jin Yao Shi Hui Li Fung" RMB Financial Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	270,000	270,000	1,157	-	-
"	RMB Continuous Serial Deposits Financial Products	Note 4	Bank of China Limited	None	RMB	-	-	2,420,000	2,420,000	41,308	-	-
"	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	345,000	345,000	3,573	-	-
"	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	355,000	355,000	1,869	-	-
"	All-Win Financial Product	Note 4	Industrial and Commercial Bank of China Limited	None	RMB	-	-	5,800,000	5,800,000	30,506	-	-

Table 4, Page 9

Investor	Marketable securities	General ledger account	Relationship with the investor	Balance as at January 1, 2015		Addition				Disposal			Balance as at December 31, 2015				
				Transaction currency	Number of shares	Amount	Number of shares	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount				
Foxconn Limited and subsidiaries	"An Sheng Li" RMB Financial Product	Note 4	Sumitomo Mitsui Banking Corporation (China) Limited	None	RMB	-	-	\$	800,000	-	\$	807,193	\$	800,000	-	\$	7,193
"	Happiness 99 Excellent Steady Open Type Financing	Note 4	Bank of Hangzhou	None	RMB	-	-	-	1,210,000	-	-	1,225,648	1,210,000	-	-	-	15,648
"	RMB Structured Products (Front Lock Products)	Note 4	Mizuho Bank, Ltd.	None	RMB	-	-	-	800,000	-	-	804,674	800,000	-	-	-	4,674
"	Steady Series RMB 35 Days Interest Guaranteed Wealth Management Products	Note 4	Bank of Beijing Co., Ltd.	None	RMB	-	-	-	500,000	-	-	500,825	500,000	-	-	-	825
"	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	-	-	1,000,000	-	-	1,011,589	1,000,000	-	-	-	11,589
"	"The Winner" Financial Products	Note 4	Shanghai Commercial & Savings Bank, Ltd.	None	RMB	-	-	-	800,000	-	-	803,616	800,000	-	-	-	3,616
"	All-Win Financial Product	Note 4	Industrial and Commercial Bank of China Limited	None	RMB	-	-	-	60,000	-	-	60,286	60,000	-	-	-	286
"	RMB Continuous Serial Deposits Financial Products	Note 4	Bank of China Limited	None	RMB	-	-	-	450,000	-	-	451,460	450,000	-	-	-	1,460
"	"Sheng Sheng Li" RMB Financial Products	Note 4	Sumitomo Mitsui Banking Corporation (China) Limited	None	RMB	-	-	-	251,000	-	-	251,761	251,000	-	-	-	761

Table 4, Page 10

Investor	Marketable securities	General ledger account	Relationship with the investor	Transaction currency	Balance as at January 1, 2015			Addition			Disposal			Balance as at December 31, 2015	
					Number of shares	Amount	Number of shares	Number of shares	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount		
Foxconn (Far East) Limited and subsidiaries	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	RMB	-	\$ -	-	\$ 300,000	-	\$ 302,255	\$ 300,000	-	\$ 2,255	-	\$ -
"	"The Golden Key The Beh & Li Fung" The RMB Financial Products of Exclusive VIP in 2015	Note 4	Agricultural Bank of China Ltd.	RMB	-	-	-	180,000	-	181,696	180,000	-	1,696	-	-
"	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	RMB	-	-	-	700,000	-	706,280	700,000	-	6,280	-	-
"	"An Xin De Li" Directional Financial Production	Note 4	Agricultural Bank of China Ltd.	RMB	-	-	-	1,200,000	-	1,212,104	1,200,000	-	12,104	-	-
"	"Golden Keys - An Xin De Li" RMB Financial Products	Note 4	Agricultural Bank of China Ltd.	RMB	-	-	-	100,000	-	100,391	100,000	-	391	-	-
"	"Guang Ying An Xin" High-End Interest Guaranteed (Type A) RMB Wealth Management Products	Note 4	China Guangfa Bank Co., Ltd.	RMB	-	-	-	200,000	-	200,658	200,000	-	658	-	-
"	"Guang Ying An Xin" Interest Guaranteed (Type B) RMB Wealth Management Products	Note 4	China Guangfa Bank Co., Ltd.	RMB	-	-	-	1,800,000	-	1,821,797	1,800,000	-	21,797	-	-

Table 4, Page 11

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Transaction currency	Balance as at January 1, 2015			Balance as at December 31, 2015			
						Number of shares	Amount	Number of shares	Disposal	Number of shares	Amount	Number of shares
Foxconn (Far East) Limited and subsidiaries	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	\$ -	-	\$ 3,291,000	-	\$ 27,260	-
"	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	-	130,000	-	130,000	496
"	"An Xin De Li" Directional Financial Production	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	-	70,000	-	70,000	238
"	"Hui Li Feng" RMB Financial Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	-	70,000	-	70,000	254
"	Specialized for Public Business Client Financial Products	Note 4	Bank of China Limited	None	RMB	-	-	-	150,000	-	150,000	566
"	RMB Continuous Serial Deposits Financial Products	Note 4	Industrial and Commercial Bank of China Limited	None	RMB	-	-	-	150,000	-	150,000	719
"	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	-	-	1,200,000	-	1,207,475	7,475

Table 4, Page 12

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Transaction currency	Balance as at January 1, 2015			Balance as at December 31, 2015		
						Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Foxconn (Far East) Limited and subsidiaries	"Hui Li Feng" Financial Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	\$ -	-	\$ 170,000	-	\$ 711
						-	-	-	-		
"	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	-	-	100,460	-	460
						-	-	-	-		
"	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	-	652,240	-	2,240
						-	-	-	-		
"	"Li Duo Duo" Company RMB Financial Products	Note 4	"Li Duo Duo" Company RMB Financial Products	None	RMB	-	-	-	401,348	-	1,348
						-	-	-	-		
"	RMB Continuous Deposits Financial Products	Note 4	Bank of China Limited	None	RMB	-	-	-	400,625	-	625
						-	-	-	-		
"	RMB Financial Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	-	3,010,484	-	10,484
						-	-	-	-		
"	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	-	2,508,516	-	8,516
						-	-	-	-		
"	"Li Duo Duo" Company RMB Financial Products	Note 4	"Li Duo Duo" Company RMB Financial Products	None	RMB	-	-	-	5,020,266	-	20,266
						-	-	-	-		
"	YieldPlus Of The Public Structured Deposit	Note 4	"Li Duo Duo" Company RMB Financial Products	None	RMB	-	-	-	2,510,518	-	10,518
						-	-	-	-		
"	"Won Wide Security Salary Guaranteed Financial Products	Note 4	China Guangfa Bank Co., Ltd.	None	RMB	-	-	-	9,383,075	-	83,075
						-	-	-	-		

Table 4, Page 13

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Transaction currency	Balance as at January 1, 2015			Balance as at December 31, 2015			
						Number of shares	Amount	Number of shares	Disposal price	Book value	Gain (loss) on disposal	Number of shares	Amount
Foxcomm (Far East) Limited and subsidiaries	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	\$ -	-	\$ 3,220,388	\$ 3,200,000	20,388	\$ -
"	"The Winner" Financial Products	Note 4	Shanghai Commercial & Savings Bank, Ltd.	None	RMB	-	-	-	2,113,263	2,100,000	13,263	-
"	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	-	100,317	100,000	317	-
"	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	-	3,262,383	3,250,000	12,383	-
"	YieldPlus Of The Public Structured Deposit	Note 4	"Li Duo Duo" Company RMB Financial Products	None	RMB	-	-	-	301,227	300,000	1,227	-
"	RMB Financial Products Specialized For Public Business Client	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	-	652,992	650,000	2,992	-
"	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	RMB	-	-	-	853,556	850,000	3,556	-
"	"Ben Li Feng" RMB Wealth Management Products	Note 4	Agricultural Bank of China Ltd.	None	RMB	-	-	-	100,214	100,000	214	-
"	"Li Duo Duo" Company RMB Financial Products	Note 4	"Li Duo Duo" Company RMB Financial Products	None	RMB	-	-	-	150,564	150,000	564	-

Table 4, Page 14

Investor	Marketable securities	General ledger account	Relationship with the investor	Balance as at January 1, 2015		Addition		Disposal		Balance as at December 31, 2015		
				Transaction currency	Number of shares	Amount	Number of shares	Amount	Selling price	Book value	Gain (loss) on disposal	Number of shares	Amount
Foxconn (Far East) Limited and subsidiaries	"Li Duo Duo"	Note 4	"Li Duo Duo" Company RMB Financial Products	None	-	\$ -	-	\$ 120,000	\$ 121,347	\$ 120,000	\$ 1,347	-
	Yun Tong Fortune Increasing Profits Financial Products	Note 4	Bank of Communications Co., Ltd.	None	-	-	-	280,000	282,543	280,000	2,543	-
"	"Hui Li Feng" Financial Products	Note 4	Agricultural Bank of China Ltd.	None	-	-	-	310,000	-	-	-	310,000
"	"Guang Ying An Xin" Interest Guaranteed Wealth Management Products	Note 4	China Guangfa Bank Co., Ltd.	None	-	-	-	1,780,000	-	-	-	1,780,000
"	Steady Series RMB 95 Days Interest Guaranteed Wealth Management Products	Note 4	Bank of Beijing Co., Ltd.	None	-	-	-	400,000	-	-	-	400,000
"	Steady Series RMB 181 Days Interest Guaranteed Wealth Management Products	Note 9	Bank of Beijing Co., Ltd.	None	-	-	-	70,000	-	-	-	70,000
"	Steady Series RMB 247 Days Interest Guaranteed Wealth Management Products	Note 9	Bank of Beijing Co., Ltd.	None	-	-	-	240,000	-	-	-	240,000

Table 4, Page 15

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Transaction currency	Balance as at January 1, 2015			Balance as at December 31, 2015				
						Number of shares	Amount	Number of shares	Disposal	Gain (loss) on disposal	Number of shares	Amount	
Foxcomm (Far East) Limited and subsidiaries	Steady Series RMB 342 Days Interest Guaranteed Wealth Management Products	Note 9	Bank of Beijing Co., Ltd.	None	RMB	-	\$	200,000	-	\$	-	\$	200,000
						-	-	-	-	-			
"	RMB Continuous Serial Deposits Financial Products	Note 9	Bank of China Limited	None	RMB	-	-	669,000	-	-	-	-	669,000
"	Yun Tong Fortune Increasing Profits Financial Products	Note 9	Bank of Communications Co., Ltd.	None	RMB	-	-	450,000	-	-	-	-	450,000
"	Yun Tong Fortune Increasing Profits Financial Products	Note 9	Bank of Communications Co., Ltd.	None	RMB	-	-	320,000	-	-	-	-	320,000
"	"An Xin De Li" Directional Financial Products	Note 9	Agricultural Bank of China Ltd.	None	RMB	-	-	1,500,000	-	-	-	-	1,500,000
"	"Qianyuan" RMB Deposit Capital Preservation Product	Note 9	China Construction Bank Corporation	None	RMB	-	-	300,000	-	-	-	-	300,000
"	"QianYuan" Guaranteed RMB Financial Product	Note 9	China Construction Bank Corporation	None	RMB	-	-	1,250,000	-	-	-	-	1,250,000
"	"Ben Li Feng" RMB Wealth Management Products	Note 9	Agricultural Bank of China Ltd.	None	RMB	-	-	680,000	-	-	-	-	680,000

Table 4, Page 16

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the investor	Transaction currency	Balance as at January 1, 2015		Addition		Disposal		Balance as at December 31, 2015	
						Number of shares	Amount	Number of shares	Amount	Number of shares	Book value	Gain (loss) on disposal	Number of shares	Amount
Foxcomm Holding Ltd. and subsidiaries	GVFX1 L.P.	Note 5	Note 7	None	USD	-	\$ 950	-	\$ 22,320	-	\$ -	-	\$ 23,270
"	Playground Venturesa	Note 5	Note 7	None	USD	-	-	-	12,000	-	-	-	12,000
"	Playground Global	Note 5	Note 7	None	USD	-	-	-	12,000	-	-	-	12,000
"	WRV II-A, L.P.	Note 5	Note 7	None	USD	-	-	-	28,260	-	-	-	28,260
"	Softbank Robotics Holdings Corp.	Note 1	Note 7	None	JPY	-	-	-	14,457,838	-	-	-	14,457,838

Note 1: Code of general ledger accounts is investments accounted for under equity method.

Note 2: Code of general ledger accounts is available-for-sale financial assets.

Note 3: Code of general ledger accounts is financial assets at fair value through profit or loss.

Note 4: Code of general ledger accounts is other current assets.

Note 5: Code of general ledger accounts is financial assets carried at cost.

Note 6: The counterparty is a subsidiary of the Company.

Note 7: The securities is acquired from the private placement.

Note 8 : The counterparty eBAY Singapore Services Private Limited is part acquired from the private placement.

Note 9 : The financial instruments meet the offsetting criteria of IAS 32. Financial assets and liabilities are offset and reported in the net amount in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries

Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more

For the year ended December 31, 2015

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Transaction			Unit price	Credit term	Differences in transaction terms compared to third party transactions (Note 1)	Notes/accounts receivable (payable)	Footnote	
				Amount	Percentage of total purchases (sales)	Balance						Percentage of total notes/accounts receivable (payable)
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Group	Sales	\$ 40,251,107	1	45-90 days	Note 1	Note 1	\$ 41,531,251	9	Note 2	
Hon Hai Precision Industry Co., Ltd.	Foxconn CZ S.R.O.	Group	Sales	20,804,525	1	45 days	Note 1	Note 1	-	-	Note 2	
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology CZ	Group	Sales	319,210	-	45 days	Note 1	Note 1	53,459	-	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn Singapore Pte. Ltd.	Group	Sales	5,027,076	-	90 days	Note 1	Note 1	984,948	-	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn Japan Co., Ltd.	Group	Sales	5,801,234	-	90 days	Note 1	Note 1	1,658,691	-	-	
Hon Hai Precision Industry Co., Ltd.	Ingrasys Technology Co., Ltd.	Group	Sales	5,250,197	-	90 days	Note 1	Note 1	5,285,926	1	Note 2	
Hon Hai Precision Industry Co., Ltd.	Nanhai Chi Mei Optoelectronics Ltd.	Note 4	Sales	748,269	-	90 days	Note 1	Note 1	286,089	-	-	
Hon Hai Precision Industry Co., Ltd.	Ningbo Chi Mei Optoelectronics Ltd.	Note 4	Sales	1,200,159	-	60 days	Note 1	Note 1	357,740	-	-	
Hon Hai Precision Industry Co., Ltd.	Innolux Corporation	Note 3	Sales	2,222,574	-	90 days	Note 1	Note 1	829,628	-	-	
Hon Hai Precision Industry Co., Ltd.	Ennoconn Corporation	Group	Sales	3,981,492	-	60 days	Note 1	Note 1	717,596	-	-	
Hon Hai Precision Industry Co., Ltd.	CyberPAN Technology Inc.	Affiliates	Sales	1,051,947	-	60 days	Note 1	Note 1	183,287	-	Note 2	
Hon Hai Precision Industry Co., Ltd.	Foxconn MOEBG Industrial DE Electronics Ltda.	Group	Sales	1,277,869	-	60 days	Note 1	Note 1	122,719	-	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Co., Ltd	Affiliates	Sales	180,840	-	30 days	Note 1	Note 1	22,014	-	Note 2	
Hon Hai Precision Industry Co., Ltd.	Foxteq Australia Pty Ltd.	Group	Sales	891,167	-	60 days	Note 1	Note 1	234,295	-	-	
Hon Hai Precision Industry Co., Ltd.	Fuhong Precision Component (Bac Giang) Limited	Group	Sales	1,464,919	-	90 days	Note 1	Note 1	1,658,771	-	Note 2	
Hon Hai Precision Industry Co., Ltd.	SJO International Holdings Limited	Note 3	Sales	858,221	-	60 days	Note 1	Note 1	183,049	-	-	
Hon Hai Precision Industry Co., Ltd.	Ningbo Chi Mei Electronics Ltd.	Note 4	Sales	732,511	-	90 days	Note 1	Note 1	185,965	-	-	
Hon Hai Precision Industry Co., Ltd.	Pan-International Electronics (Malaysia) Sdn. Bhd.	Affiliates	Sales	515,117	-	90 days	Note 1	Note 1	311,621	-	-	

Table 5, Page 1

		Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		Percentage of total notes/accounts receivable (payable)		Footnote	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote		
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Pte. Ltd.	Affiliates	Sales	\$ 3,815,489	-	90 days	Note 1	Note 1	\$ 1,627,913	-	Note 2		
Hon Hai Precision Industry Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Note 5	Sales	237,642	-	30-90 days	Note 1	Note 1	29,143	-			
Hon Hai Precision Industry Co., Ltd.	TPO Displays (Nanjing) Ltd.	Note 4	Sales	491,329	-	90 days	Note 1	Note 1	112,241	-			
Hon Hai Precision Industry Co., Ltd.	Ningbo Chi Hsin Electronics Ltd.	Note 4	Sales	313,279	-	90 days	Note 1	Note 1	188,647	-			
Hon Hai Precision Industry Co., Ltd.	Competition Team Technologies Ltd.	Group	Purchase	1,214,684,431	34	90 days	Note 1	Note 1	(404,843,804)	(42)	Note 2		
Hon Hai Precision Industry Co., Ltd.	Best Leap Enterprises Limited	Group	Purchase	629,731,853	18	90 days	Note 1	Note 1	(223,400,096)	(23)	Note 2		
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Group	Purchase	728,445,313	21	30-90 days	Note 1	Note 1	(203,187,573)	(21)	Note 2		
Hon Hai Precision Industry Co., Ltd.	IRIS World Enterprises Limited	Affiliates	Purchase	1,211,915	-	90 days	Note 1	Note 1	(359,506)	-			
Hon Hai Precision Industry Co., Ltd.	Innolux Corporation	Note3	Purchase	3,484,821	-	90 days	Note 1	Note 1	(595,252)	-			
Hon Hai Precision Industry Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Note5	Purchase	1,165,239	-	60 days	Note 1	Note 1	(456,321)	-			
Hon Hai Precision Industry Co., Ltd.	CyberTAN Technology Inc.	Affiliates	Purchase	270,627	-	60 days	Note 1	Note 1	(9,178)	-	Note 2		
Hon Hai Precision Industry Co., Ltd.	Foxstar Technology Co., Ltd.	Affiliates	Purchase	1,305,166	-	90 days	Note 1	Note 1	(166,523)	-			
Hon Hai Precision Industry Co., Ltd.	FTC Technology Inc.	Affiliates	Purchase	280,386	-	60 days	Note 1	Note 1	(73,764)	-			
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Pte. Ltd.	Affiliates	Purchase	340,412	-	90 days	Note 1	Note 1	(51,091)	-	Note 2		
Hon Hai Precision Industry Co., Ltd.	Multwin Precision Ind Pte., Ltd	Affiliates	Purchase	2,843,712	-	30-60 days	Note 1	Note 1	(483,056)	-			
Hon Hai Precision Industry Co., Ltd.	Pan-International Industrial Co.	Affiliates	Purchase	225,115	-	90 days	Note 1	Note 1	(136,535)	-			
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Co., Ltd	Affiliates	Purchase	122,487	-	60 days	Note 1	Note 1	(42,654)	-			
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Group	Processing and molding costs	11,663,034	25	-	Note 1	Note 1	(101,904,036)	(49)			
Hon Hai Precision Industry Co., Ltd.	Franklin Management Ltd.	Group	Processing and molding costs	14,061,827	30	-	Note 1	Note 1	(28,298,626)	(17)			

Table 5, Page 2

		Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)			
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Hon Hai Precision Industry Co., Ltd.	Heoric Legend Enterprises Ltd.	Group	Processing and molding costs	\$ 17,858,858	38	-	Note 1	Note 1	(\$ 31,875,243)	(	20)
Hon Hai Precision Industry Co., Ltd.	Carston Ltd.	Group	Processing and molding costs	3,462,014	7	-	Note 1	Note 1	(	(Shown as other payables)	13)
ShunSin Technology Co., Ltd.	ShunSin Technology Holdings Limited	Group	Sales	2,474,208	99	45 days	Note 1	Note 1	49,537	(Shown as other payables)	100
Ambit Microsystem (Shanghai) Co., Ltd.	AMB Logistics Ltd.	Group	Sales	25,062,027	84	60 days	Note 1	Note 1	2,517,167		41
Ambit Microsystem (Shanghai) Co., Ltd.	Amworld Microsystems (Shanghai) Ltd.	Group	Sales	4,146,727	11	120days	Note 1	Note 1	1,453,044		23
Ambit Microsystem (Shanghai) Co., Ltd.	NanNing FuGui Precision Industrial Co., Ltd.	Group	Sales	422,081	1	90 days	Note 1	Note 1	20,279		-
Ambit Microsystem (Shanghai) Co., Ltd.	Foxconn Technology Pte. Ltd.	Affiliates	Purchase	454,986	1	30 days	Note 1	Note 1	(	(	1)
Ambit Microsystem (Shanghai) Co., Ltd.	IRIS World Enterprises Limited	Affiliates	Purchase	166,139	-	90 days	Note 1	Note 1	((-
Ingrasys Technology Co., Ltd.	Ingrasys Technology USD Inc.	Group	Sales	23,184,909	75	45 days	Note 1	Note 1	4,531,140		36
Ingrasys Technology Co., Ltd.	PCE Paragon Solutions KFT.	Group	Sales	680,783	1	30 days	Note 1	Note 1	94,627		1
Ingrasys Technology Co., Ltd.	Ingrasys (Singapore) Pte. Ltd.	Group	Sales	3,179,773	7	90 days	Note 1	Note 1	3,199,272		26
Ingrasys Technology Co., Ltd.	Foxconn Japan Co., Ltd.	Group	Sales	1,385,596	3	90 days	Note 1	Note 1	256,659		2
Foxnum Technology Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	189,780	12	30 days	Note 1	Note 1	18,707		2
Foxnum Technology Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Group	Sales	273,430	18	90 days	Note 1	Note 1	75,261		8
Foxnum Technology Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	462,308	30	30 days	Note 1	Note 1	493,200		51
Foxnum Technology Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	263,585	17	30 days	Note 1	Note 1	213,982		22
Ingrasys Technology USA Inc.	Ingrasys Technology Co., Ltd.	Group	Sales	173,158	1	70 days	Note 1	Note 1	244		-

Table 5, Page 3

Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Transaction		Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)	Percentage of total notes/accounts receivable (payable)	Footnote
				Amount	Percentage of total purchases (sales)	Unit price	Credit term				Balance
Ingrasys Info-Tech Corp.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	\$ 368,839	80	Note 1	Note 1	\$ 70,508	78	
Nanjing Asiatek Inc.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	125,829	24	Note 1	Note 1	13,618	3	
Nanjing Asiatek Inc.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	315,269	61	Note 1	Note 1	5,915	1	
Content Innovation Co. Ltd.	Fu Tai Kang Electronics Development (YanTai) Ltd.	Group	Sales	273,447	36	Note 1	Note 1	74,285	71	
Fushirui Precision Industry (Jiyuan) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	Sales	1,244,767	52	Note 1	Note 1	517,436	36	
Fushirui Precision Industry (Jiyuan) Co., Ltd.	Foxconn Precision Electronics (Yan Tai) Co., Ltd.	Group	Sales	486,478	20	Note 1	Note 1	569,855	39	
Fushirui Precision Industry (Jiyuan) Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	262,744	11	Note 1	Note 1	38,682	3	
Honxun Electrical Industry (Hangzhou) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	111,675	9	Note 1	Note 1	53,588	16	
Honxun Electrical Industry (Hangzhou) Co., Ltd.	Fuzhun Precision (Hebi) Electronics Co., Ltd.	Affiliates	Purchase	209,500	21	Note 1	Note 1	(167,886)	(53)	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	FIH (Hong Kong) Limited	Group	Sales	45,861,374	77	Note 1	Note 1	11,451,622	62	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Nanning Futaihong Precision Industrial Co., Ltd.	Group	Sales	971,925	2	Note 1	Note 1	422,132	2	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Guizhou Fuzhikang Electronic Co., Ltd.	Group	Sales	961,207	2	Note 1	Note 1	408,831	2	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	842,497	1	Note 1	Note 1	171,729	1	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	853,025	1	Note 1	Note 1	406,934	2	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Group	Sales	123,243	-	Note 1	Note 1	463	-	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Innolux Corporation	Note 4	Purchase	2,494,830	5	Note 1	Note 1	(133,105)	(2)	

Table 5, Page 4

		Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)		
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Fuzhun Precision (Hebi) Electronics Co., Ltd.	Affiliates	Purchase	\$ 203,597	-	Note 1	Note 1	(\$ 204,588)	(3)	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	IRIS World Enterprises Limited	Affiliates	Purchase	593,597	1	Note 1	Note 1	(48,560)	(1)	
FIH Precision Component (Beijing) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	Sales	729,471	23	Note 1	Note 1	436,395	55	
FIH Precision Component (Beijing) Co., Ltd.	FIH (Hong Kong) Limited	Group	Sales	1,632,148	52	Note 1	Note 1	143,191	18	
FIH Do Brasil Industria E Comercio De Electronicos Ltda	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	175,119	3	Note 1	Note 1	124,786	13	
Futaijing Precision Electronics (Beijing) Co., Ltd.	Shenzhen FuTaiHong Precision Industry Co., Ltd.	Group	Sales	115,102	1	Note 1	Note 1	19,634	2	
Futaijing Precision Electronics (Beijing) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	Sales	936,590	4	Note 1	Note 1	253,781	21	
Futaijing Precision Electronics (Beijing) Co., Ltd.	FIH (Hong Kong) Limited	Group	Sales	5,780,580	25	Note 1	Note 1	45,098	4	
Futaijing Precision Electronics (Beijing) Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	948,107	4	Note 1	Note 1	26,080	2	
Futaijing Precision Electronics (Beijing) Co., Ltd.	Inmolux Corporation	Note 4	Purchase	444,352	2	Note 1	Note 1	-	-	
FIH Precision Electronics (Lang Fang) Co., Ltd.	Shenzhen FuTaiHong Precision Industry Co., Ltd.	Group	Sales	312,246	1	Note 1	Note 1	76,857	1	
FIH Precision Electronics (Lang Fang) Co., Ltd.	FIH Precision Component (Beijing) Co., Ltd.	Group	Sales	618,722	1	Note 1	Note 1	223,872	1	
FIH Precision Electronics (Lang Fang) Co., Ltd.	FIH (Tianjin) Precision Industry Co., Ltd.	Group	Sales	589,116	1	Note 1	Note 1	3,036	-	
FIH Precision Electronics (Lang Fang) Co., Ltd.	Futaijing Precision Electronics (Beijing) Co., Ltd.	Group	Sales	14,679,416	32	Note 1	Note 1	714,435	5	
FIH Precision Electronics (Lang Fang) Co., Ltd.	FIH (Hong Kong) Limited	Group	Sales	12,992,910	28	Note 1	Note 1	8,727,958	57	
FIH Precision Electronics (Lang Fang) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	298,166	1	Note 1	Note 1	342,960	2	
FIH Precision Electronics (Lang Fang) Co., Ltd.	Foxconn Precision Electronics (YanTai) Co., Ltd.	Group	Sales	209,869	-	Note 1	Note 1	204,735	1	

Table 5, Page 5

Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Transaction		Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)	Footnote
				Amount	Percentage of total purchases (sales)	Unit price	Credit term			Balance	Percentage of total notes/accounts receivable (payable)
FIH Precision Electronics (Lang Fang) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Group	Sales	\$ 312,516	1	Note 1	Note 1	\$ 251,945	2
FIH Precision Electronics (Lang Fang) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Group	Sales	288,723	1	Note 1	Note 1	109,562	1
FIH Precision Electronics (Lang Fang) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	Purchase	562,728	3	Note 1	Note 1	(93,344)	(1)
FIH Precision Electronics (Lang Fang) Co., Ltd.	Qingdao Hiyn Materials Co., Ltd.	Affiliates	Purchase	221,844	1	Note 1	Note 1	(49,071)	(1)
FIH Precision Electronics (Lang Fang) Co., Ltd.	Fuzhun Precision (Hebi) Electronics Co., Ltd.	Affiliates	Purchase	660,583	3	Note 1	Note 1	(232,538)	(3)
FIH (Hong Kong) Limited	Qummai Communication System, Inc.	Group	Sales	188,710	-	Note 1	Note 1	49,857	-
FIH (Hong Kong) Limited	Hengyang Futaihong Precision Industry Co., Ltd.	Group	Sales	2,587,288	2	Note 1	Note 1	1,538,381	4
FIH (Hong Kong) Limited	Rising Stars Mobile India Private Limited	Group	Sales	800,967	-	Note 1	Note 1	830,264	2
FIH (Hong Kong) Limited	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	3,907,665	2	Note 1	Note 1	763,314	2
FIH (Hong Kong) Limited	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Group	Sales	4,056,405	3	Note 1	Note 1	1,140,202	3
FIH (Hong Kong) Limited	IRIS World Enterprises Limited	Affiliates	Purchase	665,922	-	Note 1	Note 1	(28,928)	-
Nanning Futaihong Precision Industrial Co., Ltd.	Shenzhen FuTaiHong Precision Industry Co., Ltd.	Group	Sales	985,041	9	Note 1	Note 1	411,056	17
Nanning Futaihong Precision Industrial Co., Ltd.	System Integration Electronics (Hangzhou) Co., Ltd.	Group	Sales	111,541	1	Note 1	Note 1	-	-
Nanning Futaihong Precision Industrial Co., Ltd.	NanNing FuGui Precision Industrial Co., Ltd.	Group	Sales	921,535	8	Note 1	Note 1	538,378	22
Futaijing Precision Electrons (Yantai) Co., Ltd.	FIH Do Brasil Industria E Comercio DE Electronicos Ltda	Group	Sales	292,963	-	Note 1	Note 1	53,560	4

Table 5, Page 6

		Differences in transaction terms compared to third party transactions										Notes/accounts receivable (payable)	
		Transaction					party transactions (Note 1)					Notes/accounts receivable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote		
Futaijing Precision Electronics (Yantai) Co., Ltd.	FIH (Hong Kong) Limited	Group	Sales	\$ 54,617,823	88	30 days	Note 1	Note 1	\$ 974,683	78			
Futaijing Precision Electronics (Yantai) Co., Ltd.	Hongfujin Precision Industry (Yantai) Co., Ltd.	Group	Sales	1,239,490	2	90 days	Note 1	Note 1	-	-			
Futaijing Precision Electronics (Yantai) Co., Ltd.	General Interface Solution Limited	Affiliates	Purchase	2,424,382	4	60 days	Note 1	Note 1	(17,167)	-			
Futaijing Precision Electronics (Yantai) Co., Ltd.	Inmolux Corporation	Note 4	Purchase	637,525	1	90 days	Note 1	Note 1	(35,129)	-			
Futaijing Precision Electronics (Yantai) Co., Ltd.	Ample Wealth Enterprise Ltd	Affiliates	Sales	623,792	1	90 days	Note 1	Note 1	159,979	13			
Futaijing Precision Electronics (Yantai) Co., Ltd.	Pan-International Industrial Co., Ltd.	Affiliates	Purchase	478,908	1	60 days	Note 1	Note 1	(164,097)	(2)			
Futaijing Precision Electronics (Yantai) Co., Ltd.	Light Flash International Limited	Affiliates	Purchase	335,334	1	90 days	Note 1	Note 1	(68,748)	(1)			
Hengyang Futaihong Precision Industry Co., Ltd.	FIH (Hong Kong) Limited	Group	Sales	18,014,550	100	120days	Note 1	Note 1	7,088,687	100			
Hengyang Futaihong Precision Industry Co., Ltd.	Fuzhun Precision (Hebei) Electronics Co., Ltd.	Affiliates	Purchase	417,186	2	90 days	Note 1	Note 1	-	-			
Guizhou Fuzhikang Electronic Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	187,229	17	60 days	Note 1	Note 1	219,317	57			
Carston Ltd.	FIH (Hong Kong) Limited	Group	Income from managerial services	518,960	5	90 days	Note 1	Note 1	-	-			
Carston Ltd.	New Beyond Maximum Industrial Limited	Group	Income from managerial services	317,400	3	90 days	Note 1	Note 1	820,750	3			
Carston Ltd.	General Interface Solution Limited	Affiliates	Income from managerial services	146,331	2	90 days	Note 1	Note 1	202,851	1			
Carston Ltd.	High Tempo International Ltd.	Affiliates	Income from managerial services	636,554	7	90 days	Note 1	Note 1	-	-			
Carston Ltd.	High Tempo International Ltd.	Affiliates	Purchase	1,640,892	27	90 days	Note 1	Note 1	-	-			
Carston Ltd.	IRIS World Enterprises Limited	Affiliates	Income from managerial services	127,258	1	90 days	Note 1	Note 1	10,846	-			

Table 5, Page 7

Differences in transaction terms compared to third party transactions

Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Transaction		Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
				Amount	Percentage of total purchases (sales)						
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Group	Sales	\$ 142,363	-	90 days	Note 1	Note 1	\$ 39,240	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Foxconn Technology Co., Ltd.	Group	Sales	102,959	-	30 days	Note 1	Note 1	15,995	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	FuShiRui Precision Industry (JiYuan) Co., Ltd.	Group	Sales	467,961	1	90 days	Note 1	Note 1	548,163	2	2
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Shenzhen FuTaiHong Precision Industry Co., Ltd.	Group	Sales	1,444,371	2	90 days	Note 1	Note 1	718,774	2	2
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Qummai Communication System, Inc.	Group	Sales	114,083	-	90 days	Note 1	Note 1	74,532	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	Sales	102,798	-	90 days	Note 1	Note 1	23,765	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Rising Stars Mobile India Private Limited	Group	Sales	113,200	-	90 days	Note 1	Note 1	75,011	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Carston Ltd.	Group	Subcontract Revenue	1,757,809	2	60 days	Note 1	Note 1	1,011,501	3	3
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Group	Subcontract Revenue	2,513,999	3	90 days	Note 1	Note 1	756,024	2	2
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Heoric Legend Enterprises Ltd.	Group	Subcontract Revenue	14,375,307	20	90 days	Note 1	Note 1	7,221,221	20	20
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Franklin Management Ltd.	Group	Subcontract Revenue	8,223,735	11	30 days	Note 1	Note 1	2,354,672	7	7
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	285,891	-	90 days	Note 1	Note 1	140,974	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Jizhun Precision Industry (Huizhou) Co., Ltd.	Group	Sales	141,111	-	90 days	Note 1	Note 1	81,815	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Futahua Industrial (Shenzhen) Co., Ltd.	Group	Sales	3,803,768	5	90 days	Note 1	Note 1	1,656,590	5	5
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hontfujin Precision Electronics (Chongqing) Co., Ltd.	Group	Sales	335,206	-	30 days	Note 1	Note 1	190,703	1	1
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	HongFuJing Precision Electronics (TianJin) Co., Ltd.	Group	Sales	155,754	-	60 days	Note 1	Note 1	30,126	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	FuDing (ZhengZhou) Precision Industry Co., Ltd.	Group	Sales	107,491	-	90 days	Note 1	Note 1	7,479	-	-

Table 5, Page 8

Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Transaction		Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
				Amount	Percentage of total purchases (sales)						
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	NanNing FuGui Precision Industrial Co., Ltd.	Group	Sales	\$ 14,426,581	20	90 days	Note 1	Note 1	\$ 10,670,674	30	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	302,235	-	90 days	Note 1	Note 1	163,935	-	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	1,654,339	2	90 days	Note 1	Note 1	1,461,807	4	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Ampower (BeiHai) Ltd.	Affiliates	Purchase	186,006	-	90 days	Note 1	Note 1	-	-	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Group	Sales	161,672	-	30 days	Note 1	Note 1	46,129	-	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fuguikang Precision Electrons (Guizhou) Co., Ltd.	Group	Sales	382,601	1	30 days	Note 1	Note 1	646,369	2	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hongfuzhuh Precision Shenzhen Co., Ltd.	Group	Sales	779,470	1	30 days	Note 1	Note 1	913,395	3	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Anhui HongQing Precision Machine Co. Ltd.	Group	Sales	256,223	-	60 days	Note 1	Note 1	300,137	1	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	FuShiRui Precision Industry (JinCheng) Co., Ltd.	Group	Sales	115,514	-	90 days	Note 1	Note 1	135,311	-	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fuhong Precision Component (Bac Giang) Limited	Group	Sales	115,061	-	60 days	Note 1	Note 1	9,863	-	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Interface Technology (ChengDu) Co., Ltd.	Affiliates	Sales	372,562	1	30 days	Note 1	Note 1	435,493	1	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Interface Optoelectronics (SZ) Co., Ltd	Affiliates	Sales	462,925	1	30 days	Note 1	Note 1	303,887	1	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Innolux Corporation	Note 3	Purchase	342,657	1	90 days	Note 1	Note 1	(137,714) (	1)	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	DongGuan YiHong Precision Tooling Co., Ltd.	Affiliates	Purchase	243,289	-	90 days	Note 1	Note 1	(49,897)	-	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Foxsemicon Integrated Technology (Shanghai) Inc.	Affiliates	Purchase	109,276	-	90 days	Note 1	Note 1	(85,692)	-	
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hon Fujin Precision Industry (Taiwan) Co., Ltd.	Affiliates	Sales	132,376	-	90 days	Note 1	Note 1	16,324	-	

Table 5, Page 9

		Differences in transaction terms compared to third party transactions (Note 1)										Notes/accounts receivable (payable)			
Purchaser/seller	Counterparty	Relationship with the counterparty			Purchases (sales)		Amount	Percentage of total purchases (sales)		Unit price		Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
		Group	Affiliates	Subcontract	Revenue	Credit term		Credit term	Note 1	Note 1					
Fu Ding Precision Component (Shenzhen) Co., Ltd.	New Beyond Maximum Industrial Limited	Group	Subcontract	\$	6,680,992	97	90 days	Note 1	Note 1	\$	5,228,229	97			
Fu Ding Precision Component (Shenzhen) Co., Ltd.	Foxsemicon Integrated Technology (Shanghai) Inc.	Affiliates	Purchase		146,153	2	90 days	Note 1	Note 1	(	170,769)	(	19)
Champ Tech Optical (Foshan) Corporation	Shenzhen FuTaiHong Precision Industry Co., Ltd.	Group	Sales		219,573	3	90 days	Note 1	Note 1		44,960		2		
Champ Tech Optical (Foshan) Corporation	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Group	Sales		212,594	3	90 days	Note 1	Note 1		245,381		9		
Champ Tech Optical (Foshan) Corporation	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales		173,940	2	90 days	Note 1	Note 1		68,002		3		
Champ Tech Optical (Foshan) Corporation	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales		176,432	2	90 days	Note 1	Note 1		49,931		2		
Champ Tech Optical (Foshan) Corporation	Foxconn Technology Pte. Ltd.	Affiliates	Sales		4,374,864	58	90 days	Note 1	Note 1		1,066,437		40		
Champ Tech Optical (Foshan) Corporation	Fuzhun Precision (Shenzhen) Industry Co., Ltd	Affiliates	Purchase		161,863	2	30 days	Note 1	Note 1	(	86,245)	(	5)
Champ Tech Optical (Foshan) Corporation	Foxconn Technology Co., Ltd.	Affiliates	Sales		696,951	9	90 days	Note 1	Note 1		159,324		6		
Champ Tech Optical (Foshan) Corporation	Foxconn Technology Co., Ltd.	Affiliates	Purchase		562,712	8	30 days	Note 1	Note 1	(	45,635)	(	3)
Champ Tech Optical (Foshan) Corporation	Pan-International Sunrise Trading Corp.	Affiliates	Purchase		425,372	6	90 days	Note 1	Note 1	(	165,073)	(	9)
Fuding Electronical Technology (Jiashan) Co., Ltd.	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Group	Sales		1,895,972	9	90 days	Note 1	Note 1		1,920,508		21		
Fuding Electronical Technology (Jiashan) Co., Ltd.	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Group	Sales		1,987,083	10	90 days	Note 1	Note 1		299,908		3		
Fuding Electronical Technology (Jiashan) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales		4,555,689	23	90 days	Note 1	Note 1		2,502,922		28		
Fuhongyang Precision Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales		155,741	2	90 days	Note 1	Note 1		67,441		23		
Fuhongyang Precision Industrial (Shenzhen) Co., Ltd.	Best Ever Industries Limited	Group	Sales		9,085,576	96	60 days	Note 1	Note 1		159,740		54		

Table 5, Page 10

		Transaction				Differences in transaction terms compared to third party transactions (Note 1)				Notes/accounts receivable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Fuhonyang Precision Industrial (Shenzhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	\$ 128,003	1	90 days	Note 1	Note 1	\$ 44,607	15	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Group	Sales	223,895	1	30 days	Note 1	Note 1	134,830	2	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Fuding Electronic Technology (Jiashan) Co., Ltd.	Group	Sales	2,807,094	18	60 days	Note 1	Note 1	1,630,403	19	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Group	Sales	1,437,395	9	60 days	Note 1	Note 1	742,959	9	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Foxconn (Kunshan) Computer Connector Co., Ltd.	Group	Sales	103,887	1	90 days	Note 1	Note 1	41,794	-	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Hongye Precision Component (Kunshan) Co., Ltd.	Group	Sales	237,403	1	30 days	Note 1	Note 1	46,417	1	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Group	Sales	186,939	1	90 days	Note 1	Note 1	49,346	1	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Tripleheads International Ltd.	Group	Sales	1,410,805	9	90 days	Note 1	Note 1	1,642,245	20	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Group	Sales	175,895	1	120days	Note 1	Note 1	137,889	2	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Immolux Corporation	Note 3	Purchase	1,019,129	6	90 days	Note 1	Note 1	(166,512)	(2)	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Kunshan Eson Precision Engineering Co., Ltd.	Affiliates	Purchase	255,409	2	90 days	Note 1	Note 1	(3,984)	-	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Foxconn Technology Pte. Ltd.	Affiliates	Sales	161,225	1	70 days	Note 1	Note 1	23,908	-	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Pan-International Industrial Co.	Affiliates	Purchase	296,259	2	90 days	Note 1	Note 1	(183,026)	(3)	
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	IRIS World Enterprises Limited	Affiliates	Purchase	181,269	1	90 days	Note 1	Note 1	(42,502)	(1)	
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Fuding Electronic Technology (Jiashan) Co., Ltd.	Group	Sales	4,104,789	19	90 days	Note 1	Note 1	2,805,411	39	
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Group	Sales	696,911	3	90 days	Note 1	Note 1	591,917	8	

Table 5, Page 11

Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Transaction		Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)	Footnote
				Amount	Percentage of total purchases (sales)	Unit price	Credit term			Balance	Percentage of total notes/accounts receivable (payable)
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Foxconn (Kunshan) Computer Connector Co., Ltd.	Group	Sales	\$ 127,835	1	90 days	Note 1	\$ 41,878	1
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Fusing International Inc. Pte. Ltd.	Group	Sales	1,462,184	7	90 days	Note 1	391,323	5
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	4,391,849	20	60 days	Note 1	938,496	13
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Foxconn Technology Pte. Ltd.	Affiliates	Sales	209,605	1	90 days	Note 1	75,818	1
Foxconn (Kun Shan) Computer Connector Co., Ltd.	Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Group	Subcontract Revenue	374,230	3	90 days	Note 1	46,635	1
Foxconn (Kun Shan) Computer Connector Co., Ltd.	Success Rise Enterprises Limited	Group	Subcontract Revenue	244,403	2	90 days	Note 1	-	-
Foxconn (Kun Shan) Computer Connector Co., Ltd.	New Beyond Maximum Industrial Limited	Group	Subcontract Revenue	11,454,106	94	90 days	Note 1	4,219,278	85
Hongye Precision Component (Kunshan) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	253,356	25	90 days	Note 1	96,511	19
Hongye Precision Component (Kunshan) Co., Ltd.	Yantai Fuhuada Precision Electronics Co., Ltd.	Group	Sales	518,797	51	30 days	Note 1	373,156	73
Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Foxconn (Kunshan) Computer Connector Co., Ltd.	Group	Subcontract Revenue	7,025,669	100	90 days	Note 1	1,401,524	100
Competition Team Technologies Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	8,138,780	1	90 days	Note 1	5,190,150	1
Hightech Electronics Components Inc.	Foxconn Image & Printing Product Pte. Ltd.	Group	Sales	28,235,521	41	45 days	Note 1	2,757,707	33
Hightech Electronics Components Inc.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Group	Sales	1,423,832	2	60 days	Note 1	694,131	8
Hightech Electronics Components Inc.	Fusing International Inc.	Group	Sales	7,035,382	10	60 days	Note 1	1,001,997	12
Hightech Electronics Components Inc.	Competition Team Ireland Limited	Group	Sales	22,301,415	32	90 days	Note 1	2,467,145	30
Hightech Electronics Components Inc.	Foxconn Japan Co., Ltd.	Group	Sales	890,372	1	60 days	Note 1	158,924	2
Hightech Electronics Components Inc.	Foxconn Singapore Pte. Ltd.	Group	Sales	562,039	1	90 days	Note 1	132,098	2
Best Ever Industries Limited	FIH (Hong Kong) Limited	Group	Sales	411,688	3	90 days	Note 1	18,718	1

Table 5, Page 12

		Differences in transaction terms compared to third party transactions (Note 1)										Notes/accounts receivable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Transaction		Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote		
				Amount	Percentage of total purchases (sales)								
Best Ever Industries Limited	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Group	Sales	\$ 171,954	1	60 days	Note 1	Note 1	\$ 24,310	1			
Best Leap Enterprises Limited	Fusing International Inc. Pte. Ltd.	Group	Sales	2,237,258	-	90 days	Note 1	Note 1	185,962	-			
Best Leap Enterprises Limited	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	13,980,669	2	90 days	Note 1	Note 1	13,566,979	5			
Glorious Prospect Enterprises Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	1,872,987	42	90 days	Note 1	Note 1	14,749	-			
Skilltop Limited	Foxconn Image & Printing Product Pte. Ltd.	Group	Sales	1,477,391	100	45 days	Note 1	Note 1	897,467	100			
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	1,063,871	3	90 days	Note 1	Note 1	141,719	2			
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Hongye Precision Component (Kunshan) Co., Ltd.	Group	Sales	334,645	1	90 days	Note 1	Note 1	85,838	1			
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Group	Sales	246,746	1	30 days	Note 1	Note 1	17,032	-			
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Hongfujin Precision Industry (Yantai) Co., Ltd.	Group	Sales	1,494,919	5	30 days	Note 1	Note 1	172,147	3			
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Universal Field International Limited	Group	Sales	4,411,917	14	30 days	Note 1	Note 1	968,324	14			
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Yantai Fuhuada Precision Electronics Co., Ltd.	Group	Sales	3,202,538	10	90 days	Note 1	Note 1	578,810	9			
Hongfutai Precision Electronics (Yantai) Co., Ltd.	HongFuJin Precision Electronics (HengYang) Co., Ltd.	Group	Sales	469,117	2	90 days	Note 1	Note 1	6,335	-			
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Guizhou Fuhuada Electronic Co., Ltd.	Group	Sales	377,449	1	90 days	Note 1	Note 1	491,765	7			
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Fugukang Precision Electronics (Guizhou) Co., Ltd.	Group	Sales	1,983,114	6	90 days	Note 1	Note 1	1,417,632	21			
Hongfutai Precision Electronics (Yantai) Co., Ltd.	YanTai Eson Precision Electronics Co., Ltd.	Affiliates	Purchase	580,429	2	60 days	Note 1	Note 1	(258,576)	(2)			
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Pan-International Industrial Co.	Affiliates	Purchase	259,423	1	90 days	Note 1	Note 1	(75,684)	(1)			
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Foxstar Technology Co., Ltd.	Affiliates	Sales	1,247,866	4	90 days	Note 1	Note 1	417,536	6			

Table 5, Page 13

Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Transaction				Differences in transaction terms compared to third party transactions		Notes/accounts receivable (payable)	Percentage of total notes/accounts receivable (payable)	Footnote
				Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance			
ECMMS S.A De C.V.	ECMMS Precision Singapore Pte. Ltd.	Group	Sales	\$ 900,968	87	30 days	Note 1	Note 1	\$ 232,641		84	
Foxconn CZ S.R.O.	Foxconn Tr Reknoloji San. Ltd. Sti.	Group	Sales	372,141	-	90 days	Note 1	Note 1	85,937		-	
Foxconn CZ S.R.O.	CyberTAN Technology Inc.	Affiliates	Purchase	626,474	-	45 days	Note 1	Note 1	-		-	
Foxconn Global Services Division s.f.o.	Foxconn CZ S.R.O.	Group	Sales	439,978	53	45 days	Note 1	Note 1	82,020		51	
Armada Holdings Ltd.	Fukui Precision Component (Shenzhen) Co., Ltd.	Affiliates	Sales	406,470	61	60 days	Note 1	Note 1	-		-	
Fujian Precision Industrial (Jincheng) Co., Ltd.	FuShiRui Precision Industry (JiYuan) Co., Ltd.	Group	Sales	1,510,540	3	90 days	Note 1	Note 1	982,983		6	
Fujian Precision Industrial (Jincheng) Co., Ltd.	Shenzhen FuTaiHong Precision Industry Co., Ltd.	Group	Sales	370,939	1	90 days	Note 1	Note 1	153,886		1	
Fujian Precision Industrial (Jincheng) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	Sales	324,663	1	90 days	Note 1	Note 1	137,358		1	
Fujian Precision Industrial (Jincheng) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	8,124,394	18	90 days	Note 1	Note 1	1,406,589		9	
Fujian Precision Industrial (Jincheng) Co., Ltd.	Best Ever Industries Limited	Group	Sales	4,845,129	11	90 days	Note 1	Note 1	1,345,947		8	
Fujian Precision Industrial (Jincheng) Co., Ltd.	Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Group	Sales	627,343	1	90 days	Note 1	Note 1	383,522		2	
Fujian Precision Industrial (Jincheng) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	2,018,684	4	90 days	Note 1	Note 1	836,614		5	
Fujian Precision Industrial (Jincheng) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Group	Sales	144,522	-	90 days	Note 1	Note 1	167,310		1	
Fujian Precision Industrial (Jincheng) Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	933,851	2	90 days	Note 1	Note 1	314,280		2	
Fujian Precision Industrial (Jincheng) Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	17,805,441	39	90 days	Note 1	Note 1	5,748,066		36	
Fujian Precision Industrial (Jincheng) Co., Ltd.	Fast Victor Limited	Group	Sales	3,490,673	8	90 days	Note 1	Note 1	2,693,460		17	
Fujian Precision Industrial (Jincheng) Co., Ltd.	WWW (Jin Cheng) Co., Ltd.	Group	Sales	212,058	-	90 days	Note 1	Note 1	96,762		1	

Table 5, Page 14

Differences in transaction terms compared to third party transactions		Transaction										Notes/accounts receivable (payable)										
		Relationship with the counterparty			Purchases (sales)		Amount		Percentage of total purchases (sales)		Credit term		Unit price		Credit term		Balance		Percentage of total notes/accounts receivable (payable)		Footnote	
Purchaser/seller		Counterparty		Relationship with the counterparty		Purchases (sales)		Amount		Percentage of total purchases (sales)		Credit term		Unit price		Credit term		Balance		Percentage of total notes/accounts receivable (payable)		Footnote
Fujian Precision Industrial Co., Ltd.	(Jincheng)	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Group	Sales	\$	1,635,400	4	90 days	Note 1	Note 1	\$	282,494	2									
Fujian Precision Industrial Co., Ltd.	(Jincheng)	Jinchen Hongren Technology Co., Ltd.	Group	Sales		547,399	1	90 days	Note 1	Note 1		378,538	2									
Fujian Precision Industrial Co., Ltd.	(Jincheng)	Anhui HongQing Precision Machine Co. Ltd.	Group	Sales		163,584	-	90 days	Note 1	Note 1		190,257	1									
Fujian Precision Industrial Co., Ltd.	(Jincheng)	FuShiRui Precision Industry (JinCheng) Co., Ltd.	Group	Sales		104,567	-	90 days	Note 1	Note 1		134,730	1									
Fujian Precision Industrial Co., Ltd.	(Jincheng)	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	Sales		504,185	1	90 days	Note 1	Note 1		129,985	1									
Fujian Precision Industrial Co., Ltd.	(Jincheng)	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	Purchase		530,933	1	90 days	Note 1	Note 1	(	248,428)	2)								
Fujian Precision Industrial Co., Ltd.	(Jincheng)	Fuzhun Precision (Hebi) Electronics Co., Ltd.	Affiliates	Sales		129,183	-	90 days	Note 1	Note 1		47,573	-									
Hongzhun Precision Tooling (Kunshan) Co., Ltd.		Fuding Electronic Technology (Jiashan) Co., Ltd.	Group	Sales		2,671,275	37	90 days	Note 1	Note 1		561,808	17									
Hongzhun Precision Tooling (Kunshan) Co., Ltd.		Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Group	Sales		722,918	10	90 days	Note 1	Note 1		767,034	24									
Hongzhun Precision Tooling (Kunshan) Co., Ltd.		Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Group	Sales		2,662,956	36	90 days	Note 1	Note 1		1,313,263	41									
Hongzhun Precision Tooling (Kunshan) Co., Ltd.		Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales		123,649	2	90 days	Note 1	Note 1		60,375	2									
Hongzhun Precision Tooling (Kunshan) Co., Ltd.		Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Group	Sales		407,904	6	90 days	Note 1	Note 1		230,297	7									
Shenzhen Fuhongjie Technology Service Co., Ltd.		FIH (Hong Kong) Limited	Group	Sales		140,337	17	30 days	Note 1	Note 1		54,100	47									
Shenzhen Fuhongjie Technology Service Co., Ltd.		Carston Ltd.	Group	Sales		689,279	83	50 days	Note 1	Note 1		61,625	53									
Jizhun Precision Industry Co., Ltd.	(Huizhou)	Shenzhen FuTaiHong Precision Industry Co., Ltd.	Group	Sales		359,311	3	90 days	Note 1	Note 1		66,541	2									
Jizhun Precision Industry Co., Ltd.	(Huizhou)	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	Sales		218,602	2	90 days	Note 1	Note 1		59,023	2									

Table 5, Page 15

		Transaction										Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote				
			Sales	\$		90 days	Note 1	Note 1	\$						
Jizhun Precision Industry (Huizhou) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	1,078,374	10	90 days	Note 1	Note 1	135,153	4					
Jizhun Precision Industry (Huizhou) Co., Ltd.	Glorious Prospect Enterprises Limited	Group	Sales	372,492	3	90 days	Note 1	Note 1	92,433	3					
Jizhun Precision Industry (Huizhou) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	525,639	5	90 days	Note 1	Note 1	382,609	12					
Jizhun Precision Industry (Huizhou) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	1,145,281	11	90 days	Note 1	Note 1	305,194	10					
Jizhun Precision Industry (Huizhou) Co., Ltd.	HongFuJing Precision Electronics (TianJin) Co., Ltd.	Group	Sales	174,241	2	60 days	Note 1	Note 1	61,880	2					
Jizhun Precision Industry (Huizhou) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Group	Sales	319,348	3	90 days	Note 1	Note 1	103,096	3					
Jizhun Precision Industry (Huizhou) Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	1,062,666	10	90 days	Note 1	Note 1	13,242	-					
Jizhun Precision Industry (Huizhou) Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	886,473	8	90 days	Note 1	Note 1	295,555	9					
Jizhun Precision Industry (Huizhou) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Group	Sales	748,413	7	30 days	Note 1	Note 1	6,250	-					
Jizhun Precision Industry (Huizhou) Co., Ltd.	Jinchen Hongren Technology Co., Ltd.	Group	Sales	403,028	4	90 days	Note 1	Note 1	352,070	11					
Jizhun Precision Industry (Huizhou) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	Sales	493,800	5	90 days	Note 1	Note 1	57,826	2					
PCE Paragon Solutions (Mexico) S.A. De C.V.	ECMIMS Precision Singapore Pte. Ltd.	Group	Sales	343,823	33	60 days	Note 1	Note 1	42,819	17					
PCE Paragon Solutions (Mexico) S.A. De C.V.	Ingrasys (Singapore) Pte. Ltd.	Group	Sales	531,678	50	60 days	Note 1	Note 1	208,831	83					
Shenzhen Fertile Plan International Logistics Co., Ltd.	HongFuJing Precision Electronics (TianJin) Co., Ltd.	Group	Sales	296,668	8	90 days	Note 1	Note 1	155,159	7					
Shenzhen Fertile Plan International Logistics Co., Ltd.	NanNing FuGui Precision Industrial Co., Ltd.	Group	Sales	170,317	5	90 days	Note 1	Note 1	37,399	2					
Shenzhen Fertile Plan International Logistics Co., Ltd.	Jusda International Limited	Group	Sales	190,216	5	30 days	Note 1	Note 1	122,168	5					

Table 5, Page 16

		Transaction										Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote				
			(sales)	\$	(sales)	30 days	Note 1	Note 1	\$	(payable)					
Fuzhun Precision Tooling (Huaian) Co., Ltd.	Fuyu Electronic Technology (Huaian) Co., Ltd.	Group	Sales	647,311	76	30 days	Note 1	Note 1	284,354	88					
Fuzhun Precision Tooling (Huaian) Co., Ltd.	Huaian Fullitong Trading Co., Ltd.	Group	Sales	113,968	13	30 days	Note 1	Note 1	1,688	1					
Fuyu Electronic Technology (Huaian) Co., Ltd.	New Beyond Maximum Industrial Limited	Group	Subcontract Revenue	8,237,915	100	30 days	Note 1	Note 1	2,244,210	100					
PCE Paragon Solutions (USA) Inc.	Franklin Management Ltd.	Group	Subcontract Revenue	133,991	38	30 days	Note 1	Note 1	68,782	47					
Funing Precision Component Co., Ltd.	FIH (Hong Kong) Limited	Group	Sales	729,856	4	45 days	Note 1	Note 1	103,451	2					
Foxconn Baja California S.A. De C.V.	Competition Team Ireland Limited	Group	Sales	243,965	9	15 days	Note 1	Note 1	58,505	4					
Foxconn Baja California S.A. De C.V.	ECMMS Precision Singapore Pte. Ltd.	Group	Sales	2,033,642	79	15 days	Note 1	Note 1	1,309,510	96					
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	104,816	-	90 days	Note 1	Note 1	1,960	-					
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	247,285	-	90 days	Note 1	Note 1	139,023	1					
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Top Step Enterprises Limited	Group	Sales	75,524,071	90	90 days	Note 1	Note 1	15,404,625	86					
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	742,145	1	90 days	Note 1	Note 1	153,511	1					
Hongfujin Precision Industry (Wuhan) Co., Ltd.	FuXun Tong Trading (Shenzhen) Co., Ltd.	Group	Sales	141,554	-	30 days	Note 1	Note 1	18,841	-					
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Fu You Wan De Trading Co., Ltd.	Group	Sales	354,183	-	120days	Note 1	Note 1	570,125	3					
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Inmolux Corporation	Note 3	Purchase	224,814	-	90 days	Note 1	Note 1	(56,294)	-					
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Foxconn Technology Pte. Ltd.	Affiliates	Purchase	794,075	1	90 days	Note 1	Note 1	(243,436)	(1)					
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Foxconn Technology Co., Ltd	Affiliates	Purchase	768,892	1	90 days	Note 1	Note 1	(181,650)	(1)					
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Pan-International Industrial Co.	Affiliates	Purchase	534,644	-	90 days	Note 1	Note 1	(83,095)	-					
Hongfujin Precision Industry (Wuhan) Co., Ltd.	IRIS World Enterprises Limited	Affiliates	Purchase	1,595,260	1	90 days	Note 1	Note 1	(350,923)	(2)					

Table 5, Page 17

		Transaction				Differences in transaction terms compared to third party transactions (Note 1)				Notes/accounts receivable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Hongfujin Precision Industry (Yantai) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	\$ 2,641,331	2	90 days	Note 1	Note 1	\$ 2,166,668	7	
Hongfujin Precision Industry (Yantai) Co., Ltd.	Competition Team Technology Pte. Ltd.	Group	Sales	273,824	-	90 days	Note 1	Note 1	98,802	-	
Hongfujin Precision Industry (Yantai) Co., Ltd.	Hongfutai Precision Electrons (Yantai) Co., Ltd.	Group	Sales	1,109,409	1	90 days	Note 1	Note 1	300,086	1	
Hongfujin Precision Industry (Yantai) Co., Ltd.	Universal Field International Limited	Group	Sales	102,659,785	77	30 days	Note 1	Note 1	18,555,070	61	
Hongfujin Precision Industry (Yantai) Co., Ltd.	Fuguikang Precision Electrons (Guizhou) Co., Ltd.	Group	Sales	682,904	1	90 days	Note 1	Note 1	589,444	2	
Hongfujin Precision Industry (Yantai) Co., Ltd.	YanTai Eson Precision Electronics Co., Ltd.	Affiliates	Purchase	145,608	-	60 days	Note 1	Note 1	(38,637)	-	
Hongfujin Precision Industry (Yantai) Co., Ltd.	Foxconn Technology Co., Ltd.	Affiliates	Sales	20,583,611	16	90 days	Note 1	Note 1	7,618,140	25	
Hongfujin Precision Industry (Yantai) Co., Ltd.	Pan-International Industrial Co.	Affiliates	Purchase	3,558,590	3	90 days	Note 1	Note 1	(978,409)	(2)	
Hongfujin Precision Industry (Yantai) Co., Ltd.	Light Flash International Limited	Affiliates	Purchase	210,845	-	90 days	Note 1	Note 1	(43,197)	-	
Falcon Precision Trading Limited	Fusing International Inc. Pte. Ltd.	Group	Sales	10,444,908	4	60 days	Note 1	Note 1	3,104,801	4	
Top Step Enterprises Limited	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Group	Sales	3,010,232	4	45 days	Note 1	Note 1	1,881,988	10	
Foxconn Technology CZ	Foxconn CZ S.R.O.	Group	Sales	123,065	6	45 days	Note 1	Note 1	17,942	8	
Foxconn (Nanjing) Software Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	114,689	33	90 days	Note 1	Note 1	28,792	34	
Foxconn (Nanjing) Software Co., Ltd.	Hongfujin Precision Electrons (Zhenzhou) Co., Ltd.	Group	Sales	126,635	37	30 days	Note 1	Note 1	14,929	18	
Fugion Material Technology (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Group	Sales	731,860	9	90 days	Note 1	Note 1	300	-	
Fugion Material Technology (Shenzhen) Co., Ltd.	FuDing (ZhengZhou) Precision Industry Co., Ltd.	Group	Sales	251,461	3	90 days	Note 1	Note 1	-	-	
Fugion Material Technology (Shenzhen) Co., Ltd.	Fukui Precision Component (Shenzhen) Co., Ltd.	Affiliates	Sales	324,086	4	90 days	Note 1	Note 1	2,874	3	

Table 5, Page 18

		Transaction				Differences in transaction terms compared to third party transactions (Note 1)				Notes/accounts receivable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
			Sales	\$		60 days	Note 1	Note 1	\$		
Foxconn Image & Printing Product Pte.Ltd.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Group	Sales	185,478	1	60 days	Note 1	Note 1	41,273	1	
PCE Technology De Juarez S.A. De C.V.	ECMMS Precision Singapore Pte. Ltd.	Group	Sales	3,035,887	91	30 days	Note 1	Note 1	748,488	94	
Futaihua Industrial (Shenzhen) Co., Ltd.	Shenzhen FutaiHong Precision Industry Co., Ltd.	Group	Sales	3,473,444	-	90 days	Note 1	Note 1	729,656	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	Sales	483,181	-	90 days	Note 1	Note 1	42,486	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	FIH (Hong Kong) Limited	Group	Sales	251,236	-	90 days	Note 1	Note 1	46,003	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	3,877,886	1	90 days	Note 1	Note 1	1,687,983	1	
Futaihua Industrial (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Group	Sales	513,630	-	90 days	Note 1	Note 1	209,171	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	Best Leap Enterprises Limited	Group	Sales	654,953,420	93	90 days	Note 1	Note 1	183,660,965	90	
Futaihua Industrial (Shenzhen) Co., Ltd.	Glorious Prospect Enterprises Limited	Group	Sales	2,473,670	-	90 days	Note 1	Note 1	1,752,066	1	
Futaihua Industrial (Shenzhen) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	3,808,983	1	90 days	Note 1	Note 1	1,630,004	1	
Futaihua Industrial (Shenzhen) Co., Ltd.	Jizhuan Precision Industry (Huizhou) Co., Ltd.	Group	Sales	1,092,186	-	90 days	Note 1	Note 1	885,650	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Group	Sales	122,315	-	90 days	Note 1	Note 1	5,932	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Group	Sales	147,742	-	90 days	Note 1	Note 1	5,617	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	HongFujing Precision Electronics (Tianjin) Co., Ltd.	Group	Sales	126,874	-	90 days	Note 1	Note 1	18,246	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	FuXun Tong Trading (Shenzhen) Co., Ltd.	Group	Sales	572,702	-	90 days	Note 1	Note 1	268,362	-	
Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Group	Sales	1,963,097	-	90 days	Note 1	Note 1	178,437	-	

Table 5, Page 19

		Differences in transaction terms compared to third party transactions										Notes/accounts receivable (payable)	
		Transaction					party transactions (Note 1)					Notes/accounts receivable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote		
Futaihua Industrial (Shenzhen) Co., Ltd.	AnPinDa Precision Industry (HuiZhou) Co., Ltd.	Group	Sales	\$ 100,369	-	90 days	Note 1	Note 1	\$ 101,679	-	-		
Futaihua Industrial (Shenzhen) Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	2,245,193	-	90 days	Note 1	Note 1	135,346	-	-		
Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	11,250,387	2	90 days	Note 1	Note 1	2,724,985	1	1		
Futaihua Industrial (Shenzhen) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Group	Sales	3,866,370	1	90 days	Note 1	Note 1	4,179,614	2	2		
Futaihua Industrial (Shenzhen) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Group	Sales	3,418,185	-	90 days	Note 1	Note 1	3,343,932	2	2		
Futaihua Industrial (Shenzhen) Co., Ltd.	Foxconn Brasil Industria E Comercio Ltda.	Group	Sales	328,497	-	90 days	Note 1	Note 1	44,126	-	-		
Futaihua Industrial (Shenzhen) Co., Ltd.	General Interface Solution Limited	Affiliates	Purchase	519,244	-	60 days	Note 1	Note 1	(7,621)	-	-		
Futaihua Industrial (Shenzhen) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	Sales	2,744,060	-	90 days	Note 1	Note 1	522,955	-	-		
Futaihua Industrial (Shenzhen) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	Purchase	423,028	-	30 days	Note 1	Note 1	(97,086)	-	-		
Futaihua Industrial (Shenzhen) Co., Ltd.	Fuzhun Precision (Hebi) Electronics Co., Ltd.	Affiliates	Sales	110,576	-	90 days	Note 1	Note 1	17,326	-	-		
Futaihua Industrial (Shenzhen) Co., Ltd.	Foxconn Technology Pte. Ltd.	Affiliates	Purchase	1,533,480	-	90 days	Note 1	Note 1	(535,796)	-	-		
Futaihua Industrial (Shenzhen) Co., Ltd.	Fuzhun Precision (Shenzhen) Industry Co., Ltd.	Affiliates	Purchase	245,902	-	30 days	Note 1	Note 1	(28,762)	-	-		
Futaihua Industrial (Shenzhen) Co., Ltd.	IRIS World Enterprises Limited	Affiliates	Purchase	659,210	-	90 days	Note 1	Note 1	(186,936)	-	-		
Futaihua Industrial (Shenzhen) Co., Ltd.	Winson Electronic Technology (Shenzhen) Ltd.	Affiliates	Purchase	152,349	-	90 days	Note 1	Note 1	(230,506)	-	-		
Futaihua Industrial (Shenzhen) Co., Ltd.	Cheng Uei Precision Industry Co., Ltd.	Note 5	Purchase	2,855,105	-	90 days	Note 1	Note 1	(923,637)	-	-		

Table 5, Page 20

Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Transaction		Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)	Footnote
				Amount	Percentage of total purchases (sales)	Unit price	Credit term			Balance	Percentage of total notes/accounts receivable (payable)
Fuhajie Industrial (Shenzhen) Co., Ltd.	Skilltop Limited	Group	Sales	\$ 1,832,018	72	Note 1	Note 1	\$ 705,433	68
Fuhajie Industrial (Shenzhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	152,614	6	Note 1	Note 1	56,148	5
Fuhajie Industrial (Shenzhen) Co., Ltd.	First Special Material (Shenzhen) Limited	Group	Sales	173,215	7	Note 1	Note 1	202,892	20
Hontfujin Precision Electronics (Chongqing) Co., Ltd.	HighTech Electronics Components Inc.	Group	Sales	67,450,031	85	Note 1	Note 1	5,247,916	51
Hontfujin Precision Electronics (Chongqing) Co., Ltd.	Fujun Precision Electronics (Chongqing) Co., Ltd.	Group	Sales	8,232,208	10	Note 1	Note 1	3,689,154	36
Hontfujin Precision Electronics (Chongqing) Co., Ltd.	NanNing FuGui Precision Industrial Co., Ltd.	Group	Sales	376,957	-	Note 1	Note 1	256,530	2
Hontfujin Precision Electronics (Chongqing) Co., Ltd.	Innocom Technology (Chongqing) Co., Ltd.	Group	Sales	1,040,476	1	Note 1	Note 1	630,000	6
Hontfujin Precision Electronics (Chongqing) Co., Ltd.	Chongqing Hongteng Technology Co., Ltd.	Group	Sales	120,017	-	Note 1	Note 1	111,304	1
Hontfujin Precision Electronics (Chongqing) Co., Ltd.	Innolux Corporation	Note 3	Purchase	3,196,510	7	Note 1	Note 1	(404,692)	(3)
Hontfujin Precision Electronics (Chongqing) Co., Ltd.	Pan-International Industrial Co.	Affiliates	Purchase	330,091	-	Note 1	Note 1	(105,150)	(1)
Hontfujin Precision Electronics (Chongqing) Co., Ltd.	IRIS World Enterprises Limited	Affiliates	Purchase	1,055,400	1	Note 1	Note 1	(300,538)	(2)
Foxcomm Precision Electronics (Yan Tai) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	Sales	1,026,035	14	Note 1	Note 1	364,459	21
Foxcomm Precision Electronics (Yan Tai) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	2,534,730	33	Note 1	Note 1	134,365	8
Foxcomm Precision Electronics (Yan Tai) Co., Ltd.	Hongfutai Precision Electronics (Yantai) Co., Ltd.	Group	Sales	253,776	3	Note 1	Note 1	96,324	6
Foxcomm Precision Electronics (Yan Tai) Co., Ltd.	Hongfujin Precision Industry (Yantai) Co., Ltd.	Group	Sales	467,870	6	Note 1	Note 1	277,965	16
Foxcomm Precision Electronics (Yan Tai) Co., Ltd.	Yantai Fuhuada Precision Electronics Co., Ltd.	Group	Sales	540,385	7	Note 1	Note 1	100,168	6
Foxcomm Precision Electronics (Yan Tai) Co., Ltd.	Yan Tai Fuzhun Precision Electronics Co., Ltd.	Affiliates	Purchase	215,066	3	Note 1	Note 1	(160,360)	(7)
Chongqingshi Futaitong Logistics Co., Ltd.	Hontfujin Precision Electronics (Chongqing) Co., Ltd.	Group	Sales	180,976	34	Note 1	Note 1	162,089	50

Table 5, Page 21

Differences in transaction terms compared to third party transactions		Transaction										Notes/accounts receivable (payable)								
		Relationship with the counterparty			Purchases (sales)		Amount		Percentage of total purchases (sales)		Credit term			Unit price		Credit term		Balance		Percentage of total notes/accounts receivable (payable)		Footnote
Purchaser/seller		Counterparty		Purchases (sales)		Amount		Percentage of total purchases (sales)		Credit term		Unit price		Credit term		Balance		Percentage of total notes/accounts receivable (payable)		Footnote
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	\$	366,484	-	-	60 days	Note 1	Note 1	\$	3,300	-	-	-	-	-	-	-	-
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Profit New Limited	Group	Sales		82,132,582	91		60 days	Note 1	Note 1		16,059,661	86							
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Foxconn Technology Co., Ltd	Affiliates	Purchase		103,611	-		60 days	Note 1	Note 1	(	25,180)	-							
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	IRIS World Enterprises Limited	Affiliates	Purchase		267,210	-		90 days	Note 1	Note 1	(	104,767)	-							
FuXun Tong Trading (ShenZhen) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales		204,461	4		15 days	Note 1	Note 1		179,398	19							
FuXun Tong Trading (ShenZhen) Co., Ltd.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Group	Sales		156,727	3		15 days	Note 1	Note 1		120,070	13							
FuXun Tong Trading (ShenZhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales		263,101	6		15 days	Note 1	Note 1		94,253	10							
FuXun Tong Trading (ShenZhen) Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales		144,501	3		15 days	Note 1	Note 1		15,798	2							
FuXun Tong Trading (ShenZhen) Co., Ltd.	Guizhou Fuhuada Electronic Co., Ltd.	Group	Sales		144,759	3		15 days	Note 1	Note 1		78,198	8							
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	Sales		992,131	-		90 days	Note 1	Note 1		490,764	1							
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Fuding Electronic Technology (Jiashan) Co., Ltd.	Group	Sales		645,811	-		90 days	Note 1	Note 1		133,766	-							
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Group	Sales		883,785	-		60 days	Note 1	Note 1		262,015	-							
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Limited	Group	Sales		249,594,300	93		90 days	Note 1	Note 1		65,179,180	93							
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales		7,477,103	3		90 days	Note 1	Note 1		852,798	1							
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Foxconn Brasil Industria E Comercio Ltda.	Group	Sales		261,215	-		90 days	Note 1	Note 1		41,115	-							
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	General Interface Solution Limited	Affiliates	Purchase		326,555	-		60 days	Note 1	Note 1	(	130,687)	-							
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Foxconn Technology Pte. Ltd.	Affiliates	Purchase		126,195	-		90 days	Note 1	Note 1	(	32,334)	-							
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	IRIS World Enterprises Limited	Affiliates	Purchase		1,426,980	1		90 days	Note 1	Note 1	(	309,314)	-							

Table 5, Page 22

		Transaction										Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote				
FuTaiHua Precision Electronics (ChengDu) Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Group	Sales	\$ 500,930	46	90 days	Note 1	Note 1	\$ 172,945	36					
FuTaiHua Precision Electronics (ChengDu) Co., Ltd.	Fushirui ChengDu Precision Industry Co., Ltd.	Group	Sales	176,032	16	30 days	Note 1	Note 1	207,743	43					
Fuding (Zhengzhou) Precision Industry Co., Ltd.	FuShiRui Precision Industry (Jiyuan) Co., Ltd.	Group	Sales	114,703	2	90 days	Note 1	Note 1	12,812	1					
Fuding (Zhengzhou) Precision Industry Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	269,851	5	90 days	Note 1	Note 1	285,354	15					
Fuding (Zhengzhou) Precision Industry Co., Ltd.	Fuyu Electronic Technology (Huainan) Co., Ltd.	Group	Sales	101,168	2	90 days	Note 1	Note 1	31,691	2					
Fuding (Zhengzhou) Precision Industry Co., Ltd.	Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Group	Sales	338,500	7	90 days	Note 1	Note 1	68,843	4					
Fuding (Zhengzhou) Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Group	Sales	529,850	11	90 days	Note 1	Note 1	243,827	12					
Fuding (Zhengzhou) Precision Industry Co., Ltd.	Foxconn Interconnect Technology Limited	Group	Sales	3,153,193	64	90 days	Note 1	Note 1	1,166,583	60	Note 2				
Fujian Precision Electronics (Chongqing) Co., Ltd.	FuXun Tong Trading (ShenZhen) Co., Ltd.	Group	Sales	345,237	4	30 days	Note 1	Note 1	208,763	7					
Fujian Precision Electronics (Chongqing) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Group	Sales	345,911	4	90 days	Note 1	Note 1	405,197	14					
Yantai Fuhuada Precision Electronics Co., Ltd.	HongFuJin Precision Electrons (HengYang) Co., Ltd.	Group	Sales	5,507,043	60	30 days	Note 1	Note 1	3,374,345	74					
Yantai Fuhuada Precision Electronics Co., Ltd.	Guizhou Fuhuada Electronic Co., Ltd.	Group	Sales	107,206	1	90 days	Note 1	Note 1	38,026	1					
Yantai Fuhuada Precision Electronics Co., Ltd.	Nanyang Hongfujing Precision electronic Co., Ltd.	Group	Sales	130,532	1	90 days	Note 1	Note 1	69,760	2					
Yantai Fuhuada Precision Electronics Co., Ltd.	YanTai Eson Precision Electronics Co., Ltd.	Affiliates	Purchase	238,952	3	60 days	Note 1	Note 1	(113,519)	(3)					
Yantai Fuhuada Precision Electronics Co., Ltd.	Foxstar Technology Co., Ltd.	Affiliates	Sales	361,006	4	90 days	Note 1	Note 1	138,095	3					
Anpinda Precision Industry(Huizhou) Co., Ltd.	Glorious Prospect Enterprises Limited	Group	Sales	1,666,076	63	90 days	Note 1	Note 1	578,869	65					

Table 5, Page 23

		Differences in transaction terms compared to third party transactions										Notes/accounts receivable		Notes/accounts payable							
		Transaction					Relationship with the counterparty					Transaction									
		Purchaser/seller		Counterparty		Purchases (sales)		Amount		Percentage of total purchases (sales)		Unit price		Credit term		Balance		Percentage of total notes/accounts receivable (payable)		Footnote	
	Ampinda Precision Industry(Huizhou) Co., Ltd.	FuXun Tong Trading (Shenzhen) Co., Ltd.	Group	Sales	\$	132,499	5	30 days	Note 1	Note 1	Note 1	\$	52,374				6				
	Chengdu JUSDA Supply Chain Management Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Group	Sales		239,890	46	90 days	Note 1	Note 1	Note 1		54,333				33				
	System Integration Electronics (Hangzhou) Co., Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Group	Sales		623,756	6	60 days	Note 1	Note 1	Note 1		157,807				7				
	System Integration Electronics (Hangzhou) Co., Ltd.	Nanning Futaihong Precision Industrial Co., Ltd.	Group	Sales		108,820	1	30 days	Note 1	Note 1	Note 1		-				-				
	System Integration Electronics (Hangzhou) Co., Ltd.	NanNing FuGui Precision Industrial Co., Ltd.	Group	Sales		1,098,269	11	30 days	Note 1	Note 1	Note 1		1,006,746				44				
	Nanning Fugui Precision Industrial Co., Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Group	Sales		113,697	-	90 days	Note 1	Note 1	Note 1		17,316				-				
	Nanning Fugui Precision Industrial Co., Ltd.	Nanning Futaihong Precision Industrial Co., Ltd.	Group	Sales		1,437,296	1	60 days	Note 1	Note 1	Note 1		646,617				2				
	Nanning Fugui Precision Industrial Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales		10,804,041	9	60 days	Note 1	Note 1	Note 1		9,474,845				26				
	Nanning Fugui Precision Industrial Co., Ltd.	System Integration Electronics (Hangzhou) Co., Ltd.	Group	Sales		1,124,257	1	30 days	Note 1	Note 1	Note 1		1,031,914				3				
	Nanning Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Group	Sales		46,999,817	39	30 days	Note 1	Note 1	Note 1		10,725,342				29				
	Nanning Fugui Precision Industrial Co., Ltd.	Ampower (BeiHai) Ltd.	Affiliates	Sales		1,207,986	1	90 days	Note 1	Note 1	Note 1		1,415,023				4				
	Nanning Fugui Precision Industrial Co., Ltd.	Ampower (BeiHai) Ltd.	Affiliates	Purchase		974,389	1	60 days	Note 1	Note 1	Note 1	(	1,141,569)				3)				
	Nanning Fugui Precision Industrial Co., Ltd.	Pan-International Sunrise Trading Corp.	Affiliates	Purchase		156,987	-	1 days	Note 1	Note 1	Note 1	(	92,872)				-				
	Nanning Fugui Precision Industrial Co., Ltd.	IRIS World Enterprises Limited	Affiliates	Purchase		244,276	-	90 days	Note 1	Note 1	Note 1	(	51,590)				-				
	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Competition Team Technologies Ltd.	Group	Sales		960,003	3	90 days	Note 1	Note 1	Note 1		125,697				1				
	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales		11,133,326	30	90 days	Note 1	Note 1	Note 1		4,147,759				33				

Table 5, Page 24

Differences in transaction terms compared to third party transactions

		Transaction				Differences in transaction terms compared to third party transactions (Note 1)				Notes/accounts receivable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	\$ 24,033,359	65	90 days	Note 1	Note 1	\$ 8,187,098	65	
Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Group	Sales	421,905	1	90 days	Note 1	Note 1	108,443	1	
Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Fuzhun Precision (Hebi) Electronics Co., Ltd.	Affiliates	Purchase	854,469	3	90 days	Note 1	Note 1	(64,355)	(2)	
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	Sales	146,127	-	90 days	Note 1	Note 1	28,082	-	
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	FIH (Hong Kong) Limited	Group	Sales	3,412,940	-	90 days	Note 1	Note 1	860,562	-	
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Competition Team Technologies Ltd.	Group	Sales	1,212,253,901	94	90 days	Note 1	Note 1	365,339,931	94	
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	242,269	-	90 days	Note 1	Note 1	220,971	-	
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	4,344,924	-	90 days	Note 1	Note 1	2,428,455	1	
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	830,598	-	90 days	Note 1	Note 1	115,829	-	
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Group	Sales	36,556,901	3	90 days	Note 1	Note 1	13,893,927	4	
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	HeNan YuZhan Technology Limited	Group	Sales	121,767	-	90 days	Note 1	Note 1	123,653	-	
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Brasil Industria E Comercio Ltda.	Group	Sales	4,997,863	-	90 days	Note 1	Note 1	1,424,704	-	
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Inmolux Corporation	Note 3	Purchase	434,202	-	90 days	Note 1	Note 1	(74,861)	-	
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	Sales	3,599,831	-	90 days	Note 1	Note 1	12,481	-	
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	Purchase	3,761,311	-	90 days	Note 1	Note 1	(1,104,330)	-	
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Fuzhun Precision (Hebi) Electronics Co., Ltd.	Affiliates	Purchase	524,291	-	90 days	Note 1	Note 1	(81,235)	-	
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Technology Pte. Ltd.	Affiliates	Purchase	162,655	-	90 days	Note 1	Note 1	(27,002)	-	

Table 5, Page 25

		Transaction				Differences in transaction terms compared to third party transactions (Note 1)				Notes/accounts receivable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
			Purchase (sales)	\$	(sales)	days	Note 1	Note 1	(\$)		
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	IRIS World Enterprises Limited	Affiliates	Purchase	207,441	-	90 days	Note 1	Note 1	30,365	-	
Profit New Limited	Ingrasys Technology Co., Ltd.	Group	Sales	7,760,561	9	90 days	Note 1	Note 1	3,730,991	23	
Profit New Limited	HongFuJing Precision Electronics (TianJin) Co., Ltd.	Group	Sales	669,162	1	90 days	Note 1	Note 1	361,828	2	
Mega Well Limited	Competition Team Ireland Limited	Group	Sales	1,781,555	4	90 days	Note 1	Note 1	707,512	6	
Hongzhaoda Integrated Innovative Service (Kunshan) Co., Ltd.	Smart Top International Ltd.	Group	Sales	2,284,246	100	1 days	Note 1	Note 1	606,004	100	
Competition Team Ireland Limited	FIH (Hong Kong) Limited	Group	Sales	1,600,865	2	60 days	Note 1	Note 1	52,462	1	
Competition Team Ireland Limited	Foxconn CZ S.R.O.	Group	Sales	3,743,679	5	45 days	Note 1	Note 1	586,360	7	
Competition Team Ireland Limited	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Group	Sales	13,876,459	19	60 days	Note 1	Note 1	2,306,017	28	
Competition Team Ireland Limited	Fusing International Inc.	Group	Sales	142,978	-	60 days	Note 1	Note 1	106,247	1	
Competition Team Ireland Limited	Innolux Corporation	Note 4	Purchase	1,279,316	2	60 days	Note 1	Note 1	(416,664)	3)	
Competition Team Ireland Limited	Multwin Precision Ind.Co., Ltd.	Affiliates	Purchase	157,614	-	60 days	Note 1	Note 1	(14,608)	-	
Competition Team Ireland Limited	CyberTAN Technology Inc.	Affiliates	Purchase	357,330	-	60 days	Note 1	Note 1	(15,978)	-	
WWW (Jin Cheng) Co., Ltd.	Best Ever Industries Limited	Group	Sales	288,514	15	60 days	Note 1	Note 1	136,697	14	
WWW (Jin Cheng) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	1,544,770	79	90 days	Note 1	Note 1	780,730	82	
Zhengzhou Jusda Logistics Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	358,714	49	90 days	Note 1	Note 1	121,415	51	
Mexus Solutions Inc.	Carston Ltd.	Group	Income from managerial services	182,706	42	7 days	Note 1	Note 1	14,900	40	
Mexus Solutions Inc.	Franklin Management Ltd.	Group	Income from managerial services	208,644	48	7 days	Note 1	Note 1	14,895	40	
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	5,882,281	3	90 days	Note 1	Note 1	18,177	-	
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	30,377,111	15	90 days	Note 1	Note 1	8,469,478	20	
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Fast Victor Limited	Group	Sales	151,421,017	75	90 days	Note 1	Note 1	28,961,679	68	

Table 5, Page 26

		Differences in transaction terms compared to third party transactions										Notes/accounts receivable (payable)	
		Transaction					party transactions (Note 1)					Notes/accounts receivable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote		
Foxconn Precision Electronics (Taiwan) Co., Ltd.	Hon Fujin Precision Industry (Taiwan) Co., Ltd.	Affiliates	Sales	\$ 12,716,859	6	90 days	Note 1	Note 1	\$ 4,773,075	11			
Foxconn Precision Electronics (Taiwan) Co., Ltd.	Hon Fujin Precision Industry (Taiwan) Co., Ltd.	Affiliates	Purchase	43,656,177	22	30 days	Note 1	Note 1	(12,843,430)	(17)			
Foxconn Precision Electronics (Taiwan) Co., Ltd.	IRIS World Enterprises Limited	Affiliates	Purchase	342,519	-	90 days	Note 1	Note 1	(1,916)	-			
Scientific-Atlanta De Mexico S. De R. L. De C. V.	Competition Team Ireland Limited	Group	Subcontract Revenue	2,280,282	100	30 days	Note 1	Note 1	592,013	100			
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	Sales	486,874	1	90 days	Note 1	Note 1	152,469	2			
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Competition Team Technologies Ltd.	Group	Sales	2,184,227	5	90 days	Note 1	Note 1	230,353	3			
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	645,585	2	90 days	Note 1	Note 1	290,438	4			
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	6,430,087	15	90 days	Note 1	Note 1	2,723,377	40			
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	30,453,438	72	90 days	Note 1	Note 1	1,886,336	28			
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Foxconn Precision Electronics (Taiwan) Co., Ltd.	Group	Sales	1,692,342	4	90 days	Note 1	Note 1	1,205,932	18			
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Foxsemicon Integrated Technology (Shanghai) Inc.	Affiliates	Purchase	207,746	1	90 days	Note 1	Note 1	(15,647)	-			
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Hon Fujin Precision Industry (Taiwan) Co., Ltd.	Affiliates	Sales	424,948	1	90 days	Note 1	Note 1	219,890	3			
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Hon Fujin Precision Industry (Taiwan) Co., Ltd.	Affiliates	Purchase	977,344	3	90 days	Note 1	Note 1	(187,896)	(3)			
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Fuzhun Precision (Hebi) Electronics Co., Ltd.	Affiliates	Purchase	1,968,147	5	90 days	Note 1	Note 1	(191,744)	(3)			
Hongfujin Precision Electrons (Hengyang) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	215,338	2	90 days	Note 1	Note 1	117,199	4			
Hongfujin Precision Electrons (Hengyang) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	1,481,359	16	90 days	Note 1	Note 1	373,244	11			

Table 5, Page 27

		Transaction				Differences in transaction terms compared to third party transactions (Note 1)				Notes/accounts receivable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Hongfujin Precision Electrons (Hengyang) Co., Ltd.	FuXun Tong Trading (ShenZhen) Co., Ltd.	Group	Sales	\$ 181,494	2	30 days	Note 1	Note 1	\$ 29,441	1	
Hongfujin Precision Electrons (Hengyang) Co., Ltd.	Yantai Fuhuada Precision Electronics Co., Ltd.	Group	Sales	1,025,048	11	90 days	Note 1	Note 1	568,598	18	
Hongfujin Precision Electrons (Hengyang) Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	130,187	1	90 days	Note 1	Note 1	101,144	3	
Hongfujin Precision Electrons (Hengyang) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Group	Sales	134,411	1	30 days	Note 1	Note 1	17,829	1	
FuHong Yuan(ShenZhen) Environmental Technology Limited	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	297,980	65	90 days	Note 1	Note 1	277,055	82	
Innocom Technology (Chongqing) Co., Ltd.	Fujian Precision Electronics (Chongqing) Co., Ltd.	Group	Sales	1,141,486	100	90 days	Note 1	Note 1	405,599	100	
Shen Zhen Fu Neng New Energy Technology Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Group	Sales	128,247	15	90 days	Note 1	Note 1	953	-	
Shen Zhen Fu Neng New Energy Technology Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	129,221	15	90 days	Note 1	Note 1	25,420	12	
Foxconn Interconnect Technology Limited	Ambit Microsystem (Shanghai) Co., Ltd.	Group	Sales	108,073	-	60 days	Note 1	Note 1	8,862	-	
Foxconn Interconnect Technology Limited	FIH (Hong Kong) Limited	Group	Sales	274,277	-	60 days	Note 1	Note 1	22,885	-	
Foxconn Interconnect Technology Limited	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	1,104,599	2	90 days	Note 1	Note 1	372,399	2	
Foxconn Interconnect Technology Limited	Foxconn CZ S.R.O.	Group	Sales	170,804	-	45 days	Note 1	Note 1	27,338	-	
Foxconn Interconnect Technology Limited	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Group	Sales	3,812,073	5	90 days	Note 1	Note 1	496,381	2	
Foxconn Interconnect Technology Limited	Hongfujin Precision Industry (Yantai) Co., Ltd.	Group	Sales	386,447	1	90 days	Note 1	Note 1	37,760	-	
Foxconn Interconnect Technology Limited	Huaian Fulitong Trading Co., Ltd.	Group	Sales	614,877	1	30 days	Note 1	Note 1	41,295	-	
Foxconn Interconnect Technology Limited	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	4,037,610	6	90 days	Note 1	Note 1	1,789,475	9	

Table 5, Page 28

Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Transaction				Differences in transaction terms compared to third party transactions (Note 1)			Notes/accounts receivable (payable)	Footnote
				Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)		
Foxconn Interconnect Technology Limited	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Group	Sales	716,217	1	90 days	Note 1	Note 1	97,457	-		
Foxconn Interconnect Technology Limited	HongFuJing Precision Electronics (Tianjin) Co., Ltd.	Group	Sales	1,668,933	2	90 days	Note 1	Note 1	354,029	2		
Foxconn Interconnect Technology Limited	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Group	Sales	1,229,671	2	90 days	Note 1	Note 1	331,402	2		
Foxconn Interconnect Technology Limited	FuDing (ZhengZhou) Precision Industry Co., Ltd.	Group	Sales	111,888	-	30 days	Note 1	Note 1	16,215	-		
Foxconn Interconnect Technology Limited	NanNing FuGui Precision Industrial Co., Ltd.	Group	Sales	402,319	1	90 days	Note 1	Note 1	59,217	-		
Foxconn Interconnect Technology Limited	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	124,683	-	60 days	Note 1	Note 1	28,728	-		
Foxconn Interconnect Technology Limited	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	5,413,913	8	90 days	Note 1	Note 1	2,121,869	10		
Foxconn Interconnect Technology Limited	HongZhaoDa Integrated Innovative Service (KunShan) Co., Ltd.	Group	Sales	160,959	-	60 days	Note 1	Note 1	-	-		
Foxconn Interconnect Technology Limited	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Group	Sales	2,309,032	3	90 days	Note 1	Note 1	548,131	3		
Foxconn Interconnect Technology Limited	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Group	Sales	129,211	-	60 days	Note 1	Note 1	31,518	-		
Foxconn Interconnect Technology Limited	Foxconn Interconnect Technology Singapore Pte. Ltd.	Group	Sales	2,144,622	3	60 days	Note 1	Note 1	598,156	3		
Foxconn Interconnect Technology Limited	Foxconn Interconnect Technology (USA), Inc.	Group	Sales	150,362	-	60 days	Note 1	Note 1	44,590	-		
Foxconn Interconnect Technology Limited	Fuhong Precision Component (Bac Giang) Limited	Group	Sales	2,157,094	3	90 days	Note 1	Note 1	494,668	2		
Foxconn Interconnect Technology Limited	Foxconn Brasil Industria E Comercio Ltda.	Group	Sales	113,638	-	60 days	Note 1	Note 1	23,098	-		

Table 5, Page 29

		Transaction				Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)			
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
Foxconn Interconnect Technology Limited	Foxconn Technology Pte. Ltd.	Affiliates	Purchase	\$ 406,595	1	90 days	Note 1	Note 1	(\$ 186,579) (	1)	
Foxconn Interconnect Technology Limited	Pan-International Industrial Co.	Affiliates	Sales	258,633	-	90 days	Note 1	Note 1	109,946	1	
Foxconn Interconnect Technology Limited	Tekcom Electronics Corp.	Affiliates	Purchase	194,383	-	45 days	Note 1	Note 1	(26,241)	-	
Foxconn Interconnect Technology Limited	New Ocean Precision Component (Ganzhou) Co., Ltd.	Affiliates	Purchase	886,204	1	30 days	Note 1	Note 1	(513,248) (	3)	Note 2
Foxconn Interconnect Technology Limited	New Ocean Precision Component (Jiangxi) Co., Ltd.	Affiliates	Purchase	1,791,068	3	30 days	Note 1	Note 1	(677,000) (	5)	Note 2
Foxconn Interconnect Technology Limited	IRIS World Enterprises Limited	Affiliates	Purchase	136,160	-	90 days	Note 1	Note 1	(25,311)	-	
Foxconn Interconnect Technology Limited	Fukui Precision Component (Shenzhen) Co., Ltd.	Affiliates	Sales	830,252	1	90 days	Note 1	Note 1	276,418	1	
Zhengzhou Jingji Precision Machinery Trade Co., Ltd.	Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Group	Sales	261,624	8	90 days	Note 1	Note 1	238,467	29	
Zhengzhou Jingji Precision Machinery Trade Co., Ltd.	Qingdao Hiyn Materials Co., Ltd.	Affiliates	Sales	121,071	4	90 days	Note 1	Note 1	44,386	5	
Scienbizip Consulting Inc.	Carston Ltd.	Group	Income from managerial services	415,258	49	90 days	Note 1	Note 1	18,105	24	
Foxconn Interconnect Technology Singapore Pte. Ltd.	FIH (Hong Kong) Limited	Group	Sales	123,255	6	90 days	Note 1	Note 1	26,556	7	
Foxconn Interconnect Technology Singapore Pte. Ltd.	Pan-international Electronics (Malaysia) Sdn. Bhd.	Affiliates	Sales	207,928	9	60 days	Note 1	Note 1	72,035	18	
New Beyond Maximum Industrial Limited	Foxconn Interconnect Technology Limited	Group	Subcontract	28,269,648	100	30 days	Note 1	Note 1	9,883,918	100	
Shenzhen Futai Trade Co., Ltd.	FuXun Tong Trading (Shenzhen) Co., Ltd.	Group	Revenue	975,524	41	15 days	Note 1	Note 1	-	-	
Shenzhen Futai Trade Co., Ltd.	ZhengZhou FuLianWang Electronic Technology Co., Ltd.	Group	Sales	468,707	20	15 days	Note 1	Note 1	22,474	20	
Shenzhen Futai Trade Co., Ltd.	ShangHai Fuhong Electronic Technology Co., Ltd.	Group	Sales	208,460	9	15 days	Note 1	Note 1	85,187	74	

Table 5, Page 30

Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Transaction		Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)	Footnote
				Amount	Percentage of total purchases (sales)	Unit price	Credit term			Balance	Percentage of total notes/accounts receivable (payable)
Guizhou Fuhuada Electronic Co., Ltd.	Fuguikang Precision Electrons (Guizhou) Co., Ltd.	Group	Sales	\$ 238,797	15	Note 1	Note 1	\$ 140,892	23
Guizhou Fuhuada Electronic Co., Ltd.	Panxian Fuguikang Precision electronic Ltd.	Group	Sales	392,539	25	Note 1	Note 1	166,999	28
1st special material international holdings limited	Fuhajie Industrial (Shenzhen) Co., Ltd.	Group	Sales	176,007	50	Note 1	Note 1	12,930	14
FTT Electronics, Inc.	New Beyond Maximum Industrial Limited	Group	Subcontract Revenue	737,621	88	Note 1	Note 1	59,272	60
Fuguikang Precision Electrons (Guizhou) Co., Ltd.	Hongfujin Precision Industry (Yantai) Co., Ltd.	Group	Sales	1,511,084	22	Note 1	Note 1	966	-
Fuguikang Precision Electrons (Guizhou) Co., Ltd.	FuXun Tong Trading (ShenZhen) Co., Ltd.	Group	Sales	113,119	2	Note 1	Note 1	46,794	2
Fuguikang Precision Electrons (Guizhou) Co., Ltd.	Yantai Fuhuada Precision Electronics Co., Ltd.	Group	Sales	1,799,063	26	Note 1	Note 1	2,007,260	75
Fuguikang Precision Electrons (Guizhou) Co., Ltd.	Guizhou Fuhuada Electronic Co., Ltd.	Group	Sales	211,366	3	Note 1	Note 1	103,758	4
Fuguikang Precision Electrons (Guizhou) Co., Ltd.	DongGuan YIHong Precision Tooling Co., Ltd.	Affiliates	Purchase	117,288	2	Note 1	Note 1	(30,917)	(1)
Jusda International Limited	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Group	Sales	134,519	3	Note 1	Note 1	21,409	3
Jusda International Limited	Competition Team Ireland Limited	Group	Sales	284,138	6	Note 1	Note 1	495	-
Jusda International Limited	Interface Optoelectronics (SZ) Co., Ltd	Affiliates	Sales	137,507	3	Note 1	Note 1	137,744	20
Shenzhen Dengmao Science And Technology Company	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	138,209	18	Note 1	Note 1	4,241	8
Shenzhen Dengmao Science And Technology Company	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	104,278	14	Note 1	Note 1	6,765	12
Panxian Fuguikang Precision Electronic Ltd.	Guizhou Fuhuada Electronic Co., Ltd.	Group	Sales	148,792	21	Note 1	Note 1	68,856	21
Panxian Fuguikang Precision Electronic Ltd.	Fuguikang Precision Electrons (Guizhou) Co., Ltd.	Group	Sales	236,886	34	Note 1	Note 1	231,150	71
Chongqing Hongteng Technology Co., Ltd.	Foxconn Interconnect Technology Limited	Group	Sales	480,541	95	Note 1	Note 1	222,576	100

Table 5, Page 31

		Transaction										Differences in transaction terms compared to third party transactions (Note 1)		Notes/accounts receivable (payable)	
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote				
			Sales	\$	87	90 days	Note 1	Note 1	\$	125,106	75				
Fuhua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	449,515	87	90 days	Note 1	Note 1	125,106	75					
Fushirui Zhengzhou Precision Industry Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	111,144	34	90 days	Note 1	Note 1	130,193	46					
Fushirui Zhengzhou Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	109,163	33	90 days	Note 1	Note 1	30,211	11					
Fushirui ChengDu Precision Industry Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	154,389	19	90 days	Note 1	Note 1	180,850	26					
Fushirui ChengDu Precision Industry Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	231,238	29	90 days	Note 1	Note 1	94,835	14					
Fushirui ChengDu Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	196,483	25	90 days	Note 1	Note 1	203,830	30					
Hongfuzhuan Precision Shenzhen Co., Ltd.	Shenzhen FuTaiHong Precision Industry Co., Ltd.	Group	Sales	176,657	12	45 days	Note 1	Note 1	206,935	15					
Hongfuzhuan Precision Shenzhen Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	208,227	14	45 days	Note 1	Note 1	242,817	17					
Hongfuzhuan Precision Shenzhen Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	464,666	31	45 days	Note 1	Note 1	383,613	27					
Hongfuzhuan Precision Shenzhen Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	Sales	122,729	8	45 days	Note 1	Note 1	143,764	10					
Fumeng Electronical Technology (Heze) Co., Ltd.	Foxconn Interconnect Technology Limited	Group	Sales	202,005	41	60 days	Note 1	Note 1	17,962	7	Note 2				
ECMMS Precision Singapore Pte. Ltd.	Zeal International Co., Ltd.	Affiliates	Purchase	176,140	3	30 days	Note 1	Note 1	-	-					
Jinchen Hongren Technology Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	146,211	8	90 days	Note 1	Note 1	32,939	4					
Jinchen Hongren Technology Co., Ltd.	Jizhuan Precision Industry (Huizhou) Co., Ltd.	Group	Sales	576,293	30	90 days	Note 1	Note 1	487,815	65					
Jinchen Hongren Technology Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	133,415	7	90 days	Note 1	Note 1	26,174	3					
Jinchen Hongren Technology Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	277,899	14	90 days	Note 1	Note 1	69,236	9					

Table 5, Page 32

Differences in transaction terms compared to third party transactions		Transaction										Notes/accounts receivable (payable)	
		Relationship with the counterparty					Purchases (sales)			Percentage of total purchases (sales)		party transactions (Note 1)		Notes/accounts receivable (payable)
Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote		
Jinchen Hongren Technology Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	\$ 244,176	13	90 days	Note 1	Note 1	\$ 47,430	6	6		
Jinchen Hongren Technology Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Group	Sales	120,620	6	90 days	Note 1	Note 1	17,164	2	2		
Jinchen Hongren Technology Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Group	Sales	177,367	9	90 days	Note 1	Note 1	3,921	1	1		
Jinchen Hongren Technology Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	Sales	160,161	8	90 days	Note 1	Note 1	23,749	3	3		
Anhui HongQing Precision Machine Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	Sales	142,724	5	90 days	Note 1	Note 1	18,204	2	2		
Anhui HongQing Precision Machine Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	238,287	9	90 days	Note 1	Note 1	213,470	28	28		
Anhui HongQing Precision Machine Co., Ltd.	FuDing (ZhengZhou) Precision Industry Co., Ltd.	Group	Sales	765,619	28	90 days	Note 1	Note 1	327	-	-		
Anhui HongQing Precision Machine Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	361,192	13	90 days	Note 1	Note 1	42,838	6	6		
Anhui HongQing Precision Machine Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Sales	291,795	11	90 days	Note 1	Note 1	54,050	7	7		
Anhui HongQing Precision Machine Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Group	Sales	130,074	5	90 days	Note 1	Note 1	152,368	20	20		
Anhui HongQing Precision Machine Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Group	Sales	396,731	15	90 days	Note 1	Note 1	671	-	-		
Anhui HongQing Precision Machine Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	Sales	173,253	6	90 days	Note 1	Note 1	158,917	21	21		
FuShiRui Precision Industry (JinCheng) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	Sales	271,023	82	90 days	Note 1	Note 1	317,473	82	82		
First Special Material (Shenzhen) Limited	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Sales	139,699	76	90 days	Note 1	Note 1	124,848	77	77		

Table 5, Page 33

Purchaser/seller	Counterparty	Relationship with the counterparty	Purchases (sales)	Transaction		Credit term	Unit price	Credit term	Balance	Percentage of total notes/accounts receivable (payable)	Footnote
				Amount	Percentage of total purchases (sales)						
Ingrasys (Singapore) Pte. Ltd.	Ingrasys Technology Co., Ltd.	Group	Subcontract Revenue	\$ 529,943	44	90 days	Note 1	Note 1	\$ -	-	
Wuhan Junda Supply Chain Management Limited	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Group	Sales	115,797	48	90 days	Note 1	Note 1	52,617	33	
NSG Technology Inc.	Heoric Legend Enterprises Ltd.	Group	Sales	404,849	5	30 days	Note 1	Note 1	66,408	12	
NSG Technology Inc.	Competition Team Ireland Limited	Group	Sales	275,164	3	30 days	Note 1	Note 1	20,527	4	
Foxconn Singapore Pte. Ltd.	Foxconn Tr Reknoloji San. Ltd. Sti.	Group	Sales	2,907,847	45	45 days	Note 1	Note 1	386,116	50	
Premier Image Technology (China) Ltd.	Hongfutai Precision Electrons (Yantai) Co., Ltd.	Group	Sales	103,279	6	90 days	Note 1	Note 1	-	-	
Premier Image Technology (China) Ltd.	Jumbo Rise Management Limited	Group	Sales	1,086,771	64	60 days	Note 1	Note 1	1,865,257	57	
Premier Image Technology (China) Ltd.	Pan-International Industrial Co.	Affiliates	Purchase	184,128	11	90 days	Note 1	Note 1	(65,141)	(15)	
Fuhong Precision Component (Bac Giang) Limited	Funing Precision Component Co., Ltd.	Group	Sales	102,375	-	60 days	Note 1	Note 1	10,957	-	
Fuhong Precision Component (Bac Giang) Limited	Foxconn Interconnect Technology Limited	Group	Sales	4,237,697	19	60 days	Note 1	Note 1	2,329,355	55	Note 2
Foxconn MOEBG Industria De Eletronicos Ltda.	FIH Do Brasil Industria E Comercio DE Eletronicos Ltda	Group	Sales	120,533	6	60 days	Note 1	Note 1	-	-	

Note 1: The prices and terms to related parties were not significantly different from transaction with third parties, except for particular transactions with no similar transactions to compare with. For these transactions, the prices and terms were determined in accordance with mutual agreements.

Note 2: The Group sold materials to the above related parties for processing and repurchased the finished goods. The sales amount of materials and repurchase price of finished goods were offset against each other and shown at net amount in the financial statements.

Note 3: The Company's chairman is a major shareholder of the counterparty.

Note 4: The counterparty of the investee is an indirect subsidiary of Immolux Corporation.

Note 5: The Company's chairman is a brother of the Company's chairman.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
December 31, 2015

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2015		Turnover rate	Overdue receivables		Action taken	Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
			\$			Amount				
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Group	\$ 41,531,251	3	\$ 6,376,651		Subsequent Collection	\$ 13,151,335	\$ -	
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Group	63,790,550		16,123,990		Subsequent Collection	16,857,883	-	
Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics	Group	(Shown as other receivables)(Note 1) 375,536,417		-		Subsequent Collection	83,845,949	-	
Hon Hai Precision Industry Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	(Shown as other receivables)(Note 1) 185,813,393		-		Subsequent Collection	100,142,319	-	
Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics	Group	(Shown as other receivables)(Note 1) 68,370,459		6,396,532		Subsequent Collection	32,635,012	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn Precision Electronics	Group	(Shown as other receivables)(Note 1) 33,718,589		8,829,128		Subsequent Collection	115,367	-	
Hon Hai Precision Industry Co., Ltd.	Ingrasys Technology Co., Ltd.	Group	(Shown as other receivables)(Note 1) 5,285,926	2	15,745		Subsequent Collection	3,053,668	-	
Hon Hai Precision Industry Co., Ltd.	Fuhong Precision Component (Bac Giang) Limited	Group	1,658,771	8	149,237		Subsequent Collection	1,658,771	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn Singapore (Pte) Ltd.	Group	984,948	4	42,506		Subsequent Collection	942,839	-	
Hon Hai Precision Industry Co., Ltd.	Funning Precision Component Co., Ltd.	Group	2,675,738	5	17,050		Subsequent Collection	2,428,557	-	
Hon Hai Precision Industry Co., Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Group	588,906	-	754		Subsequent Collection	588,906	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn Japan Co., Ltd.	Group	1,658,691	5	-		-	800,608	-	
Hon Hai Precision Industry Co., Ltd.	Nanhai Chi Mei Optoelectronics Ltd.	Note4	286,089	2	-		-	131,470	-	
Hon Hai Precision Industry Co., Ltd.	Ningbo Chi Mei Optoelectronics Ltd.	Note4	357,740	2	-		-	117,170	-	
Hon Hai Precision Industry Co., Ltd.	Ningbo Chi Hsin Electronics Ltd.	Note4	188,647	2	-		-	81,378	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn Moebg Industria De Eletronicos Ltda.	Group	122,719	2	-		-	62,096	-	

Table 6, Page 1

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2015		Turnover rate	Overdue receivables		Action taken	Amount collected subsequent to the balance sheet date		Allowance for doubtful accounts
			\$			Amount			\$	\$	
Hon Hai Precision Industry Co., Ltd.	Inmolux Corporation	Note3	829,628	3	3,034	Subsequent Collection	434,575	-	-	-	
Hon Hai Precision Industry Co., Ltd.	Foxteq Australia Pty Ltd.	Group	234,295	4	17,474	Subsequent Collection	38,582	-	-	-	
Hon Hai Precision Industry Co., Ltd.	Ennconn Corporation	Group	717,596	5	95	Subsequent Collection	707,141	-	-	-	
Hon Hai Precision Industry Co., Ltd.	CyberTAN Technology Inc.	Affiliates	183,287	3	170	Subsequent Collection	183,287	-	-	-	
Hon Hai Precision Industry Co., Ltd.	Ningbo Chi Mei Electronics Ltd.	Note4	185,965	3	-	-	119,550	-	-	-	
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Pre. Ltd.	Affiliates	1,627,913	3	40,893	Subsequent Collection	911,418	-	-	-	
Hon Hai Precision Industry Co., Ltd.	Sio International Holdings Limited	Note2	183,049	6	-	-	183,049	-	-	-	
Hon Hai Precision Industry Co., Ltd.	Pan International Electronics (Malaysia)	Affiliates	311,621	2	116,471	Subsequent Collection	306,946	-	-	-	
Hon Hai Precision Industry Co., Ltd.	TPO Displays (Nanjing) Ltd.	Note4	112,241	6	-	Subsequent Collection	85,698	-	-	-	
Ambit Microsystem (Shanghai) Co., Ltd.	AMB Logistics Ltd.	Group	2,517,167	8	-	-	2,061,627	-	-	-	
Ambit Microsystem (Shanghai) Co., Ltd.	Amworld Microsystems (Shanghai) Ltd.	Group	1,453,044	5	7,317	Subsequent Collection	1,342,587	-	-	-	
Ambit Microsystem (Shanghai) Co., Ltd.	Foxconn Technology (India) Private limited	Group	213,800	-	209,373	Subsequent Collection	-	-	-	-	
Ingrasys Technology Co., Ltd.	Ingrasys Technology USA Inc.	Group	4,531,140	3	-	-	3,439,424	-	-	-	
Ingrasys Technology Co., Ltd.	Ingrasys (Singapore) Pte. Ltd.	Group	3,199,272	2	-	-	644,195	-	-	-	
Ingrasys Technology Co., Ltd.	Foxconn Japan Co., Limited	Group	256,659	-	-	-	256,659	-	-	-	
Foxnum Technology Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Group	493,200	2	460,292	Subsequent Collection	276,175	-	-	-	
Foxnum Technology Co., Ltd.	Hongfujin Precision Electronics	Group	213,982	2	213,982	Subsequent Collection	128,389	-	-	-	
Fushirui Precision Industry (Jiyuan) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	517,436	3	-	-	517,436	-	-	-	
Fushirui Precision Industry (Jiyuan) Co., Ltd.	Foxconn Precision Electronics (Yan Tai) Co., Ltd.	Group	569,855	2	-	-	569,855	-	-	-	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	FIH (Hong Kong) Limited	Group	11,451,622	3	-	-	556,153	-	-	-	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Nanning Futaihong Precision Industrial Co., Ltd.	Group	422,132	5	-	-	-	-	-	-	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Guizhou Fuzhikang Electronic Co.,	Group	408,831	5	-	-	13,120	-	-	-	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	171,729	1	-	-	37,874	-	-	-	
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	406,934	-	-	-	290,128	-	-	-	

Table 6, Page 2

Creditor	Counterparty	Relationship with the counterparty	Balance as at		Overdue receivables		Amount collected	
			December 31, 2015	December 31, 2015	Amount	Action taken	subsequent to the balance sheet date	Allowance for doubtful accounts
			\$	\$	\$		\$	\$
FIH Precision Component (Beijing) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	436,395	2	-	-	97,177	-
FIH Precision Component (Beijing) Co., Ltd.	FIH (Hong Kong) Limited	Group	143,191	9	-	-	28,981	-
FIH Do Brasil Industria E Comercio De Eletronicos Ltda	Futaijing Precision Electronics (Yantai) Co., Ltd.	Group	124,786	3	-	-	-	-
Futaijing Precision Electronics (Beijing) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	253,781	1	-	-	154,560	-
FIH Precision Electronics (Lang Fang) Co., Ltd.	FIH Precision Component (Beijing) Co., Ltd.	Group	223,872	2	-	-	86,069	-
FIH Precision Electronics (Lang Fang) Co., Ltd.	Futaijing Precision Electronics (Beijing) Co., Ltd.	Group	714,435	-	-	-	-	-
FIH Precision Electronics (Lang Fang) Co., Ltd.	FIH (Hong Kong) Limited	Group	8,727,958	2	-	-	1,693,168	-
FIH Precision Electronics (Lang Fang) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	342,960	2	-	-	-	-
FIH Precision Electronics (Lang Fang) Co., Ltd.	Foxconn Precision Electronics (Yan Tai) Co., Ltd.	Group	204,735	1	-	-	6,415	-
FIH Precision Electronics (Lang Fang) Co., Ltd.	Hongfujin Precision Electronics	Group	251,945	3	-	-	134,448	-
FIH Precision Electronics (Lang Fang) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Group	109,562	-	-	-	109,562	-
FIH (Hong Kong) Limited	Hengyang Futaihong Precision Industry Co., Ltd.	Group	1,538,381	1	-	-	1,538,381	-
FIH (Hong Kong) Limited	Rising Stars Mobile India Private Limited	Group	830,264	2	113,267	Subsequent Collection	90,845	-
FIH (Hong Kong) Limited	Hongfujin Precision Electronics	Group	763,314	9	-	-	20,833	-
FIH (Hong Kong) Limited	Foxconn Precision Electronics	Group	1,140,202	7	-	-	795,791	-
Nanning Futaihong Precision Industrial Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Group	411,056	5	-	-	75,833	-
Nanning Futaihong Precision Industrial Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Group	538,378	3	-	-	121	-
Futaijing Precision Electronics (Yantai) Co., Ltd.	FIH (Hong Kong) Limited	Group	974,683	-	-	-	974,683	-
Futaijing Precision Electronics (Yantai) Co., Ltd.	Ample Wealth Enterprise Ltd.	Affiliates	159,979	3	-	-	-	-
Hengyang Futaihong Precision Industry Co., Ltd.	FIH (Hong Kong) Limited	Group	7,088,687	3	-	-	5,394,203	-
Guizhou Fuzhikang Electronic Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	219,317	2	-	-	-	-
Carston Ltd.	New Beyond Maximum Industrial Limited	Group	820,750	1	492,450	Subsequent Collection	-	-
Carston Ltd.	General Interface Solution Limited	Affiliates	202,851	1	51,495	Subsequent Collection	-	-

Table 6, Page 3

Creditor	Counterparty	Relationship with the counterparty	Balance as at		Overdue receivables		Amount collected	
			December 31, 2015	December 31, 2015	Amount	Turnover rate	subsequent to the balance sheet date	Allowance for doubtful accounts
			\$	\$			\$	\$
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fushirui Precision Industry (Jiyuan) Co., Ltd.	Group	548,163	345,465	2	Subsequent Collection	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Group	718,774	41,801	3	Subsequent Collection	102,202	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Carston Ltd.	Group	1,011,501	1,123	2	Subsequent Collection	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Group	756,024	11,055	2	Subsequent Collection	380,602	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Heroic Legend Enterprises Ltd.	Group	7,221,221	254,681	3	Subsequent Collection	1,902,745	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Franklin Management Ltd.	Group	2,354,672	-	5	-	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	140,974	5,229	1	Subsequent Collection	125,509	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	1,656,590	55,479	2	Subsequent Collection	636,710	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Group	190,703	23,799	3	Subsequent Collection	190,703	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Group	10,670,674	1,656	3	Subsequent Collection	3,035,136	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Group	163,935	38,186	1	Subsequent Collection	163,935	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics	Group	1,461,807	1,126,541	1	Subsequent Collection	1,461,807	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Fuguikang Precision Electrons (Guizhou) Co., Ltd.	Group	646,369	581,371	1	Subsequent Collection	239,022	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Hongfuzhun Precision Shenzhen Co., Ltd.	Group	913,395	814,118	2	Subsequent Collection	254	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Anhui HongQing Precision Machine Co. Ltd.	Group	300,137	295,560	2	Subsequent Collection	61,980	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	FuShiRui Precision Industry (JinCheng) Co., Ltd.	Group	135,311	-	2	-	-	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Interface Technology (ChengDu) Co., Ltd.	Affiliates	435,493	435,493	2	Subsequent Collection	434,949	-
Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Interface Optoelectronics (Shenzhen) Co., Ltd.	Affiliates	303,887	257,917	2	Subsequent Collection	267,994	-
Antec Automotive Electric System (Kunshan) Co., Ltd.	Profit Excel Group Ltd.	Group	124,149	97,748	-	Subsequent Collection	-	-
Profit Excel Group Ltd.	Antec Electronic System Co., Ltd.	Group	125,048	116,363	-	Subsequent Collection	-	-
Fu Ding Precision Component (Shenzhen) Co., Ltd.	New Beyond Maximum Industrial Limited	Group	5,228,229	-	1	-	1,334,918	-
Champ Tech Optical (Foshan) Corporation	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Group	245,381	-	2	-	53	-

Table 6, Page 4

Creditor	Counterparty	Relationship with the counterparty	Balance as at		Overdue receivables		Amount collected	
			December 31, 2015	Turnover rate	Amount	Action taken	subsequent to the balance sheet date	Allowance for doubtful accounts
			\$	1	\$		\$	\$
Champ Tech Optical (Foshan) Corporation	Shen Zhen Fu Neng New Energy Technology Co., Ltd.	Group	109,146	1	107,851	Subsequent Collection	15,160	-
Champ Tech Optical (Foshan) Corporation	Foxconn Technology Pte. Ltd.	Affiliates	1,066,437	6	1,718	Subsequent Collection	429,009	-
Champ Tech Optical (Foshan) Corporation	Foxconn Technology Co., Ltd.	Affiliates	159,324	4	633	Subsequent Collection	-	-
Fuding Electronic Technology (Jiashan) Co., Ltd.	Kangzhun Precision Tooling (Kunshan) Co., Ltd.	Group	1,920,508	2	-	-	440,566	-
Fuding Electronic Technology (Jiashan) Co., Ltd.	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Group	299,908	1	-	-	1,715	-
Fuding Electronic Technology (Jiashan) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	2,502,922	3	-	-	1,324,692	-
Fuhongyang Precision Industrial (Shenzhen) Co., Ltd.	Best Ever Industries Limited	Group	159,740	8	-	-	158,465	-
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Group	134,830	3	15,971	Subsequent Collection	12,935	-
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Fuding Electronic Technology (Jiashan) Co., Ltd.	Group	1,630,403	3	33,737	Subsequent Collection	12,982	-
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Group	742,959	2	222,332	Subsequent Collection	165,077	-
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Tripleheads International Ltd.	Group	1,642,245	1	831,131	Subsequent Collection	-	-
Kangzhun Electronic Technology (Kunshan) Co., Ltd.	Kangzhun Precision Tooling (Kunshan) Co., Ltd.	Group	137,889	2	50,670	Subsequent Collection	-	-
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Fuding Electronic Technology (Jiashan) Co., Ltd.	Group	2,805,411	2	-	-	-	-
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Kangzhun Precision Tooling (Kunshan) Co., Ltd.	Group	591,917	2	-	-	12,564	-
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Fusing International Inc. Pte. Ltd.	Group	391,323	3	-	-	-	-
Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	938,496	4	-	-	861,061	-
Foxconn (Kun Shan) Computer Connector Co., Ltd.	New Beyond Maximum Industrial Limited	Group	4,219,278	2	-	-	1,621,419	-
Hongye Precision Component (Kunshan) Co., Ltd.	Yantai Fuhuada Precision Electronics Co., Ltd.	Group	373,156	1	343,784	Subsequent Collection	-	-
Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Foxconn (Kun Shan) Computer Connector Co., Ltd.	Group	1,401,524	6	-	-	1,230,458	-
Competition Team Technologies Ltd.	Hongfujin Precision Electronics	Group	5,190,150	2	-	-	-	-
Hightech Electronics Components Inc.	Foxconn Image & Printing Product Pte. Ltd.	Group	2,757,707	8	-	-	2,757,707	-
Hightech Electronics Components Inc.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Group	694,131	2	-	-	694,131	-

Table 6, Page 5

Creditor	Counterparty	Relationship with the counterparty	Balance as at		Turnover rate	Overdue receivables		Amount collected	
			December 31, 2015	1,001,997		Amount	Action taken	subsequent to the balance sheet date	Allowance for doubtful accounts
			\$	\$	4	\$		\$	\$
Hightech Electronics Components Inc.	Fusing International Inc.	Group	1,001,997	-	-	-	-	1,001,997	-
Hightech Electronics Components Inc.	Competition Team Ireland Limited	Group	2,467,145	-	-	-	-	2,467,145	-
Hightech Electronics Components Inc.	Foxconn Japan Co., Limited	Group	158,924	-	5	-	-	97,897	-
Hightech Electronics Components Inc.	Foxconn Singapore Pte. Ltd.	Group	132,098	70,383	3	Subsequent Collection	-	59,855	-
Best Leap Enterprises Limited	Fusing International Inc. Pte. Ltd.	Group	185,962	-	4	-	-	83,979	-
Best Leap Enterprises Limited	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	13,566,979	-	2	-	-	6,556,860	-
Skilltop Limited	Foxconn Image & Printing Product Pte. Ltd.	Group	897,467	569,314	3	Subsequent Collection	-	465,664	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Futaijing Precision Electronics (Yantai) Co., Ltd.	Group	141,719	-	-	-	-	82,383	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Hongfutai Precision Industry (Yantai) Co., Ltd.	Group	172,147	17,843	5	Subsequent Collection	-	88,111	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Universal Field International Limited	Group	968,324	386,286	6	Subsequent Collection	-	968,324	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Yantai Fuhuada Precision Electronics Co., Ltd.	Group	578,810	26,324	4	Subsequent Collection	-	286,580	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Guizhou Fuhuada Electronic Co., Ltd.	Group	491,765	445,997	1	Subsequent Collection	-	24,570	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Fuguikang Precision Electronics (Guizhou) Co., Ltd.	Group	1,417,632	10,637	2	Subsequent Collection	-	10,018	-
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Foxstar Technology Co., Ltd.	Affiliates	417,536	-	3	-	-	249,939	-
ECMMS S.A De C.V.	ECMMS Precision Singapore Pte.Ltd.	Group	232,641	221,706	6	Subsequent Collection	-	138,751	-
ARMADALE HOLDINGS LTD.	Fuguikang Precision Electronics (Guizhou) Co., Ltd.	Group	116,187	-	2	-	-	116,187	-
Fujian Precision Industrial (Jincheng) Co., Ltd.	Fushirui Precision Industry (Jiyuan)Co., Ltd.	Group	982,983	-	2	-	-	982,983	-
Fujian Precision Industrial (Jincheng) Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Group	153,886	-	2	-	-	-	-
Fujian Precision Industrial (Jincheng) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	137,358	-	-	-	-	86,962	-
Fujian Precision Industrial (Jincheng) Co., Ltd.	Hongfutai Precision Industry (Shenzhen) Co., Ltd.	Group	1,406,589	-	6	-	-	912,624	-
Fujian Precision Industrial (Jincheng) Co., Ltd.	Best Ever Industries Limited	Group	1,345,947	-	5	-	-	864,630	-
Fujian Precision Industrial (Jincheng) Co., Ltd.	Kangzhun Precision Tooling (Kunshan) Co., Ltd.	Group	383,522	-	3	-	-	234,033	-
Fujian Precision Industrial (Jincheng) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	836,614	-	3	-	-	820,003	-

Table 6, Page 6

Creditor	Counterparty	Relationship with the counterparty	Balance as at		Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
			December 31, 2015	\$		Amount	Action taken		
Fujian Precision Industrial (Jincheng) Co., Ltd.	Hongfujin Precision Electronics	Group	167,310	\$	2	\$	\$	3,665	-
Fujian Precision Industrial (Jincheng) Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Group	314,280		2			225,816	-
Fujian Precision Industrial (Jincheng) Co., Ltd.	Hongfujin Precision Electronics	Group	5,748,066		4			4,634,696	-
Fujian Precision Industrial (Jincheng) Co., Ltd.	Fast Victor Limited	Group	2,693,460		1			2,340,391	-
Fujian Precision Industrial (Jincheng) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Group	282,494		2			181,616	-
Fujian Precision Industrial (Jincheng) Co., Ltd.	Jinchen Hongren Technology Co. Ltd.	Group	378,538		3			50	-
Fujian Precision Industrial (Jincheng) Co., Ltd.	Anhui HongQing Precision Machine Co. Ltd.	Group	190,257		2			130,287	-
Fujian Precision Industrial (Jincheng) Co., Ltd.	FuShiRui Precision Industry (JinCheng) Co., Ltd.	Group	134,730		2	37,971	Subsequent Collection	-	-
Fujian Precision Industrial (Jincheng) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	129,985		1			949	-
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fuding Electrical Technology (Jiashan) Co., Ltd.	Group	561,808		4			369,241	-
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Kangzhun Precision Tooling (Kunshan) Co., Ltd.	Group	767,034		2	64,354	Subsequent Collection	16,123	-
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Group	1,313,263		2			957,283	-
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Hongfujin Precision Electronics	Group	230,297		3			134,667	-
Jizhun Precision Industry (Huizhou) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	135,153		3	39,402	Subsequent Collection	4,867	-
Jizhun Precision Industry (Huizhou) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	382,609		2	248,969	Subsequent Collection	331,507	-
Jizhun Precision Industry (Huizhou) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	305,194		5	37,540	Subsequent Collection	171,236	-
Jizhun Precision Industry (Huizhou) Co., Ltd.	Hongfujin Precision Electronics	Group	103,096		3	659	Collection	59,435	-
Jizhun Precision Industry (Huizhou) Co., Ltd.	Hongfujin Precision Electronics	Group	295,555		6	16,369	Subsequent Collection	295,413	-
Jizhun Precision Industry (Huizhou) Co., Ltd.	Jinchen Hongren Technology Co. Ltd.	Group	352,070		2	135,281	Subsequent Collection	-	-
PCE Paragon Solutions (Mexico) S.A. De C.V.	Ingrasys (Singapore) Pte. Ltd.	Group	208,831		4			154,054	-
Shenzhen Fertile Plan International Logistics Co., Ltd.	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Group	155,159		1			138,719	-

Table 6, Page 7

Creditor	Counterparty	Relationship with the counterparty	Balance as at		Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date		Allowance for doubtful accounts
			December 31, 2015	\$		Amount	Action taken	\$	\$	
Shenzhen Fertile Plan International Logistics Co., Ltd.	Jusda International Limited	Group	122,168	\$	3	\$	-	\$	22,546	\$
Fuzhun Precision Tooling (Huaian) Co., Ltd.	Fuyu Electronical Technology (Huaian) Co., Ltd.	Group	284,354		1	163,133	Subsequent Collection	-	-	-
Fuyu Electronical Technology (Huaian) Co., Ltd.	New Beyond Maximum Industrial Limited	Group	2,244,210		3	-	-	1,482,801	-	-
Funing Precision Component Co., Ltd.	FIH (Hong Kong) Limited	Group	103,451		7	-	-	103,451	-	-
Foxconn Baja California S.A. De C.V.	ECMMS Precision Singapore Pte.Ltd.	Group	1,309,510		3	-	-	307,160	-	-
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	139,023		3	-	-	13,463	-	-
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Top Step Enterprises Limited	Group	15,404,625		6	-	-	11,560,469	-	-
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	153,511		-	-	-	143,931	-	-
Hongfujin Precision Industry (Wuhan) Co., Ltd.	Fu You Wan De Trading Co., Ltd.	Group	570,125		1	308,584	Subsequent Collection	1,973	-	-
Hongfujin Precision Industry (Yantai) Co., Ltd.	Futaijing Precision Electrons (Yantai) Co., Ltd.	Group	2,166,668		2	244,531	Subsequent Collection	-	-	-
Hongfujin Precision Industry (Yantai) Co., Ltd.	Hongfutai Precision Electrons (Yantai) Co., Ltd.	Group	300,086		5	605	Subsequent Collection	570	-	-
Hongfujin Precision Industry (Yantai) Co., Ltd.	Universal Field International Limited	Group	18,555,070		9	14,747,139	Subsequent Collection	14,403,500	-	-
Hongfujin Precision Industry (Yantai) Co., Ltd.	Fuguikang Precision Electrons (Guizhou) Co., Ltd.	Group	589,444		2	5,984	Subsequent Collection	-	-	-
Hongfujin Precision Industry (Yantai) Co., Ltd.	Foxconn Technology Co., Ltd.	Affiliates	7,618,140		3	4,503,271	Subsequent Collection	4,410,927	-	-
Falcon Precision Trading Limited	Fusing International Inc. Pte. Ltd.	Group	3,104,801		4	1,091,748	Subsequent Collection	3,104,801	-	-
Top Step Enterprises Limited	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Group	1,881,988		2	1,028,368	Subsequent Collection	-	-	-
PCE Technology De Juarez S.A. De C.V.	ECMMS Precision Singapore Pte.Ltd.	Group	748,488		6	-	-	631,580	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Group	729,656		6	-	-	599,884	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	1,687,983		2	9,388	Subsequent Collection	510,186	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Fu Ding Precision Component (Shenzhen) Co., Ltd.	Group	209,171		2	731	Subsequent Collection	28,831	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Best Leap Enterprises Limited	Group	183,660,965		5	-	-	134,745,129	-	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Glorious Prospect Enterprises Ltd.	Group	1,752,066		1	1,329,339	Subsequent Collection	1,702,650	-	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at		Overdue receivables		Amount collected	
			December 31, 2015	December 31, 2015	Amount	Turnover rate	subsequent to the balance sheet date	Allowance for doubtful accounts
			\$	\$			\$	\$
Futaihua Industrial (Shenzhen) Co., Ltd.	Fujian Precision Industrial (Jincheng) Co., Ltd.	Group	1,630,004		1		1,456,129	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Jizhun Precision Industry (Huizhou) Co., Ltd.	Group	885,650		2	307,883	8,276	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Fuxun Tong Trading (Shenzhen) Co., Ltd.	Group	268,362		4	94,598	56,235	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics	Group	178,437		4	1,497	156,948	-
Futaihua Industrial (Shenzhen) Co., Ltd.	AnPinDa Precision Industry (HuiZhou) Co., Ltd.	Group	101,679		1	96,755	101,679	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Group	135,346		1	18,741	125,188	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Electronics	Group	2,724,985		2	275,556	2,071,307	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Foxconn Precision Electronics	Group	4,179,614		1	1,270	2,133,974	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Group	3,343,932		1	72,088	3,343,156	-
Futaihua Industrial (Shenzhen) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	522,955		4	323	159,596	-
Fuhajie Industrial (Shenzhen) Co., Ltd.	Skilltop Limited	Group	705,433		3	-	449,582	-
Fuhajie Industrial (Shenzhen) Co., Ltd.	First Special Material (Shenzhen) Limited	Group	202,892		2	9,498	9,498	-
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Hightech Electronics Components Inc.	Group	5,247,916		8	-	5,247,916	-
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Fujian Precision Electronics (Chongqing) Co., Ltd.	Group	3,689,154		2	1,354	1,422,342	-
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Group	256,530		2	-	75,631	-
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Innoconn Technology (Chongqing) Co., Ltd.	Group	630,000		2	-	8,408	-
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Chongqing Hongteng Technology Co., Ltd.	Group	111,304		2	94,745	10,146	-
Foxconn Precision Electronics (Yan Tai) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	364,459		2	58,008	57,883	-
Foxconn Precision Electronics (Yan Tai) Co., Ltd.	Futaijing Precision Electrons (Yantai) Co., Ltd.	Group	134,365		-	4,004	2,300	-
Foxconn Precision Electronics (Yan Tai) Co., Ltd.	Hongfujin Precision Industry (Yantai) Co., Ltd.	Group	277,965		3	4,090	4,088	-
Foxconn Precision Electronics (Yan Tai) Co., Ltd.	Yantai Fuhuada Precision Electronics Co., Ltd.	Group	100,168		2	-	30	-
Chongqingshi Futaitong Logistics Co., Ltd.	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Group	162,089		1	-	152,615	-

Table 6, Page 9

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2015		Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date		Allowance for doubtful accounts
			\$	6		Amount	Action taken	\$	\$	
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Profit New Limited	Group	16,059,661	6	1,565,800	Subsequent Collection	397,009	-	-	
FuXun Tong Trading (ShenZhen) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	179,398	2	-	-	129,168	-	-	
FuXun Tong Trading (ShenZhen) Co., Ltd.	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Group	120,070	2	-	-	116,811	-	-	
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	490,764	2	-	-	75,257	-	-	
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Fuding Electronical Technology (Jiashan) Co., Ltd.	Group	133,766	-	-	-	133,766	-	-	
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Fuxiang Precision Industrial (Kunshan) Co., Ltd.	Group	262,015	7	-	-	-	-	-	
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Limited	Group	65,179,180	3	-	-	49,409,413	-	-	
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	852,798	3	-	-	788,622	-	-	
FuTaiHua Precision Electronics (ChengDu) Co., Ltd.	Hongfujin Precision Electronics	Group	172,945	1	1,652	Subsequent Collection	131,504	-	-	
FuTaiHua Precision Electronics (ChengDu) Co., Ltd.	Fushirui ChengDu Precision Industry Co., Ltd.	Group	207,743	2	207,351	Subsequent Collection	2,643	-	-	
Fuding(Zhengzhou) Precision Industry Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	285,354	1	130,761	Subsequent Collection	253,409	-	-	
Fuding(Zhengzhou) Precision Industry Co., Ltd.	Hongfujin Precision Electronics	Group	243,827	2	-	-	196,620	-	-	
Fuding(Zhengzhou) Precision Industry Co., Ltd.	Foxconn Interconnect Technology Limited	Group	1,166,583	4	-	-	-	-	-	
Fujun Precision Electronics (Chongqing) Co., Ltd.	Fuxun Tong Trading(Shenzhen) Co., Ltd.	Group	208,763	3	206,155	Subsequent Collection	208,763	-	-	
Fujun Precision Electronics (Chongqing) Co., Ltd.	Foxconn Precision Electronics	Group	405,197	2	-	-	-	-	-	
Yantai Fuhuada Precision Electronics Co., Ltd.	Hongfujin Precision Electrons (Hengyang) Co., Ltd.	Group	3,374,345	3	1,490,246	Subsequent Collection	1,490,246	-	-	
Yantai Fuhuada Precision Electronics Co., Ltd.	Foxstar Technology Co., Ltd.	Affiliates	138,095	3	-	-	98,968	-	-	
Anpinda Precision Industry(Huizhou) Co., Ltd.	Glorious Prospect Enterprises Ltd.	Group	578,869	4	-	-	15,167	-	-	
System Integration Electronics (Hangzhou) Co., Ltd.	Ambit Microsystem (Shanghai) Co., Ltd.	Group	157,807	2	-	-	157,807	-	-	
System Integration Electronics (Hangzhou) Co., Ltd.	Nanning Fugui Precision Industrial Co., Ltd.	Group	1,006,746	2	-	-	1,006,746	-	-	
Nanning Fugui Precision Industrial Co., Ltd.	Nanning Futaihong Precision Industrial Co., Ltd.	Group	646,617	4	-	-	-	-	-	
Nanning Fugui Precision Industrial Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	9,474,845	2	-	-	3,376,422	-	-	

Table 6, Page 10

Creditor	Counterparty	Relationship with the counterparty	Balance as at		Turnover rate	Overdue receivables		Amount collected	
			December 31, 2015	December 31, 2015		Amount	Action taken	subsequent to the balance sheet date	Allowance for doubtful accounts
			\$	\$				\$	\$
Nanning Fugui Precision Industrial Co., Ltd.	System Integration Electronics (Hangzhou) Co., Ltd.	Group	1,031,914	2	-	-	-	1,031,914	-
Nanning Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Group	10,725,342	6	-	-	-	9,595,416	-
Nanning Fugui Precision Industrial Co., Ltd.	Ampower (BeiHai) Ltd.	Affiliates	1,415,023	2	-	-	-	-	-
Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Competition Team Technologies Ltd.	Group	125,697	-	-	-	-	-	-
Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	4,147,759	2	-	-	-	-	-
Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Hongfujin Precision Electronics	Group	8,187,098	5	-	-	-	-	-
Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Precision Electronics	Group	108,443	3	82,302	Subsequent Collection	-	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	FIH (Hong Kong) Limited	Group	860,562	8	-	-	-	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Competition Team Technologies Ltd.	Group	365,339,931	4	12,714,459	Subsequent Collection	-	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	220,971	-	31,562	Subsequent Collection	-	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	2,428,455	2	2,521	Subsequent Collection	2,521	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Futaihua Precision Electronics (Zhenzhou) Co., Ltd.	Group	115,829	4	-	-	-	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Precision Electronics	Group	13,893,927	2	7,463,536	Subsequent Collection	-	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	HeNan YuZhan Technology Limited	Group	123,653	2	-	-	-	-	-
Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Foxconn Brasil Industria E Comercio Ltda	Group	1,424,704	5	125,061	Subsequent Collection	125,061	-	-
Profit New Limited	Ingrasys Technology Co., Ltd.	Group	3,730,991	3	-	-	-	1,632,339	-
Profit New Limited	Hongfujing Precision Electronics (Tianjin) Co., Ltd.	Group	361,828	3	-	-	-	-	-
Mega Well Limited	Competition Team Ireland Limited	Group	707,512	3	26,124	Subsequent Collection	467,066	-	-
Hongzhaoda Integrated Innovative Service (Kunshan) Co., Ltd.	Smart Top International Ltd.	Group	606,004	6	606,004	Subsequent Collection	259,076	-	-
Competition Team Ireland Limited	Foxconn CZ S.R.O.	Group	586,360	5	-	-	-	586,360	-
Competition Team Ireland Limited	Honfujin Precision Electronics (Chongqing) Co., Ltd.	Group	2,306,017	5	-	-	-	523,758	-
Competition Team Ireland Limited	Fusing International Inc.	Group	106,247	3	-	-	-	106,247	-
WWW (Jin Cheng) Co., Ltd.	Best Ever Industries Limited	Group	136,697	4	-	-	-	23,253	-

Table 6, Page 11

Creditor	Counterparty	Relationship with the counterparty	Balance as at		Turnover rate	Overdue receivables		Action taken	Amount collected subsequent to the balance sheet date		Allowance for doubtful accounts	
			December 31, 2015	\$		Amount	\$		Amount	\$		
WWW (Jin Cheng) Co., Ltd.	Fujian Precision Industrial (Jincheng) Co., Ltd.	Group	780,730	\$	2	\$	-	-	\$	360,894	\$	-
Zhengzhou Jusda Logistics Co., Ltd.	Hongfujin Precision Electronics	Group	121,415		2		348	Subsequent Collection		348		-
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Hongfujin Precision Electronics	Group	8,469,478		4		-	-		8,416,140		-
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Fast Victor Limited	Group	28,961,679		6		-	-		17,790,288		-
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	4,773,075		3		23,626	Subsequent Collection		2,311,445		-
SCIENTIFIC-ATLANTA DE MEXICO S. DE R. L. DE C. V.	Competition Team Ireland Limited	Group	592,013		5		194,776	Subsequent Collection		343,494		-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	FIH Precision Electronics (Lang Fang) Co., Ltd.	Group	152,469		2		-	-		-		-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Competition Team Technologies Ltd.	Group	230,353		2		-	-		-		-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Fujian Precision Industrial (Jincheng) Co., Ltd.	Group	290,438		4		-	-		281,352		-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	2,723,377		3		-	-		50,105		-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Hongfujin Precision Electronics	Group	1,886,336		-		-	-		-		-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Foxconn Precision Electronics	Group	1,205,932		2		-	-		-		-
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	219,890		4		-	-		-		-
TianJin FuNaYuanChuang Technology Co., Ltd.	Shih Hua Technology Ltd.	Group	184,773		1		175,423	Subsequent Collection		-		-
Hongfujin Precision Electrons (Hengyang) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	117,199		3		-	-		113,816		-
Hongfujin Precision Electrons (Hengyang) Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	373,244		4		-	-		337,339		-
Hongfujin Precision Electrons (Hengyang) Co., Ltd.	Yantai Fuhuada Precision Electronics Co., Ltd.	Group	568,598		3		-	-		-		-
Hongfujin Precision Electrons (Hengyang) Co., Ltd.	Hongfujin Precision Electronics	Group	101,144		1		-	-		90,984		-
FuHong Yuan (ShenZhen) Environmental Technology Limited	Hongfujin Precision Electronics	Group	277,055		2		-	-		138,732		-
Innocom Technology (Chongqing) Co., Ltd.	Fujian Precision Electronics (Chongqing) Co., Ltd.	Group	405,599		4		-	-		-		-
Foxconn Interconnect Technology Limited	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	372,399		4		-	-		180,959		-

Table 6, Page 12

Creditor	Counterparty	Relationship with the counterparty	Balance as at		Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date	Allowance for doubtful accounts
			December 31, 2015	December 31, 2015		Amount	Action taken		
Foxconn Interconnect Technology Limited	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Group	\$	496,381	6	\$	-	496,381	\$ -
Foxconn Interconnect Technology Limited	Futaihua Industrial (Shenzhen) Co., Ltd.	Group		1,789,475	2		-	1,338,780	-
Foxconn Interconnect Technology Limited	Hongfujing Precision Electronics (Tianjin) Co., Ltd.	Group		354,029	4		-	354,029	-
Foxconn Interconnect Technology Limited	Hongfujin Precision Electronics	Group		331,402	2		-	116,615	-
Foxconn Interconnect Technology Limited	Hongfujin Precision Electronics	Group		2,121,869	2		-	1,600,228	-
Foxconn Interconnect Technology Limited	Foxconn Precision Electronics	Group		548,131	3		-	341,556	-
Foxconn Interconnect Technology Limited	Foxconn Interconnect Technology Singapore Pte. Ltd.	Group		598,156	4		-	334,272	-
Foxconn Interconnect Technology Limited	Fuhong Precision Component (Bac Giang) Limited	Group		494,668	3		-	412,354	-
Foxconn Interconnect Technology Limited	Pan-International Industrial Co.	Affiliates		109,946	3		-	47,442	-
Foxconn Interconnect Technology Limited	Fukui Precision Component (Shenzhen) Co., Ltd.	Affiliates		276,418	2		-	226,002	-
Zhengzhou Jingji Precision Machinery Trade Co., Ltd.	Kangzhun Precision Tooling (Kunshan) Co., Ltd.	Group		238,467	2		-	34,396	-
New Beyond Maximum Industrial Limited	Foxconn Interconnect Technology Limited	Group		9,883,918	3		-	1,313,200	-
Guizhou Fuhuada Electronic Co., Ltd.	Fuguikang Precision Electrons (Guizhou) Co., Ltd.	Group	\$	140,892	2	\$	-	19,874	-
Guizhou Fuhuada Electronic Co., Ltd.	Panxian Fuguikang Precision Electronic Ltd.	Group		166,999	2		-	86,201	-
Fuguikang Precision Electrons (Guizhou) Co., Ltd.	Rising Stars Mobile India Private Limited	Group		100,750	2		-	36,802	-
Fuguikang Precision Electrons (Guizhou) Co., Ltd.	Yantai Fuhuada Precision Electronics Co., Ltd.	Group		2,007,260	2		-	266,146	-
Fuguikang Precision Electrons (Guizhou) Co., Ltd.	Guizhou Fuhuada Electronic Co., Ltd.	Group		103,758	4		-	103,703	-
Guizhou FuNa Yuan Chuang Technology Co., Ltd.	TianJin FuNa YuanChuang Technology Co., Ltd.	Group		129,837	-		125,846	-	-
Jusda International Limited	Interface Optoelectronics (Shenzhen) Co., Ltd.	Affiliates		137,744	2		-	-	-
Shih Hua Technology Ltd.	TianJin FuNa YuanChuang Technology Co., Ltd.	Group		116,796	-		116,796	-	-
Panxian Fuguikang Precision Electronic Ltd.	Fuguikang Precision Electrons (Guizhou) Co., Ltd.	Group		231,150	2		-	93,175	-
Chongqing Hongteng Technology Co., Ltd.	Foxconn Interconnect Technology Limited	Group		222,576	4		-	50,158	-

Table 6, Page 13

Creditor	Counterparty	Relationship with the counterparty	Balance as at		Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date		Allowance for doubtful accounts
			December 31, 2015	\$		Amount	Action taken	\$		
Fuhua Industrial (Shenzhen) Co., Ltd.	Hongfujin Precision Industry (Shenzhen) Co., Ltd.	Group	125,106	\$	7	32,027	Subsequent Collection	73,917	\$	-
Fushirui Zhengzhou Precision Industry Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	130,193		2	-	-	130,193		-
Fushirui ChengDu Precision Industry Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	180,850		2	-	-	-		-
Fushirui ChengDu Precision Industry Co., Ltd.	Hongfujin Precision Electronics	Group	203,830		2	57,642	Subsequent Collection	130,403		-
Hongfuzhuan Precision Shenzhen Co., Ltd.	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Group	206,935		2	-	-	192,669		-
Hongfuzhuan Precision Shenzhen Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	242,817		2	-	-	242,817		-
Hongfuzhuan Precision Shenzhen Co., Ltd.	Hongfujin Precision Electronics	Group	383,613		2	-	-	287,311		-
Hongfuzhuan Precision Shenzhen Co., Ltd.	Anhui HongQing Precision Machine Co. Ltd.	Group	103,479		2	-	-	103,384		-
Hongfuzhuan Precision Shenzhen Co., Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	143,764		2	-	-	16,563		-
Jinchen Hongren Technology Co., Ltd.	Jizhun Precision Industry (Huizhou) Co., Ltd.	Group	487,815		2	-	-	2,913		-
Anhui HongQing Precision Machine Co. Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	213,470		2	-	-	210,236		-
Anhui HongQing Precision Machine Co. Ltd.	Foxconn Precision Electronics	Group	152,368		2	-	-	128,929		-
Anhui HongQing Precision Machine Co. Ltd.	Hon Fujin Precision Industry (Taiyuan) Co., Ltd.	Affiliates	158,917		2	-	-	158,917		-
FuShiRui Precision Industry (JinCheng) Co., Ltd.	Fujin Precision Industrial (Jincheng) Co., Ltd.	Group	317,473		2	-	-	115,732		-
First Special Material (Shenzhen) Limited	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	124,848		2	-	-	2,821		-
Foxconn Singapore Pte. Ltd.	Foxconn TR Teknoloji San. Ltd. Sti.	Group	386,116		6	8,125	Subsequent Collection	386,116		-
Premier Image Technology (China) Ltd.	Premier Image Technology (H.K) Ltd.	Group	1,209,647		-	1,209,647	Subsequent Collection	-		-
Premier Image Technology (China) Ltd.	Jumbo Rise Management Limited	Group	1,865,257		1	1,599,199	Subsequent Collection	165,287		-
Fuhong Precision Component (Bac Giang) Limited	Foxconn Interconnect Technology Limited	Group	2,329,355		3	-	-	1,520,190		-

Note 1: Receivables from purchases of materials on behalf of the counterparty.

Note 2: The Company's chairman is a major shareholder of the counterparty.

Note 3: The counterparty of the investee is an indirect subsidiary of Innolux Corporation.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Significant inter-company transactions during the reporting periods
For the year ended December 31, 2015

Table 7
Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction		Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 4)
				General ledger account	Amount		
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Group	Purchase	\$ 728,445,313	Note 3	16
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Group	Accounts receivable	41,531,251	Note 3	2
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Group	Accounts payable	203,187,573	Note 3	9
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Group	Other receivables	63,790,550	Note 3	3
0	Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited and subsidiaries	Group	Other payables	101,904,036	Note 3	4
0	Hon Hai Precision Industry Co., Ltd.	Competition Team Technologies Ltd.	Group	Purchase	1,214,684,431	Note 3	27
0	Hon Hai Precision Industry Co., Ltd.	Competition Team Technologies Ltd.	Group	Accounts payable	404,843,804	Note 3	18
0	Hon Hai Precision Industry Co., Ltd.	Best Leap Enterprises Limited	Group	Purchase	629,731,853	Note 3	14
0	Hon Hai Precision Industry Co., Ltd.	Best Leap Enterprises Limited	Group	Accounts payable	223,400,096	Note 3	10
0	Hon Hai Precision Industry Co., Ltd.	Franklin Management Ltd.	Group	Other payables	28,298,626	Note 3	1
0	Hon Hai Precision Industry Co., Ltd.	Heoric Legend Enterprises Ltd.	Group	Other payables	31,875,243	Note 3	1
0	Hon Hai Precision Industry Co., Ltd.	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Group	Other receivables	33,718,589	Note 3	1
0	Hon Hai Precision Industry Co., Ltd.	Futaihua Industrial (Shenzhen) Co., Ltd.	Group	Other receivables	185,813,393	Note 3	8
0	Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Group	Other receivables	68,370,459	Note 3	3
0	Hon Hai Precision Industry Co., Ltd.	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Group	Other receivables	375,563,417	Note 3	16
1	Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	FIH (Hong Kong) Limited	Group	Sales	45,861,374	Note 3	1
2	Futaijing Precision Electrons (Yantai) Co., Ltd.	FIH (Hong Kong) Limited	Group	Sales	54,617,823	Note 3	1

Table 7, Page 1

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction		Transaction terms	Percentage of consolidated total operating revenues or total assets (Note 4)
				General ledger account	Amount		
3	Hongfujin Precision Industry (Wuhan) Co., Ltd.	Top Step Enterprises Limited	Group	Sales	\$ 75,524,071	Note 3	2
4	Hongfujin Precision Industry (Yantai) Co., Ltd.	Universal Field International Limited	Group	Sales	102,659,785	Note 3	2
5	Futaihua Industrial (Shenzhen) Co., Ltd.	Best Leap Enterprises Limited	Group	Sales	654,953,420	Note 3	15
5	Futaihua Industrial (Shenzhen) Co., Ltd.	Best Leap Enterprises Limited	Group	Accounts receivable	183,660,965	Note 3	8
6	Hongfujin Precision Electronics (Chongqing) Co., Ltd.	HighTech Electronics Components Inc.	Group	Sales	67,450,031	Note 3	2
7	Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Profit New Limited	Group	Sales	82,132,582	Note 3	2
8	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Limited	Group	Sales	249,594,300	Note 3	6
8	Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Falcon Precision Trading Limited	Group	Accounts receivable	65,179,180	Note 3	3
9	Nanning Fugui Precision Industrial Co., Ltd.	Mega Well Limited	Group	Sales	46,999,817	Note 3	1
10	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Competition Team Technologies Ltd.	Group	Sales	1,212,253,901	Note 3	27
10	Hongfujin Precision Electronics (Zhenzhou) Co., Ltd.	Competition Team Technologies Ltd.	Group	Accounts receivable	365,339,931	Note 3	16
11	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Fast Victor Limited	Group	Sales	151,421,017	Note 3	3
11	Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Fast Victor Limited	Group	Accounts receivable	28,961,679	Note 3	1

Note 1: The information of transactions between the Company and the consolidated subsidiaries should be noted in "Number" column.

- (1) Number 0 represents the Company.
(2) The consolidated subsidiaries are numbered in order from number 1.

Note 2: The transaction relationships with the counterparties are as follows:

- (1) The Company to the consolidated subsidiaries.
(2) The consolidated subsidiaries to the Company.
(3) The consolidated subsidiaries to another consolidated subsidiaries.

Note 3: The prices and terms to related parties were not significantly different from transactions with third parties, except for particular transactions with no similar transactions to compare with. For these transactions, the prices and terms were determined in accordance with mutual agreements.

Note 4: In calculating the ratio, the transaction amount is divided by consolidated total assets for balance sheet accounts and is divided by consolidated total revenues for income statement accounts.

Note 5: For balance sheet accounts, transactions exceeding 1% of the consolidated total assets should be disclosed; for income statement accounts, transactions exceeding 1% of the consolidated total revenue should be disclosed. All the transactions had been eliminated when preparing consolidated financial statements.

Note 6: Part of the above transactions with related parties were based on the financial statements of the company for the same period which was not reviewed by independent accountants.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries

Information on investees

December 31, 2015

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2015		Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2015	Investment income (loss) recognised by the Company for the year ended December 31, 2015	Footnote
				Balance as at December 31, 2015	Balance as at December 31, 2014	Number of shares	Number of shares					
Hon Hai Precision Industry Co., Ltd.	Foxconn (Far East) Limited	Cayman Islands	Investment holding	\$ 134,455,590	\$ 116,753,254	4,985,815,745	100	\$ 850,932,048	\$ 80,674,922	\$ 79,693,293	Note 1	
Hon Hai Precision Industry Co., Ltd.	Hyield Venture Capital Co., Ltd.	Taiwan	Investment holding	7,399,903	7,399,903	907,447,546	98	20,920,749	2,147,268	2,096,996	Note 1	
Hon Hai Precision Industry Co., Ltd.	Bao Shin International Investment Co., Ltd.	Taiwan	Investment holding	2,998,500	2,998,500	894,600,000	100	13,931,462	1,208,805	1,203,386		
Hon Hai Precision Industry Co., Ltd.	Margini Holdings Limited	British Virgin Islands	Investment holding	8,907,895	8,904,952	275,980,200	100	11,670,980	2,701,900	2,661,052	Note 1	
Hon Hai Precision Industry Co., Ltd.	Ambit International Ltd.	British Virgin Islands	Investment holding	1,788,146	1,788,146	53,100,000	100	11,717,959	1,304,580	1,304,580		
Hon Hai Precision Industry Co., Ltd.	Foxconn Holding B.V. - Netherland	Netherlands	Investment holding	6,486,934	6,486,934	107,723,409	100	11,035,152	1,338,555	1,340,904	Note 1	
Hon Hai Precision Industry Co., Ltd.	Foxconn Technology Co., Ltd.	Taiwan	Design sales, and manufacturing of Mag/Al casing and mechanic parts	481,782	481,782	138,342,378	10	9,031,211	12,182,417	1,189,576	Note 1 - 2	
Hon Hai Precision Industry Co., Ltd.	Foxconn Holding Ltd.	British Virgin Islands	Investment holding	7,590,502	3,661,976	241,094,825	100	14,802,184	2,793,972	2,784,958	Note 1	
Hon Hai Precision Industry Co., Ltd.	Hon Yuan International Investment Co., Ltd.	Taiwan	Investment holding	1,611,500	1,611,500	307,000,000	100	3,898,330	(53,940)	(54,125)		
Hon Hai Precision Industry Co., Ltd.	Hon Chi International Investment Co., Ltd.	Taiwan	Investment holding	1,500,500	1,500,500	299,100,000	100	3,888,325	100,970	100,474		

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2015		Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2015	Investment income (loss) recognised by the Company for the year ended December 31, 2015	Footnote
				Balance as at December 31, 2015	Balance as at December 31, 2014	Number of shares	Number of shares					
				\$	\$							
Hon Hai Precision Industry Co., Ltd.	Foxconn Singapore Pte. Ltd.	Singapore	Investment holding	1,790,350	1,661,610	57,137,543	100	\$ 3,610,525	\$ 422,994	\$ 416,007	Note 1	
Hon Hai Precision Industry Co., Ltd.	Foxconn SA B.V.	Netherlands	Investment holding	3,247,330	3,247,330	72,163,188	100	1,361,581	136,873	136,873		
Hon Hai Precision Industry Co., Ltd.	Pan International Industrial Corporation	Taiwan	Manufacture and marketing of cables	2,042,398	2,042,398	107,776,254	21	2,293,127	474,884	89,208	Note 1、3	
Hon Hai Precision Industry Co., Ltd.	Lin Yih International Investment Co., Ltd.	Taiwan	Investment holding	904,411	904,411	96,900,000	100	1,052,852	38,240	37,622		
Hon Hai Precision Industry Co., Ltd.	Syntrend Creative Park Co., Ltd.	Taiwan	Retail of office machinery and equipment and electronic appliances, and information software services.	1,436,463	1,436,463	143,646,250	73	914,112	(279,717)	(205,515)		
Hon Hai Precision Industry Co., Ltd.	Premier Image Technology (H.K.) Ltd.	Hong Kong	Purchase and the sales of cameras and related parts	22,311	22,311	1,404,936	2	152,659	18,513	302	Note 4	
Hon Hai Precision Industry Co., Ltd.	Altus Technology Inc.	Taiwan	Rental and leasing	1,444,555	1,257,244	65,810,751	65	644,592	(14,156)	(11,141)	Note 5	
Hon Hai Precision Industry Co., Ltd.	Ambit Microsystem Corporation	Taiwan	Mobile communications	-	16,960,000	-	-	-	(3,037,382)	(2,575,700)	Note 6	
Hon Hai Precision Industry Co., Ltd.	Asia Pacific Telecom Co., Ltd.	Taiwan	Special approval enterprise of type I telecommunications, manufacturing of wired (wireless) communication equipment and apparatus	9,821,609	-	843,760,000	20	9,752,476	(1,600,913)	-	Note 6	
Hon Hai Precision Industry Co., Ltd.	Others	Others		107,461	163,446	-	-	39,886	(3,762)	(2,731)	Note 7	
Hyeild, Hon Yuan, Bao Shin and Hon Chi	Foxconn Technology Co., Ltd.	Taiwan	Design sales, and manufacturing of Mag/AI casing and mechanic parts.	1,992,567	1,992,567	274,450,074	20	18,135,038	12,182,417	2,358,710	Note 2、8	
Hon Yuan, Bao Shin, Hon Chi and Hon Yung	Pan International Industrial Corporation	Taiwan	Manufacture and marketing of cables	560,639	560,639	29,620,041	6	661,662	474,884	24,535	Note 3、8	

Table 8, Page 2

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2015		Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2015	Investment income (loss) recognised by the Company for the year ended December 31, 2015	Footnote
				as at December 31, 2014		Number of shares						
				Balance	Balance	Number of shares	Number of shares					
Hyield, Hon Yuan, Bao Shin, Lin Yih and Hon Chi	CyberTAN Technology, Inc.	Taiwan	Manufacture, design and marketing of wireless network equipment	\$ 357,397	\$ 357,397	35,122,013	11	\$ 616,635	\$ 459,043	\$ 47,540	Note 8	
Hyield, Hon Yuan, Bao Shin and Hon Chi	G-TECH Optoelectronics	Taiwan	Manufacture of glass, glass products and electronics components	1,669,704	1,669,704	73,128,667	27	668,122	(5,164,584)	(1,240,225)	Note 8	
Hyield, Hon Yuan, Bao Shin and Hon Chi	Foxsemicon Integrated Technology Inc.	Taiwan	Manufacture of semiconductor machinery and sales of computer components	542,649	539,769	10,779,635	16	338,949	515,030	84,922	Note 8	
Hyield	Ennocom Corporation	Taiwan	Design and manufacture of single board computer, embedded board, industrial motherboard	284,401	284,401	29,068,649	42	1,349,648	1,075,660	366,041	Note 8	
Hon Chi, Hon Yuan, Bao Shin, and Hyield	Foxnum Technology Co., Ltd.	Taiwan	Manufacture and sales of machinery, computer and peripheral devices	614,762	464,736	52,434,100	100	794,716	77,338	67,277	Note 8	
Hyield	Antec Electronic System Co., Ltd.	Taiwan	Manufacture of cable, electronic equipment and electron component of motor vehicles	970,000	970,000	60,010,000	100	266,818	(64,767)	(75,860)	Note 8	
Hyield	Ingrasys Technology Inc.	Taiwan	Design, research, manufacture and sales of data storage and processor	530,705	530,705	45,410,000	100	2,688,246	1,479,872	1,414,168	Note 8	
Hyield	Burrage Capital Healthcare Offshore Fund II, Ltd.	Cayman Islands	Investment holding	441,300	441,300	15,000,000	100	646,482	(117,759)	(117,759)	Note 8	
Hyield, Hon Yuan, Bao Shin and Hon Chi	Fitpower Integrated Technology Inc.	Taiwan	Manufacture of integrated circuit/semi-conductor machinery and sales of computer components	585,000	585,000	45,450,167	33	771,127	300,116	101,188	Note 8	
Hyield and Lin Yih	Taiwan Intelligent Fiber Optic Network Co., Ltd.	Taiwan	Leasing of FTTH wideband loop, FTTH wideband internet service, and ethernet leased circuit	808,158	676,389	56,601,286	25	763,641	(187,975)	(50,178)	Note 8	
Bao Shin and FIH Mobile Limited	Advanced Optoelectronic Technology Inc.	Taiwan	Development, test, manufacture, sales of SMD LEDs, imports, exports and sales of these material and semi-manufactured goods	353,120	353,120	17,656,000	12	426,685	342,783	37,733	Note 6 - 8	

Table 8, Page 3

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2015		Ownership (%)	Book value	Net profit (loss) of the investee for the year ended December 31, 2015	Investment income (loss) recognised by the Company for the year ended December 31, 2015	Footnote
				as at December 31, 2015		as at December 31, 2014						
				Balance	Balance	Number of shares	Number of shares					
Bao Shin, Hyield, and Lin Yih	HealthConn Corporation	Taiwan	Main business activities: Consultancy of health checkup software, machine, and health care	\$ 305,165	\$ 258,961	19,650,108	61	\$ 274,528	\$ 92,086	\$ 35,315	Note 8	
Bao Shin, Hyield, and Hon Chi	Asia Pacific Telecom Co., Ltd.	Taiwan	Special approval enterprise of type I telecommunications, manufacturing of wired (wireless) communication equipment and apparatus	45,178	11,659,596	3,085,000	-	44,237	(1,600,913)	(2,093,327)	Note 8	
Hyield, Hon Yuan, Bao Shin and Hon Chi	Others	Others		1,769,958	1,041,874	-	-	1,632,696	(3,200,372)	(139,468)	Note 7	

Note 1: The investment income recognized for this period had eliminated unrealized gain or loss on the transactions between the Company and its investees.

Note 2: The Company and the direct and indirect investee companies own 29.59% of Foxconn Technology Co., Ltd.'s outstanding shares.

Note 3: The Company and its subsidiaries, directly and indirectly, own 27.03% of Pan International Industrial Corporation's outstanding shares.

Note 4: The Company and the direct and indirect investee companies own 99.96% of Premier Image Technology (H.K) Ltd.'s outstanding shares.

Note 5: The Company and the direct and indirect investee companies own 100% of Altus Technology Inc.'s outstanding shares.

Note 6: On December 31, 2015, Ambit Microsystems Corporation, a subsidiary of the Company, has completed the merger with Asia Pacific Telecom. Under the merger, AMBIT Corporation will be the dissolved company while Asia Pacific Telecom Co., Ltd. will be the surviving company. Related information is provided in Note 6(7).

Note 7: Due to the amount is insignificant, combined disclosure is adopted.

Note 8: Hyield Venture Capital Co., Ltd. is referred to as Hyield, Hon Chi International Investment Co., Ltd. is referred to as Hon Chi, Hon Yuan International Investment Co., Ltd. is referred to as Hon Yuan, Bao Shin International Investment Co., Ltd. is referred to as Bao Shin, Lin Yih International Investment Co., Ltd. is referred to as Lin Yih, Hon Yih International Investment Co., Ltd. is referred to as Hon Yih, and Ambit Microsystems Corporation is referred to as Ambit.

Note 9: Because the foreign holding investee companies prepare consolidated financial statements only, the disclosure of the company's investments over which the Company has significant influence or control, directly or indirectly, is only disclosed to the level of the holding company.

Hon Hai Precision Industry Co., Ltd. and Subsidiaries
Information on investments in Mainland China
For the year ended as of December 31, 2015

Table 9

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015		Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
FIH Precision Component (Beijing) Co., Ltd.	Manufacturing of telecommunication cases	\$ 2,258,704	2	\$ -	\$ -	\$ -	\$ 85,991	64.37	\$ 55,844	\$ 17,080,271	\$ -	-	Note 2
Fujin Precision Industry (Shenzhen) Co., Ltd.	Manufacturing and processing of computer cases, computer peripherals, etc.	1,721,934	2	164,150	-	164,150	(27,132)	100	(27,132)	2,449,062	143,139	-	Note 2
Shenzhen Fu Tai Hong Precision Industry Co., Ltd.	Manufacturing and marketing of computer cases, micro ribbon connectors for terminals, etc.	5,860,812	2	-	-	-	877,098	64.37	569,602	11,998,865	-	-	Note 2
Foxconn Precision Component (Shenzhen) Co., Ltd.	Manufacturing of connectors, micro ribbon connectors for terminals, micro- computers, mouse cables, monitor cables, etc.	1,997,377	2	98,490	-	98,490	57,534	100	57,534	2,281,735	-	-	Note 2
Honxun Electrical Industry (Hangzhou) Co., Ltd.	Manufacturing and marketing of computer cases, micro ribbon connectors for terminals, etc.	4,162,844	2	-	-	-	512,165	64.37	332,608	5,946,834	-	-	Note 2

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Mainland China to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Hongzhu Precision Tooling (Shenzhen) Co., Ltd.	Manufacturing and marketing of computer cases and computer peripherals, etc.	\$ 492,450	2	-	-	\$ -	(\$ 4,017)	100	(\$ 4,017)	\$ 713,547	\$ -	Note 2
Foxconn Computer Connectors (Kunshan) Co., Ltd.	Manufacturing of connectors, micro ribbon connectors for terminals, micro-computers, mouse cables, monitor cables, etc.	1,464,218	2	164,150	-	164,150	1,039,280	100	1,039,280	8,090,171	234,406	Note 2
Fu Ding Precision Component (Shenzhen) Co., Ltd.	Manufacturing and marketing of connectors, micro ribbon connectors for terminals, etc.	1,575,840	2	-	-	-	999,447	100	999,447	7,252,772	-	Note 2
Hong Fujin Precision Industrial (Shenzhen) Co., Ltd.	Manufacturing and marketing of computer case and computer peripherals, etc.	5,548,270	2	-	-	-	3,490,518	100	3,490,518	82,966,478	1,149,707	Note 2
Foxconn Electronic Industrial Development (Kunshan) Co., Ltd.	Manufacturing and marketing of computer cases, micro ribbon connectors for terminals, etc.	4,070,920	2	1,838,480	-	1,838,480	124,636	100	124,636	5,714,071	-	Note 2
Futaijie Science & Technology Development (Shenzhen) Co., Ltd.	Manufacturing and design of computer components keyboards, etc.	393,960	2	-	-	-	22,367	100	22,367	541,855	-	Note 2

Table 9, Page 2

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Fuhon Precision Component (Shenzhen) Co., Ltd.	Manufacturing and marketing of connectors, micro ribbon connectors for terminals, etc.	\$ 377,545	2	\$ -	\$ -	\$ -	(\$ 69,360)	100	(\$ 69,360)	\$ 1,262,536	\$ 71,241	Note 2
Hongzhun Precision Tooling (Kunshan) Co., Ltd.	Manufacturing and marketing of computer cases and computer peripherals, etc.	2,823,380	2	-	-	-	(885,440)	100	(885,440)	13,918,955	89,298	Note 2
Kangzhun Precision Tooling (Kunshan) Co., Ltd.	Manufacturing and marketing of computer components, computer peripherals, etc.	4,596,200	2	952,070	-	952,070	(853,979)	100	(853,979)	1,670,029	-	Note 2
Futaihang Precision Computer (Shenzhen) Co., Ltd.	Manufacturing and marketing of computer cases, micro ribbon connectors for terminals, etc.	188,773	2	-	-	-	(9,905)	100	(9,905)	255,065	-	Note 2
Qunkang Precision Component (Kunshan) Co., Ltd.	Manufacturing and marketing of switching hub and router cases	196,980	2	-	-	-	2,817	100	2,817	(16,590)	-	Note 2
Fujin Precision Industrial (Jincheng) Co., Ltd.	Manufacturing and marketing of computer cases	21,897,610	2	11,523,330	-	11,523,330	3,902,960	100	3,902,960	33,041,326	-	Note 2
Honyeh Precision Component (Kunshan) Co., Ltd.	Manufacturing and marketing of computer components	190,414	2	-	-	-	13,937	100	13,937	491,484	47,604	Note 2

Table 9, Page 3

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Mainland China to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Fuhonyang Precision Industrial (Shenzhen) Co., Ltd.	Manufacturing and marketing of connectors, micro ribbon connectors for terminals, computer cases, etc.	\$ 1,411,690	2	\$ 1,411,690	\$ -	\$ 1,411,690	\$ 111,321	100	\$ 111,321	\$ 2,584,182	\$ -	Note 2
Foxway Precision Industry (Hangzhou) Co., Ltd.	Manufacturing and marketing of router components	410,375	2	-	-	-	12,347	100	12,347	1,162,430	-	Note 2
Hongfutai Precision Electronics (Yantai) Co., Ltd.	Manufacturing and marketing of auto digital signal process device and components	4,858,840	2	-	-	-	683,683	100	(683,683)	9,789,763	-	Note 2
Ambit Microsystems (Zhong Shan) Corporation	Manufacturing and marketing of power supplies	1,678,352	2	804,335	-	804,335	844,130	61	512,049	6,214,738	-	Note 2
Ambit Microsystems (Shanghai) Co., Ltd.	Manufacturing and marketing of power supplies, modems and ADSL devices	2,409,722	2	1,510,180	-	1,510,180	1,226,165	100	1,226,165	10,569,428	-	Note 2
Amlink (Shanghai) Ltd.	Manufacturing and marketing of power supplies, modems and ADSL devices	262,640	2	229,810	-	229,810	45,724	49.82	22,780	215,875	-	Note 2
Fuxian Precision Industry (Kunshan) Co., Ltd.	Manufacturing and marketing of computer cases	5,416,950	2	820,750	-	820,750	2,882,841	100	2,882,841	12,622,901	-	Note 2

Table 9, Page 4

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Dong Guan Hong Precision Component Co., and computer Ltd.	Manufacturing and marketing of keypad components	\$ 328,300	2	\$ -	\$ -	\$ -	\$ 14,198	100	\$ 14,198	\$ 468,069	\$ -	Note 2
FIH (Tian Jin) Precision Industry Co., Ltd.	Manufacturing and marketing of wireless phone and components	1,733,424	2	-	-	-	(212,888)	64.37	(138,253)	(1,633,551)	-	Note 2
Fugion Material Technology (Shenzhen) Co., Ltd.	Manufacturing and marketing of potassium aurous cyanide	121,471	2	-	-	-	47,315	70	33,121	184,142	-	Note 2
Antec Automotive Electric System (Kunshan) Co., Ltd.	Manufacturing and marketing of automobiles	312,049	2	164,150	-	164,150	(21,187)	100	(21,187)	125,408	-	Note 2
Foxconn Precision Electronics (Yantai) Co., Ltd.	Manufacturing and marketing of telecommunication peripherals	1,346,030	2	1,076,423	-	1,076,423	(1,023,840)	100	(1,023,840)	(623,589)	-	Note 2
Premier Image Technology (China) Co., Ltd.	Manufacturing and sale of cameras	4,982,413	2	21,340	-	21,340	30,169	100	30,169	10,431,118	-	Note 2
Fu Zhun Precision Tooling (Huaian) Co., Ltd.	Designing, manufacturing and marketing of computer components	3,256,736	2	-	-	-	(213,426)	100	(213,426)	5,017,531	-	Note 2
Fu Yu Electronical Technology (Huaian) Co., Ltd.	Designing and marketing of connectors and cables	8,739,346	2	5,581,100	-	5,581,100	289,500	100	289,500	11,458,401	-	Note 2

Table 9, Page 5

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
CJ Electric System Co., Ltd.	Manufacturing and marketing of automobiles	\$ 92,051	2	\$ -	\$ -	\$ -	\$ 55,850	50	\$ 27,925	\$ 220,525	\$ -	Note 2
Foxconn Precision Electronics (Taiyuan) Co., Ltd.	Manufacturing and marketing of micro ribbon connectors for terminals, etc.	15,545,005	2	2,360,299	-	2,360,299	4,215,216	100	4,215,216	28,679,111	-	Note 2
Jizhun Precision Industry (Huizhou) Co., Ltd.	Manufacturing and marketing of computer cases, router, notebook, etc.	3,053,190	2	-	-	-	1,477,533	100	1,477,533	3,362,552	-	Note 2
Fukui Precision Component (Shenzhen) Co., Ltd.	Manufacturing and marketing of electronics devices and cable	6,334,014	2	-	-	-	7,753,871	37.96	3,015,093	11,717,639	-	Note 2
Futaijing Precision Electronics (Beijing) Co., Ltd.	Manufacturing and marketing of micro ribbon connectors for terminals, etc.	2,462,250	2	-	-	-	1,405,999	64.37	913,079	2,565,943	-	Note 2
FIH Precision Electronics (Lang Fang) Co., Ltd.	Manufacturing and marketing of cell phone and components	15,610,665	2	-	-	-	4,816,051	64.37	3,127,624	20,984,056	-	Note 2
Foxconn Good Field Precision Industry (Dalian) Co., Ltd.	Manufacturing and marketing of electronics calculator and components	89,082	2	-	-	-	(3,341)	40	(1,336)	18,934	-	Note 2
Fuyu Energy Technology (Kunshan) Co., Ltd.	Manufacturing and marketing of micro ribbon connectors for terminals	656,600	2	-	-	-	(283,596)	100	(283,596)	680,085	-	Note 2

Table 9, Page 6

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Hongfujin Precision Industrial (Wuhan) Co., Ltd.	Manufacturing and marketing of computer and digital camera components	9,612,624	2	6,332,907	-	6,332,907	1,193,082	100	1,193,082	16,325,430	-	Note 2
Amworld Microsystems (Shanghai) Ltd.	Manufacturing and marketing of switch supply and modem	558,110	2	-	-	-	18,398	100	18,398	733,110	-	Note 2
Hongqunsheng Precision Electronics (Yingkou) Co., Ltd.	Manufacturing and marketing of printed circuit board	2,091,602	2	-	-	-	331,949	38	129,078	98,058	-	Note 2
Hongqisheng Precision Electronics (Qinhuangdao) Co., Ltd.	Manufacturing and marketing of printed circuit board	5,749,619	2	-	-	-	760,609	37.96	295,763	3,189,528	-	Note 2
Hongfujin Precision Electronics (Yantai) Co., Ltd.	Manufacturing and marketing of computer components	2,324,364	2	-	-	-	1,071,303	100	1,071,303	36,893,272	-	Note 2
FIH (Nanjing) Communications Co., Ltd.	Manufacturing and marketing of handset and components	574,525	2	-	-	-	(35,123)	64.37	(22,809)	297,927	-	Note 2
Foxconn (Nanjing) Software Co., Ltd.	Computer software, hardware and other digital product	1,050,560	2	-	-	-	168,217	100	168,217	959,058	-	Note 2
Fuyang Electrical Technology (Changshu) Co., Ltd.	Manufacturing and marketing of computer components and molds	3,450,433	2	-	-	-	70,574	100	70,574	3,548,233	-	Note 2

Table 9, Page 7

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Fu Tai Kang Electronics Development (YanTai) Ltd.	Marketing of computer chassis and metal stamping parts	\$ 1,969,800	2	\$ 1,969,800	\$ -	\$ 1,969,800	\$ 190,286	100	(\$ 190,286)	\$ 1,809,256	\$ -	Note 2
Foxconn (Shenyang) Precision Industry Co., Ltd.	Numeric control machine tool manufacturing	1,895,085	2	-	-	-	(46,217)	69.23	(31,996)	1,256,435	-	Note 2
Hong Heng Sheng Electrical Technology (Huaian) Co., Ltd.	Print circuit board product manufacturing and sales	4,684,152	2	-	-	-	(792,329)	37.96	(308,097)	1,105,982	-	Note 2
Fu Ding Electrical Technology (Jiashan) Co., Ltd.	Manufacturing and marketing of computer components and molds	8,699,950	2	8,699,950	-	8,699,950	4,438,320	100	4,438,320	24,779,834	-	Note 2
Fuhuajie Industrial (Shenzhen) Co., Ltd.	Manufacturing and marketing of microcomputer and liquid crystal display	3,775,450	2	3,775,450	-	3,775,450	3,861,837	100	3,861,837	985,921	-	Note 2
GDS Software (Shenzhen) Co., Ltd.	Computer software, hardware and other digital product	377,545	2	328,300	-	328,300	16,321	76.92	12,554	303,158	-	Note 2
Futaihua Industrial (Shenzhen) Co., Ltd.	Manufacturing and marketing of microcomputer, cell phone and components	12,147,100	2	12,147,100	-	12,147,100	32,484,514	100	32,484,514	142,161,594	-	Note 2
Dong Guan Eson Precision Tooling Co., Ltd.	Design and manufacture of precision molds	305,050	2	-	-	-	509	24.71	126	90,729	-	Note 2

Table 9, Page 8

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Kunshan Eson Precision Engineering Co., Ltd.	Design and manufacture of precision molds and mechanical parts for consumer electrical products	\$ 1,601,984	2	\$ -	\$ -	\$ -	\$ 50,411	24.71	\$ 12,457	\$ 586,629	\$ -	Note 2
Wuxi XinGuan Metal Science & Technology Co., Ltd.	Design and manufacture of precision molds and mechanical parts for consumer electrical products	774,496	2	-	-	-	(35,051)	24.71	(8,661)	180,686	-	Note 2
Kunshan Eson Technology Inc.	Design and manufacture of precision molds and mechanical parts for consumer electrical products	-	2	-	-	-	9,852	-	791	-	-	Note 28
Yantai Jiray Electronic Technology Co., Ltd.	Manufacturing and marketing of monitoring device	182,552	2	-	-	-	(58,969)	16.06	(9,471)	24,031	-	Note 2
Yantai Zheng Yi Precision Electronic Co., Ltd.	Manufacturing and marketing of monitoring device	355,972	2	-	-	-	39,037	24.71	9,646	106,857	-	Note 2
Guangzhou OED Technologies Co., Ltd.	Manufacturing and marketing of molding and tooling	375,143	2	-	-	-	(274,106)	5.76	(15,789)	20,245	-	Note 2
Hongfujin Precision Electronics (Chongqing) Co., Ltd.	Manufacturing and marketing of computer chassis and metal stamping parts	6,259,040	2	6,259,040	-	6,259,040	(185,658)	100	(185,658)	3,762,685	-	Note 2

Table 9, Page 9

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Mainland China/ Taiwan to Mainland China of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
System Integration Electronics (Hangzhou) Co., Ltd.	Manufacturing and marketing of electronic components, network communication equipment, high-end routers and high-end switches	\$ 902,825	2	\$ 947,136	\$ -	\$ 947,136	\$ 223,023	100	\$ 223,023	\$ 1,859,448	\$ -	Note 2
Champ Tech Optical (Foshan) Corporation	Manufacturing and marketing of unassembled optical components	1,532,176	2	1,756,091	-	1,756,091	349,545	100	349,545	2,620,111	-	Note 2
Innovation (Beijing) Software Development Co., Ltd.	Design and publish of computer software	-	2	-	-	-	-	-	-	-	-	Note 3
FIH (Chengdu) Communication Technology Co., Ltd.	Developing of computer and communications software, and technical services	249,508	2	-	-	-	(7,639)	64.37	(4,961)	17,877	-	Note 2
Futaihua Precision Electronics (Zhengzhou) Co., Ltd.	Manufacturing and marketing of cell phone	3,283,000	2	1,116,220	-	1,116,220	8,323,136	100	8,323,136	28,762,210	-	Note 2
Hongfujin Precision Electronics (Tianjin) Co., Ltd.	Manufacturing and marketing of server	2,889,040	2	2,232,440	656,600	2,889,040	1,517,233	100	1,517,233	2,440,483	-	Note 2
Hongfujin Precision Electronics (Zhengzhou) Co., Ltd.	Manufacturing and marketing of cell phone and components	16,415,000	2	6,566,000	-	6,566,000	10,978,442	100	10,978,442	62,960,297	-	Note 2

Table 9, Page 10

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Hongfujin Precision Electronics (Chengdu) Co., Ltd.	Manufacturing and marketing of tablet PC	\$ 31,188,500	2	\$ 9,849,000	\$ -	\$ 16,415,000	\$ 1,322,479	100	\$ 1,322,479	\$ 52,180,936	\$ -	Note 2
Fuding Precision Industrial (Zhengzhou) Co., Ltd.	Manufacturing and marketing of new electronic components	1,313,200	2	328,300	-	328,300	406,650	100	406,650	1,287,855	-	Note 2
YanTai FuHuaDa Precision Electronics Co., Ltd.	Manufacturing and marketing of new electronic components	328,300	2	328,300	-	328,300	(652,239)	100	(652,239)	(123,498)	-	Note 2
Fujun Precision Electronics (Chongqing) Co., Ltd.	Manufacturing and marketing of electronics switches and routers	492,450	2	492,450	-	492,450	(173,747)	100	(173,747)	369,033	-	Note 2
Futaihua Precision Electronics (Chengdu) Co., Ltd.	Manufacturing and marketing of compression molding plastic injection mold and metal	1,707,160	2	1,707,160	-	1,707,160	(472,326)	100	(472,326)	2,323,018	-	Note 2
Anpinda Precision Industrial (Huizhou) Co., Ltd.	Manufacturing and marketing of computer components and microcomputers	1,641,500	2	1,313,200	-	1,313,200	(135,387)	100	(135,387)	1,263,213	-	Note 2
NanNing FuGui Precision Industrial Co., Ltd.	Manufacturing and marketing of network communication equipment	1,641,500	2	1,395,275	-	1,395,275	2,627,166	100	2,627,166	5,482,582	-	Note 2
NanNing Fu Tai Hong Precision Industry Co., Ltd.	Manufacturing and marketing of cell phone	1,641,500	2	-	-	-	43,462	64.37	28,225	915,737	-	Note 2

Table 9, Page 11

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
WWW (Jincheng) Co., Ltd.	Manufacturing and marketing of lens module	\$ 984,900	2	\$ 657,094	\$ 348,786	\$ 1,005,880	\$ 669,806	100	\$ 558,484	\$ 355,398	\$ -	Note 2
UER Technology (Shenzhen) Corporation	Manufacturing and marketing of lithium battery	191,341	2	-	-	-	(54,865)	43.79	(24,025)	(12,394)	-	Note 2
Tianjin Funayuanhuang Technology Co., Ltd.	Manufacturing and marketing of liquid crystal display components	886,410	2	558,110	-	558,110	(191,512)	85.93	(164,566)	(50,291)	-	Note 2
FuYu Energy Technology (Funing) Co., Ltd.	Engaged in the production and marketing of operating solar energy battery business	1,805,650	2	1,805,650	-	1,805,650	-	100	-	1,643,798	-	Note 2
Futaihua Precision Electronics (Jiyuan) Co., Ltd.	Engaged in wireless handsets of wired telephones, cellular networks or other wireless IP telephone	25,443,250	2	13,132,000	6,566,000	19,698,000	3,734,969	100	3,734,969	39,817,926	-	Note 2
Hongfujin Precision Industry (Luoyang) Co., Ltd.	Engaged in the operation of automated equipment, multipurpose industrial robots, the equipment enclosure sheet metal production and marketing business	-	2	-	-	-	-	-	-	-	-	Note 5
Futaijing Precision Electronics (Yantai) Co., Ltd.	Manufacturing and marketing of handset component product	656,600	2	-	-	-	(275,207)	64.37	(178,724)	708,981	-	Note 2

Table 9, Page 12

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Mainland China/ to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Zhong Zhun Precision Industries (Luoyang) Co., Ltd.	Reducer, Other transmission shafts and cranks	\$ 1,247,540	2	1,247,540	-	1,247,540	52,516	100	52,516	1,439,622	-	Note 2
Hongfutai Precision Industry (Hen Yang) Co., Ltd.	Work holders	1,247,540	2	1,247,540	-	1,247,540	52,516	100	52,516	1,439,622	-	Note 2
Jiaxing Radioshack Trading Limited	Household appliances, other electronic products, calculator software, communications equipment and related equipment	185,610	2	-	-	-	26,443	32.83	8,681	18,288	-	Note 2
Innocom Technology (Chongqing) Co., Ltd.	LCD related products, modules, components and systems manufacture	98,490	2	130,465	-	130,465	68,950	100	68,950	211,202	-	Note 2
Funeng Service Technology (Nanyang) Co., Ltd.	Electromechanical telecommunications equipment installation	196,980	2	-	-	-	15,256	100	15,256	230,166	-	Note 2
Interface Technology (Chengdu) Co., Ltd.	To manufacture, produce and sell LCD modules and related materials	2,415,945	2	837,165	-	837,165	1,076,462	24.71	271,457	983,244	-	Note 2
Changchun Leiguan Environmental Plastic Products Co., Ltd.	Articles for the conveyance or packing of goods, of plastics	49,245	2	49,245	-	49,245	20,789	100	20,789	17,191	-	Note 2

Table 9, Page 13

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Changchun Yong Tai Technology Co., Ltd. (Formerly : Ying Tai Environmental Technology Ltd.)	Manufacturer of degradable plastic resin	\$ 52,528	2	\$ -	\$ 52,528	\$ 52,528	\$ 6,734	100	\$ 6,734	\$ 42,754	-	Note 2
Changchun Chen Tai Technology Co., Ltd. (Formerly : Shiang Tai Environmental Technology Ltd.)	Manufacturer of degradable plastic resin	52,528	2	-	52,528	(52,528	(1,153	100	(1,153	48,342	-	Note 2
Fu Hon Yuan Environmental Technology Ltd.	Environmental Technology Development and Wholesale of Pollution Controlling Equipments	6,566	2	-	-	-	51,670	70	36,169	94,843	-	Note 2
Scienbizip Consulting (Shen Zhen) Co., Ltd.	Management Consulting Services	144,452	2	-	-	-	106,659	51	54,396	273,915	-	Note 2
GuiZhou FuNa YuanChuan Technology Co., Ltd.	Manufacturing and marketing of liquid crystal display components	1,346,030	2	1,346,030	-	1,346,030	(59,079	85.93	(50,767	961,835	-	Note 2
Chongqing Hongteng Technology Co., Ltd.	Connectors for optical fibres, optical fibre bundles or cables	98,490	2	-	-	-	28,454	100	28,454	121,302	-	Note 2

Table 9, Page 14

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Fujian 101 Education Technology Co. Ltd. (Formerly : 101 On-line Education Technology Co., Ltd.)	Online education and related application	\$ 248,846	2	\$ 118,188	\$ -	\$ 118,188	(\$ 61,209)	45	\$ 27,544	\$ 79,097	\$ -	Note 2
Fubo Industrial (Shenzhen) Co., Ltd.	Assembling of plugs and sockets for a voltage not exceeding 1,000V, computer case, printed circuit board	556,494	2	-	-	-	44,358	37.96	17,249	214,497	-	Note 2
FuGuiKang Precision Electronics (GuiZhou) Co., Ltd.	Mobile phones, tablet computers and video game accessories for R&D	656,600	2	656,600	-	656,600	1,025,141	100	1,025,141	646,351	-	Note 2
Qingding Precision Electronics (HuaiAn) Co., Ltd.	Manufacturing and marketing of rigid single-layer printed circuit board, rigid two-layer printed circuit board, rigid multi-layer printed circuit board, flexible printed circuit board, other printed circuit board	2,953,362	2	-	-	-	(49,371)	37.96	(19,198)	1,100,926	-	Note 2

Table 9, Page 15

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Mainland China/ to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Yuding Precision Electronics (HuaiAn) Co., Ltd.	Manufacturing and marketing of rigid single-layer printed circuit board; Rigid two-layer printed circuit board; Rigid multi-layer printed circuit board; Flexible printed circuit board; Other printed circuit board	1,218,150	2	-	-	-	(33,075)	37.96	(12,861)	448,825	-	Note 2
Ur Materials Co., Ltd.	Manufacturing and marketing of acrylonitrile-butadiene-styrene (ABS) copolymers in primary forms, waste, parings and scrap of polymers of styrene, other polystyrene in primary forms	393,960	2	-	393,960	393,960	823	100	823	393,690	-	Note 2
Foxnum Technology (Zheng Zhou) Co., Ltd.	Manufacture and sale of automation equipment	-	2	-	-	-	-	-	-	-	-	Note 7
Ji Zhi International (Shenzhen) Co., Ltd.	Manufacture and sale of high-speed hard cutting	-	2	-	-	-	-	-	-	-	-	Note 8
Foxnum Technology (Ji Yuan) Co., Ltd.	Manufacture and sale of automation equipment	-	2	-	-	-	-	-	-	-	-	Note 9

Table 9, Page 16

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Jin Ji Trading (Linyi) Co., Ltd.	Precision components for the design development, manufacturing, sales, trading, leasing and maintenance services	\$ -	2	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	Note 10
Fu Jiang Robot Technology (Shen Zhen) Co., robot Ltd.	Manufacture and sale of industrial robot	-	2	-	-	-	-	-	-	-	-	Note 11
Jin Ji Full Precision Machinery (Shenzhen) Co., Ltd.	Manufacture and sale of injection or compression moulds for metal or metal carbides	492,450	2	-	492,450	(492,450)	(1,621)	100	(1,621)	481,155	-	Note 2
Shangqiu Jinzhenyuan Electronic Technology Co., Ltd.	Manufacturing and marketing of metal frame cell phone case	-	2	-	-	-	-	-	-	-	-	Note 4
Smart Time Technologies Limited	Data center related technical consulting, technical support and information processing.	-	2	-	-	-	-	-	-	-	-	Note 12
Zhengzhou Jingji Precision Machinery Trade Co., Ltd.	Wholesale, software design, machine leasing and maintenance services	91,004	2	90,169	-	90,169	155,749	100	155,749	316,228	-	Note 2

Table 9, Page 17

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Chengdu JUSDA Supply Chain Management Co., Ltd. (Formerly : Chengdu Fu Tai Tong Logistics Co., Ltd.)	Main business activities Truck freight transportation, ocean freight transportation forwarding services, civil aviation transportation; warehousing and storage, electric appliance and audiovisual electric products repair shops	\$ 65,725	2	\$ -	\$ 69,071	\$ 69,071	\$ 149,723	100	\$ 149,723	\$ 344,017	\$ -	Note 2
Chongqing Yuanchuang Technology & Research Industrial Development Co., Ltd.	Design, development, and manufacturing of automotive molds, fixtures, and gauges.	596,722	2	-	-	-	65,294	31.11	20,313	431,295	-	Note 2
Charming International Leasing Co., Ltd.	Financial leasing	984,900	2	246,225	-	246,225	25,799	100	25,799	952,262	-	Note 2
Kunshan Nano New Material Technology Co., Ltd.	Other articles solely for industrial use, of plastics, sandpaper, cutting-oil, waxes, grease, lubricating	221,364	2	-	65,660	65,660	52,209	10	5,221	29,520	-	Note 2
Shenzhen Jing Huang Technology Co., Ltd. (Formerly: Shenzhen Chinadragon Technology Co. Ltd.)	Software design services, wholesale of electronic materials	2,528	2	21,500	-	21,500	939	40	376	41	-	Note 21

Table 9, Page 18

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Remitted to Mainland China to Taiwan	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
FuShiRui Precision Industry (JiYuan) Co., Ltd.	Machining centres, other automatic data processing machines, presented in the form of systems	\$ 22,981	2	\$ -	\$ -	\$ -	\$ -	\$ 54,292	100	\$ 54,292	\$ 89,857	\$ -	Note 2
Kunshan Fuchengke Precision Electronical Co., Ltd.	Design and manufacture of Surface Mount Technology	820,750	2	-	820,750	-	820,750	32,246	100	32,246	809,778	-	Note 2
Foshan Fu Hua Ke-Precision Electronics Co., Ltd.	Design and manufacture of Surface Mount Technology	147,735	2	-	147,735	-	147,735	3,669	100	3,669	143,859	-	Note 2
FuChengKe Precision Industry (YanTai) Co., Ltd.	Design and manufacture of Surface Mount Technology	246,225	2	-	246,225	-	246,225	9,088	100	9,088	242,347	-	Note 2
Fuhuake Industrial (Shenzhen) Co., Ltd.	Manufacture of audiovisual electric products, lighting equipment, wired communication equipment, electronic parts and components, computers and computing peripheral equipments, cars, optical instruments, bare printed circuit boards of recorded media	295,470	2	-	295,470	-	295,470	(38,457)	100	(38,457)	240,039	-	Note 2

Table 9, Page 19

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Fushirui ChengDu Precision Industry Co., Ltd.	Manufacture and sale of automation equipment and other automatic data processing machines and customs	\$ 229,810	2	\$ -	\$ 229,810	\$ 229,810	\$ 14,498	100	\$ 14,498	\$ 231,276	\$ -	Note 2
Hongfuzhun Precision Shenzhen Co., Ltd.	Manufacture and sale of automation equipment and other automatic data processing machines and customs	65,660	2	-	65,660	(65,660	(64,510)	100	(64,510)	(2,516)	-	Note 2
Anhui HongQing Precision Machine Co.,Ltd.	Manufacture and sale of automation equipment	65,660	2	-	191,558	-	224,557	100	190,873	244,180	-	Note 2
FuShiRui Precision Industry (JinCheng) Co., Ltd.	Machining centres, other automatic data processing machines, presented in the form of systems	19,698	2	-	19,698	19,698	37,774	100	37,774	56,444	-	Note 2
FuShiRui Precision Industry (Zhengzhou) Co., Ltd.	Manufacture and sale of automation equipment and other automatic data processing machines and customs	247,419	2	-	262,640	262,640	4,136	100	4,136	251,559	-	Note 2
Fumeng Electrical Technology (Heze) Co., Ltd.	Manufacturer of Electric conductors, for a voltage not exceeding 1000V	164,150	2	-	-	(-	(117,983)	100	(117,983)	38,068	-	Note 2

Table 9, Page 20

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Hesheng Qin Electronic Technology (Shenzhen) Co., Ltd.	Design of computer, computer peripherals and molds	\$ 82,224	2	\$ -	\$ 4,595	\$ -	\$ 14,869	5	\$ 558	\$ 4,979	\$ -	Note 2
First Special Material (Shenzhen) Limited	General merchandise wholesale, wholesale chemical materials and products, technology development and sales of computer software, machinery and equipment rental and repair business	52,528	2	-	-	-	25,725	100	25,725	75,837	-	Note 2
Beijing Jide Network Technology Limited	Electronic shopping and mail order, computer software design, computer system integration services and other information providers services	-	2	-	-	-	-	-	-	-	-	Note 13

Table 9, Page 21

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
Beijing Ainemo Network Technology Limited	Computer software design, computer system integration services, other information providers and services, management consulting, computer software and peripheral equipment wholesale, computer peripheral equipment and software retail business	\$	2	\$	\$	\$	\$	-	\$	\$	\$	Note 14
Rich Dreams Network Technology (Shenzhen) Limited	Electronic shopping and mail-order, commodity brokerage, information management and professional education services	-	2	-	-	-	-	-	-	-	-	Note 15
Interface Optoelectronics (SZ) Co., Ltd.	Production and sale of the touch monitor	3,162,094	2	-	-	-	697,051	24.71	175,779	5,322,489	-	Note 2
Shenzhen Nano Photoelectric Co., Ltd.	Research and development of optoelectronic products, technical services	-	2	-	-	-	-	-	-	-	-	Note 16

Table 9, Page 22

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan for the year ended as of December 31, 2015	Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
First Special Material (HeNan) Limited	Main business activities Chemical products, optical film, protection and development film, tape, glue, adhesives, inks, coatings, grinding fluid, cutting oil, plastic products, sandpaper, grinding wheel, design, manufacture, sale, leasing, warranty, service and abrasive of materials and its spare parts	\$ 344,715	2	\$ -	\$ 344,715	\$ 344,715	\$ -	94.5	\$ -	\$ 253,630	\$ -	Note 2
Fuzhun Precision Tooling (Jiashan) Co., Ltd.	Metal cutting tools, industrial automatic control system device, CNC machine tools, automatic test equipment and vertical multi-joint robot, automated overhead dimensional storage equipment, portable microcomputers, digital player, and production and marketing business of mold standard parts	-	2	-	-	-	-	-	-	-	-	Note 17
Jin Ji Full Precision Machinery (WuHan) Co., Ltd.	Metal or metal carbides by injection molding, compression molding, rubber or plastic with mold	-	2	-	-	-	-	-	-	-	-	Note 18

Investee in Mainland China	Main business activities	Paid-in capital	Investment method	Accumulated amount of remittance from Taiwan to Mainland China as of January 1, 2015	Amount remitted from Taiwan to Mainland China/		Accumulated amount of remittance from Taiwan to Mainland China for the year ended as of December 31, 2015	Net income of investee for the year ended December 31, 2015	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended as of December 31, 2015	Book value of investments in Mainland China as of December 31, 2015	Accumulated amount of investment income remitted back to Taiwan as of December 31, 2015	Footnote
					Amount remitted to Taiwan for the year ended as of December 31, 2015	Remitted to Mainland China to Taiwan							
Han Yang Optics (Shang Hai) Ltd.	Industrial design e-commerce business, other specialized design services, car rental, other general merchandise retail, computers and peripherals, software, retail communications equipment, audio-visual equipment retail, automobile spare parts and supplies retail	\$ -	2	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	Note 19
Fu Hua Ke Precision Industry (Cui Zhou) Co., Ltd.	Design, processing and manufacturing operations of surface-mount circuit board	\$ -	2	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	Note 20

Company name	Accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2015	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
Hon Hai Precision Industry Co., Ltd.	\$ 135,053,286	\$ 257,184,137	\$ -

Note 1: Investment methods are classified into the following three categories:

- (1) Directly invest in a company in Mainland China.
- (2) Through investing in Foxconn (Far East) Limited in the third area, which then invested in the investee in Mainland China.
- (3) Others.

- Note 2: The basis for investment income (loss) recognition is from the financial statements which were based on the audited and attested by R.O.C. parent company's CPA, except FIH Precision Component (Beijing) Co., Ltd., Shenzhen FutaiHong Precision Industry Co., Ltd., Honxun Electrical Industry (Hangzhou) Co., Ltd., Fih (Tianjin) Precision Electronics(Beijing) Co., Ltd., Fih Precision Electronics (Lang Fang) Co., Ltd., Fih (Nanjing) Communications Co., Ltd., Fih (Chengdu) Communication Technology Co., Ltd., Nanning futaihong precision industrial co.,Ltd. and FutaiJing Precision Electrons (Yantai) Co.,Ltd. which the financial statements are audited and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C.
- Note 3: The Company was approved by Investment Commission, MOEA of an investment of US\$ 2,600,000 in Innovation Work Limited. As of December 31, 2015, the funds have not been remitted.
- Note 4: The Company was approved by Investment Commission, MOEA of an investment of US\$ 4,210,000 in Shangqiu Jinzhenyuan Electronic Technology Co., Ltd., which has not yet invested in capital as of December 31, 2015.
- Note 5: The Company was approved by Investment Commission, MOEA of an investment of US\$ 17,500,000 in Hongfujin Precision Industry (Luoyang) Co., Ltd., which has not yet been established as of December 31, 2015
- Note 6: The Company was approved by Investment Commission, MOEA of an investment of US\$ 7,320,000 in Zhong Zhun Precision Industries (Luoyang) Co., Ltd., which has not yet been established as of December 31, 2015
- Note 7: The Company was approved by Investment Commission, MOEA of an investment of US\$ 15,000,000 in Foxnum Technology (Zheng Zhou) Co., Ltd., which has not yet been established as of December 31, 2015
- Note 8: The Company was approved by Investment Commission, MOEA of an investment of US\$ 15,000,000 in Ji Zhi International (Shenzhen) Co., Ltd., which has not yet been established as of December 31, 2015
- Note 9: The Company was approved by Investment Commission, MOEA of an investment of US\$ 15,000,000 in Foxnum Technology (Ji Yuan) Co., Ltd., which has not yet been established as of December 31, 2015
- Note 10: The Company was approved by Investment Commission, MOEA of an investment of US\$ 42,000,000 in Jin Ji Trading (LinYi) Co., Ltd., which has not yet been established as of December 31, 2015
- Note 11: The Company was approved by Investment Commission, MOEA of an investment of US\$ 15,000,000 in Fu Jiang Robot Technology (Shen Zhen) Co., Ltd., which has not yet been established as of December 31, 2015
- Note 12: The Company was approved by Investment Commission, MOEA of an investment of US\$ 10,000,000 in Smart Time Technologies Limited, which has not yet been established as of December 31, 2015
- Note 13: The Company was approved by Investment Commission, MOEA of an investment of US\$ 30,000,000 in Jide Technology Co., Ltd, which has not yet been established as of December 31, 2015
- Note 14: The Company was approved by Investment Commission, MOEA of an investment of US\$ 6,000,000 in Beijing Xiaoyuonline Co., Ltd, which has not yet been established as of December 31, 2015
- Note 15 : The Company was approved by Investment Commission, MOEA of an investment of US\$ 1,600,000 in Rich Dreams Network Technology (Shenzhen) Limited, which has not yet been established as of December 31, 2015
- Note 16: The Company was approved by Investment Commission, MOEA of an investment of US\$ 16,380 in Shenzhen Nano Photoelectric Co., LTD., which has not yet been established as of December 31, 2015
- Note 17 : The Company was approved by Investment Commission, MOEA of an investment of US\$ 35,000,000 in Fuzhun Precision Tooling (Jiashan) Co., LTD., which has not yet been established as of December 31, 2015.
- Note 18 : The Company was approved by Investment Commission, MOEA of an investment of US\$ 35,000,000 in Jin Ji Full Precision Machinery (WuHan)Co.,Ltd., which has not yet been established as of December 31, 2015.
- Note 19 : The Company was approved by Investment Commission, MOEA of an investment of US\$ 450,000,000 in Han Yang Optics (Shang Hai) Ltd., which has not yet been established as of December 31, 2015.
- Note 20 : The Company was approved by Investment Commission, MOEA of an investment of US\$ 30,000,000 in Fu Hua Ke Precision Industry (Cuizhou) Co., LTD., which has not yet been established as of December 31, 2015.
- Note 21: The Company has remitted US\$ 654,890 to British Cayman Islands Foxteq Holdings Inc. by own funds on 2014, have been transferred the 40% shares of Chimadragon Telecom Holding Co., Ltd., and indirect holding 40% shares of Shenzhen Jing Huang Technology Co., Ltd..
- Note 22: The Company was approved by Investment Commission, MOEA of an investment of US\$ 3,000,000 in Guangxuhui Technology (Shenzhen) Co., Ltd., which had been liquidated in 2005
- Note 23: The Company was approved by Investment Commission, MOEA of an investment of US\$ 625,000 in Shanghai Premier Image Trade Co., Ltd., which had been liquidated in 2009.
- Note 24: The Company was approved by Investment Commission, MOEA of an investment of US\$ 684,091 in Dongfeng Antec (Wuhan) Automobile Electric System Co., Ltd.. All of the shares had been transferred during 2009 .
- Note 25: The Company was approved by Investment Commission, MOEA of an investment of US\$ 814,000 in Liu Zhou Antec Fangshen Electric System Co., Ltd.. All of the shares have been sold out in 2012.
- Note 26: The Company was approved by Investment Commission, MOEA of an total investment of US\$ 391,085 in Alibaba (China) Technology Co., Ltd., Alibaba (China) Software Co., Ltd., Alibaba (Shanghai) Technology Co., Ltd. and Beijing Sinya Online Information Technology Co., Ltd., which have been sold out in 2012.
- Note 27: The Company was approved by Investment Commission, MOEA of an investment of US\$ 2,500,000 in Hongfujiang Precision Electronics (Yingkou) Co., Ltd., which had been liquidated in 2012.
- Note 28: The Company was approved by Investment Commission, MOEA of an investment of US\$ 691,848.59 in HighAim Technology Inc. All of the shares have been sold out in 2015.
- Note 29: Pursuant to the Jing-Shen-Zi Letter No. 09704604680 of the Ministry of Economic Affairs, R.O.C., dated August 29, 2008, as the Company has obtained the certificate of being qualified for operating headquarters, issued by the Industrial Development Bureau, MOEA, the ceiling amount of the investment in Mainland China is not applicable to the Company.

Note 30: The Company invests in the company via investee companies in Mainland China including Foxstar Technology Co., Ltd., Harbing GDS Technology Co., Ltd., Zhengzhou GDS Information & Technology Co., Ltd., Guizhou Qian Yu Electric Vehicle Service Co., Ltd., LanZhou Futaihua Precision Electronic Co., Ltd., Shanghai TuoPu Wang Logistics Co., Ltd., Kaopu Information Technology (Beijing) Co., Ltd., Zhengzhou Jusda Logistics Co., Ltd., Zhengzhou Fuyu Vocational Skills Training Center, Wuhan Jusda Supply Chain Management Limited, Hangzhou Jusda Supply Chain Management LangFang Jusda Logistics Co., Ltd., Shandong Jusda Supply Chain Management Ltd., Shenzhen Qianhai Jusda Supply Chain Management Ltd., Shenzhen Dengmao Science And Technology Company, Shenzhen Jingji Precision Machinery Trade Co., Ltd., Erdos HongHan Precision Electronics Co., Ltd., Shanghai Foxconn Co., Ltd., Huaiian Futaitong Trading Co., Ltd., Huaiian Futaitong Electronics Technology Co., Ltd., HuaiAn Tengyue Information Science & Technology Co., Ltd., Chengdu Zhuren Technology Co., Ltd., Zhengzhou HongRen Cutting Tool Ltd., Jinchen Hongren Technology Co., Ltd., Shenzhen Fuhongjie Technology Ser Co., Ltd., Shan Hai Pengshan Investment Co., Ltd., Beijing HengYu New Energy Retail Co., Ltd., Shenzhen Hongzhaoda Technology Services Co., Ltd., Shenzhen Fertile Plan international Logistics Co., Ltd., Yantai Futaitong Int Logistics Co., Ltd., Yantaiishi Fultong International Trading Co., Ltd., Yantai HongFu Occupation Training School, Fu You Wan De Trading Co., Ltd., Chongqingshi Futaitong Logistics Co., Ltd., FoShan ShunDe Jishun Preci Industry Co., Ltd., Hen Yang FuXiang Yun Culture Co., Ltd., Shanghai Fuijingtong Business Factoring Ltd., Wan Ma Ben Teng Trading Co., Ltd.-China Zhengzhou, Wan Ma Ben Trading Co., Ltd.-China Kunshan, Wang Hui Trading Co., Ltd.-China Shanghai, Shenzhen Foxconn Advanced Manufacturing Capacity Training University, Zhongyuan Micro-credit companies, Jin Ji Tiger Investment Holding Co Mooxee Precision (Shenzhen) Industry Co., Ltd., JiaXin Aifengpai Trading Co., Ltd., FuXun Tong Trading(Shenzhen) Co., Ltd., Efeihu (Beijing) E-commerce Ltd., Efeihu (Wuhan) E-commerce Huaiian Hongfujing Precision Electronic Co., Ltd., Synergy Technology (Chengdu) Co., Ltd., Guizhou Fuhuada Electronic Co Ltd., Panxian Fuguikang Precision electronic Ltd., Nanyang Hongfujing Precision Electronic Co., Ltd KunMing FuLiTong International Trading Co., Ltd., HonFuJin Precision Electronics (JiYuan) Limited, Fujingtong Finaical Information Services (Shanghai) Co., Ltd., Chongqing Shendeng Technology Co., Ltd., HongQingXin Prec Electronics (ChongQing) Co., Ltd., ChongQing HongFuZhuun Trading Co., Ltd., ChongQing Jingmei Precision electronic Co., Ltd., Shanghai KetaiHuajie Investment Co., Ltd., Shan Hai Ketai Technology Co., Ltd., Chengdu Ket Technology Co., Ltd., HongFuJing Precision Electronics (GuiYang) Co., Ltd., Shenzhen Luvia Technology Co. Ltd., Henan Harmony Futeng Internet and Intelligent Electric Vehicle Management Co., Ltd., HaoCan Private Equity Investment Fund Joint Venture, Shen Zhen Fu Neng New Energy Technology Co., Ltd., Shenzhen Futaitale Trade Co Ltd., Shenzhen Rich Rich InformationTechnology Co., Ltd., HeNan YuYu Electric Vehicle Rental Inc. HangZhu Science & Technology Co., Chengdu Futaitale Trade Co., Ltd., Chengdu Chengfu Human Resource Management Co., Ltd., Foxstar Technology Co., Ltd., Henan Zhongyuan Finance Sponson Co., Ltd., Zhengzhou FuLian Wang Electronic Technology Co., Ltd., HengYan FuLianWang Commerce & Trade Co., Ltd., Huaian Flnet Electronics and Technology Co., Ltd., Kunshan Fuliianwang Trade Co., Shanxi Fuliianwang Electronic Technology Co., Ltd., YanTai FuLianWang Electronic Technology Co.,Ltd., XiaMen Fuliianwang Electronic Technology Co.,Ltd.,(Formerly :Hunan Wanyun E Technology Co., Ltd.), Guangzhou Fuliianwang Trading Co., Ltd.,(Formerly : Guangzhou Wanyunma Electronic Technology Co., Ltd.), Shanghai Fuhong Electronic Technology Co., Ltd., Chendu Fuliianwang Trade Co., Li NanYang Fuliianwang Electronic Technology Co Ltd., Zengzhou Wanmayun Electronic Technology Co., Ltd., Langfang Fuliianwang Trade Co., Ltd., XiAn Wanmayun Electronic Technology Co., Ltd., Shenyang Fuliianwang Eleci Technology Co Ltd., Guangxi Fuliianwang Electronic Technology Co Ltd., WuHan FuLianWang Commerce & Trade Co., Ltd., Hangzhou Flnet Electronic and Technology Co., Ltd., Guizhou Fuxuntong Trading Co., Ltd., Beijing Fuliian Commerce Co., Ltd.,(Formerly : Beijin Fuliianwang Electronic Technology Co. Ltd.) JiNan Fuliianwang Electronic Technology Co. Ltd., Zhengzhou Fuyucheng Agricultural Biotechnology Co., Ltd., Zhengzhou Fuyusheng Technology Co., Ltd., Zhenzhou Yongyang Provisions Detection Co., Ltd., JiYuan Jizhun Precision Electronics Limited, Henan Yupin Real Estate Co., Ltd., Hongfusheng Precision Electronics (ZhengZhou) Co., Ltd., HeNan Jiag Industrial Limited, Fuyu Electric Vehicle Service CO., LTD., Henan Mou Fat Enterprises Co. Ltd., FuNeng New Energy Technology (Nanyang) Co., Ltd., HeNan YuZhan Technology Limited, Shanxi Ultimate Precision CO.,LTD Hong/ZhaoDa Integrated Innovative Serice (KunShan)Co., Ltd., Guizhou Fuzhikang Electronic Co., Ltd., Hangzhou GengDe Electronics Co.,Ltd., Hengyang Futaitong Precision Industry Co., Ltd., Lang Fang Fertile Plan Logistics Ltd., Zheungzhou FHH Communication Technology Co., Ltd., New Creation Electronics (Huaian) Co., Ltd., Shanghai Futaitong International Logistics Co., Ltd., Ambit Microsystems (JiaShan) Ltd., HongFu Creative (HongZhou Yantai FeiHu Science & Technology Co., Gansu Fukuangyuan Electric Co., Ltd., Shanghai Shuilih Electric Co., Ltd., Except for the investment via the holding companies in Mainland China, other investments shall be approved by Investment Commission of the Ministry of Economic Affairs.

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