

Consolidated Balance Sheet

Provided by: HON HAI PRECISION IND. CO., LTD.
 Financial year: Yearly
 Unit : NT\$ thousand

Accounting Title	2011/09/30		2010/09/30	
	Amount	%	Amount	%
Assets				
Current Assets				
Cash and cash equivalents	358,157,218.00	20.33	222,078,047.00	16.30
Financial assets measured at fair value through profit or loss - current	239,029.00	0.01	79,792.00	0.01
Available-for-sale financial assets - current	829,086.00	0.05	1,023,101.00	0.08
Accounts receivable - net	360,435,256.00	20.46	365,071,708.00	26.79
Accounts receivable - related parties - net	19,226,590.00	1.09	24,310,603.00	1.78
Other receivables	34,321,092.00	1.95	31,204,523.00	2.29
Other financial assets - current	136,984,489.00	7.77	45,768,353.00	3.36
Inventories	402,067,061.00	22.82	319,407,084.00	23.44
Other prepayments	8,849,109.00	0.50	3,218,364.00	0.24
Other current assets	5,520,597.00	0.31	3,160,230.00	0.23
Current assets	1,326,629,527.00	75.29	1,015,321,805.00	74.51
Funds and Investments				
Available-for-sale financial assets - non current	4,900,893.00	0.28	15,374,011.00	1.13
Financial assets carried at cost - non current	3,888,199.00	0.22	2,168,383.00	0.16
Equity investments under equity method	36,917,191.00	2.10	33,228,516.00	2.44
Prepayments for long-term investments	124,174.00	0.01	32,431.00	0.00
Investments	37,041,365.00	2.10	33,260,947.00	2.44
Other financial assets - non current	1,042,444.00	0.06	69,664.00	0.01
Funds and long-term investments	46,872,901.00	2.66	50,873,005.00	3.73
Fixed Assets				
Cost				
Land	4,195,857.00	0.24	4,248,206.00	0.31
Buildings and structures	147,011,749.00	8.34	122,094,774.00	8.96
Machinery and equipment	241,876,087.00	13.73	175,441,735.00	12.87
Molding equipment	5,003,974.00	0.28	4,146,627.00	0.30
Testing equipment	27,686,403.00	1.57	22,322,938.00	1.64
Office equipment	16,020,610.00	0.91	14,362,533.00	1.05
Maintenance equipment and tools	3,219,693.00	0.18	3,391,053.00	0.25
Other facilities	40,667,323.00	2.31	32,946,593.00	2.42
Fixed assets cost	485,681,696.00	27.56	378,954,459.00	27.81
Accumulated depreciation	-174,903,775.00	-9.93	-139,799,420.00	-10.26
Accumulated impairment - fixed assets	-4,591,168.00	-0.26	-3,466,817.00	-0.25
Construction in process and prepayment for equipments	41,133,499.00	2.33	27,671,838.00	2.03
Fixed assets	347,320,252.00	19.71	263,360,060.00	19.33
Intangible Assets				
Goodwill	215,474.00	0.01	215,474.00	0.02
Other intangible assets	0.00	0.00	228,823.00	0.02
Intangible assets	215,474.00	0.01	444,297.00	0.03
Other Assets				
Deferred charges	14,792,657.00	0.84	6,229,288.00	0.46
Other assets - other	26,215,607.00	1.49	26,473,668.00	1.94
Other assets	41,008,264.00	2.33	32,702,956.00	2.40
Assets	1,762,046,418.00	100.00	1,362,702,123.00	100.00
Liabilities and Stockholders' Equity				
Liabilities				
Current Liabilities				
Short-term borrowings	366,050,677.00	20.77	168,450,002.00	12.36
Short-term notes and bills payable	4,995,036.00	0.28	8,290,187.00	0.61
Financial liabilities measured at fair value through profit or loss - current	261,267.00	0.01	405,299.00	0.03
Accounts payable	495,467,168.00	28.12	444,669,924.00	32.63
Accounts payable - related parties	27,940,132.00	1.59	27,010,418.00	1.98
Income tax payable	13,723,484.00	0.78	13,217,504.00	0.97
Accrued expenses	72,027,664.00	4.09	65,088,762.00	4.78

Other payables	24,595,283.00	1.40	32,473,313.00	2.38
Advance receipts	5,336,838.00	0.30	4,156,754.00	0.31
Long-term liabilities - current portion	20,219,400.00	1.15	16,724,100.00	1.23
Other current liabilities	20,430,801.00	1.16	15,876,233.00	1.17
Current liabilities	1,051,047,750.00	59.65	796,362,496.00	58.44
Long term Liabilities				
Bonds payable	62,400,513.00	3.54	29,539,400.00	2.17
Long-term borrowings	61,844,523.00	3.51	15,630,000.00	1.15
Long-term liabilities	124,245,036.00	7.05	45,169,400.00	3.31
Reserves				
Other Liabilities				
Pension reserve / accrued pension liability	1,070,408.00	0.06	1,080,534.00	0.08
Deferred income tax liabilities	2,507,089.00	0.14	2,735,534.00	0.20
Other liabilities - other	3,739,075.00	0.21	3,127,345.00	0.23
Other liabilities	7,316,572.00	0.42	6,943,413.00	0.51
Liabilities	1,182,609,358.00	67.12	848,475,309.00	62.26
Stockholders' Equity				
Capital				
Common stock	106,890,967.00	6.07	96,612,482.00	7.09
Capital Surplus				
Capital surplus - additional paid-in capital	52,011,511.00	2.95	47,073,620.00	3.45
Capital surplus - long-term equity investments	14,982,057.00	0.85	14,337,729.00	1.05
Capital surplus - stock option	3,229,640.00	0.18	1,195,200.00	0.09
Capital surplus	70,223,208.00	3.99	62,606,549.00	4.59
Retained Earnings				
Legal reserve	51,821,402.00	2.94	44,105,947.00	3.24
Unappropriated retained earnings	290,470,580.00	16.48	249,515,240.00	18.31
Retained earnings	342,291,982.00	19.43	293,621,187.00	21.55
Stockholders' Equity and Other adjustmen				
Cumulative translation adjustments	20,925,620.00	1.19	13,174,557.00	0.97
Unrealized gains (losses) on financial instruments	2,728,088.00	0.15	13,963,594.00	1.02
Treasure stock	-18,901.00	0.00	-18,901.00	0.00
Equity adjustments	23,634,807.00	1.34	27,119,250.00	1.99
Minority interest	36,396,096.00	2.07	34,267,346.00	2.51
Stockholders' equity	579,437,060.00	32.88	514,226,814.00	37.74
Number of treasury stock acquired by the company and subsidiaries (unit: share)	1,184,375.00	0.07	1,076,705.00	0.08
		0.00	0.00	0.00

Consolidated Income Statement

Provided by: HON HAI PRECISION IND. CO., LTD.
 Financial year: Yearly
 Unit : NT\$ thousand

Accounting Title	2011/09/30		2010/09/30	
	Amount	%	Amount	%
Sales	2,378,489,617.00	100.00	2,045,071,236.00	100.00
Sales	2,378,489,617.00	100.00	2,045,071,236.00	100.00
Operating income	2,378,489,617.00	100.00	2,045,071,236.00	100.00
Cost of sales	2,207,584,936.00	92.81	1,876,443,226.00	91.75
Operating costs	2,207,584,936.00	92.81	1,876,443,226.00	91.75
Gross profit (loss) from operations	170,904,681.00	7.19	168,628,010.00	8.25
Selling expense	43,683,301.00	1.84	42,385,167.00	2.07
General and administrative expenses	50,633,988.00	2.13	36,941,202.00	1.81
Research and development expenses	29,117,820.00	1.22	27,836,508.00	1.36
Operating expenses	123,435,109.00	5.19	107,162,877.00	5.24
Operating income (loss)	47,469,572.00	2.00	61,465,133.00	3.01
Non-Operating Income				
Interest income	4,547,467.00	0.19	1,997,571.00	0.10
Income from long-term equity investments under the equity method	1,827,779.00	0.08	911,032.00	0.04
Investment income	1,827,779.00	0.08	911,032.00	0.04
Gains on disposal of fixed assets	221,866.00	0.01	32,723.00	0.00
Gains on sale of investments	363,659.00	0.02	11,564.00	0.00
Foreign exchange gains	7,665,670.00	0.32	4,423,566.00	0.22
Revaluation gain on financial assets	34,925.00	0.00	0.00	0.00
Revaluation gain on financial liabilities	75,547.00	0.00	0.00	0.00
Miscellaneous income	3,581,243.00	0.15	3,702,741.00	0.18
Non-operating revenues and gains	18,318,156.00	0.77	11,079,197.00	0.54
Non-Operating Expenses				
Interest expense	4,058,949.00	0.17	1,839,081.00	0.09
Financial expense	297,182.00	0.01	186,968.00	0.01
Impairment loss on assets	0.00	0.00	2,181,324.00	0.11
Revaluation loss on financial assets	0.00	0.00	1,476.00	0.00
Revaluation loss on financial liabilities	0.00	0.00	443,979.00	0.02
Miscellaneous disbursements	441,154.00	0.02	1,139,107.00	0.06
Non-operating expenses and losses	4,797,285.00	0.20	5,791,935.00	0.28
Income from continuing operations before income tax	60,990,443.00	2.56	66,752,395.00	3.26
Income tax expense (benefit)	14,505,217.00	0.61	12,807,389.00	0.63
Income from continuing operations	46,485,226.00	1.95	53,945,006.00	2.64
Consolidated net income attributable to parent company	46,561,176.00	1.96	55,722,436.00	2.72
Minority interest income	-75,950.00	0.00	-1,777,430.00	-0.09
Consolidated net income	46,485,226.00	1.95	53,945,006.00	2.64
Primary Earnings per Share				
Income (loss) from continuing operations	4.36	0.00	5.07	0.00
Primary earnings per share of minority interest	0.01	0.00	0.17	0.00
Primary earnings per share	4.37	0.00	5.24	0.00
Diluted earnings per share				
Income (loss) from continuing operations	4.25	0.00	5.02	0.00
Diluted earnings per share of minority interest	0.01	0.00	0.17	0.00
Diluted earnings per share	4.26	0.00	5.19	0.00

Consolidated Statements of Cash Flows

Provided by: HON HAI PRECISION IND. CO., LTD.
 Financial year: Yearly
 Unit: GNT\$ thousand

HON HAI PRECISION IND. CO., LTD.
 CONSOLIDATED STATEMENTS OF CASH FLOWS
 Nine Months Ended September 30, 2011 AND 2010

(In Thousands of New Taiwan Dollars)
 2011 2010

	2011	2010
Cash Flows from Operating Activities - Indirect Method		
Consolidated Net Income (Loss)	\$46,485,226	\$53,945,006
Adjustments to Reconcile Net Income to Net Cash Provided by (Used in) Operating Activities		
Depreciation Expense	34,845,253	25,811,663
Amortization Expense	3,036,548	3,854,701
Provision (Reversal of Provision) for Bad Debt Expense	(1,183,157)	221,250
Amortization of Bonds Issue Cost	476,280	0
Loss (Gain) on Decline (Recovery) in Market Value, Scrap and Obsolescence of Inventories	4,591,029	1,935,541
Investment Loss (Income) Recognized under Equity Method	(1,827,779)	(911,032)
Cash Dividends Received from Investments Accounted for under Equity Method	563,399	106,086
Loss (Gain) on Disposal of Property, Plant and Equipment	(221,866)	(32,723)
Loss (Gain) on Disposal of Investments	(363,659)	(11,564)
Unrealized Revaluation Loss (Gain) on Financial Assets and Liabilities	35,263	340,507
Impairment Losses on Financial Asset	0	166,082
Impairment Loss on Non-Financial Assets	0	2,015,242
Changes in Operating Assets and Liabilities		
Decrease (Increase) in Financial Assets Held for Trading	1,975	0
Decrease (Increase) in Notes Receivable	6,611,029	1,907,698
Decrease (Increase) in Accounts Receivable	25,127,622	(62,693,327)
Decrease (Increase) in Accounts Receivable - Related Parties	(398,090)	(5,458,192)
Decrease (Increase) in Other Receivables	(3,427,807)	(6,935,547)
Decrease (Increase) in Inventories	(147,274,375)	(132,124,762)
Decrease (Increase) in Other Prepayments	(3,728,013)	1,302,781
Decrease (Increase) in Deferred Tax Assets	(1,486,354)	87,528
Increase (Decrease) in Accounts Payable	91,850,070	150,411,438
Increase (Decrease) in Accounts Payable - Related Parties	4,403,920	8,202,927
Increase (Decrease) in Income Tax Payable	(902,520)	(20,354)
Increase (Decrease) in Accrued Expenses	18,483,985	20,141,543
Increase (Decrease) in Other Payables	(878,117)	675,767
Increase (Decrease) in Receipts in Advance	(1,471,690)	426,252
Increase (Decrease) in Other Current Liabilities	5,503,180	4,744,725
Increase (Decrease) in Deferred Tax Liabilities	(346,910)	(2,606,337)
Increase (Decrease) in Accrued Pension Liabilities	(20,604)	1,291
Net Cash Provided by (Used in) Operating Activities	78,483,838	65,504,190
Cash Flows from Investing Activities		
Acquisition of Financial Assets as Fair Value through Profit or Loss	(112,185)	(1,278)
Acquisition of Financial Assets Carried at Cost	(805,402)	(607,329)
Proceeds from Disposal of Financial Assets Carried at Cost	464,710	5,685
Acquisition of Long-term Investments under Equity Method	(689,995)	(1,640,332)
Purchase of Property, Plant and Equipment	(73,359,747)	(43,932,795)
Proceeds from Disposal of Property, Plant and Equipment	1,384,214	2,392,451
Decrease (Increase) in Other Financial Assets	(79,707,813)	(42,287,230)
Decrease (Increase) in Other Assets	(10,580,475)	(7,410,876)
Net Cash Provided by (Used in) Investing Activities	(163,406,693)	(93,481,704)
Cash Flows from Financing Activities		
Increase (Decrease) in Short-term Loans	148,553,644	72,587,968
Increase (Decrease) in Short-term Notes and Bills Payable	(4,596,252)	8,290,187
Proceeds from Issuance of Bonds	18,000,000	0
Repayments of Bonds	0	(6,000,000)
Proceeds from Long-term Debt	22,272,500	0
Repayments of Long-term Debt	(3,783,000)	0
Increase (Decrease) in Other Liabilities	(842,052)	(833,917)
Cash Dividends Paid	(9,661,248)	0
Employee Bonus and Remunerations Paid to Directors and Supervisors	0	(932,136)
Changes in Minority Interest	1,701,988	1,189,251
Net Cash Provided by (Used in) Financing Activities	171,645,580	74,301,353
Effect of Exchange Rate Changes	17,193,170	(1,788,932)
Net Increase (Decrease) in Cash and Cash Equivalents	103,915,895	44,534,907
Cash and Cash Equivalents, Beginning of year	254,241,323	177,543,140
Cash and Cash Equivalents, End of year	\$358,157,218	\$222,078,047
Supplemental Cash Flow Information		
Interest Paid	\$3,234,991	\$1,778,059
Interest Paid- Excluding Capitalized Interest	\$3,234,991	\$1,778,059
Income Tax Paid	\$15,562,035	\$14,865,901
Non-cash Investing and Financing Activities		
Unrealized Valuation Gains or Losses on Financial Instruments	(\$9,040,305)	(\$2,143,466)
Unrealized Gains or Losses on Financial Instruments Recognized due to Equity Changes in Long-term Investments	(\$1,496,737)	(\$795,857)
Cumulative Translation Adjustments	\$30,255,939	(\$1,347,525)
Cash Dividends Payable	\$0	\$17,157,864
Employee Bonus Payable and Compensation Due to Directors and Supervisors	\$5,555,128	\$5,449,328
Investing Activities Affecting Both Cash and Non-cash Items		
Cash Paid for Acquisition of Property, Plant and Equipment		
Increase in Property, Plant and Equipment	\$80,094,303	\$49,588,804
Increase (Decrease) in Payable for Equipment Purchased	(\$6,734,556)	(\$5,656,009)
Cash Paid for Acquisition of Property, Plant and Equipment	\$73,359,747	\$43,932,795
Other Supplemental Information		
Current assets	0	28,005,606
Property, plant, and equipments	0	9,627,690
Other assets	0	592,537
Current liabilities	0	(32,157,918)
Other liabilities	0	(853,577)
New Item	0	5,214,338
less: Minority interest	0	(179,484)
Cash of subsidiary	0	(2,137,918)
Net value of aquired subsidiary	0	2,896,936

Consolidated Independent Auditors?? Report

Provided by: HON HAI PRECISION IND. CO., LTD.

Financial year: Yearly

Name of CPA office:PricewaterhouseCoopers

Name of CPA(1):HSU, YUNG-CHIEN

Name of CPA(2):HSUEH, MING-LING

Date of audit or review report:1001109

REVIEW REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of

Hon Hai Precision Industry Co., Ltd.

We have reviewed, in accordance with the R.O.C. Statement of Auditing Standards No. 36, "Review of Financial Statements", the consolidated balance sheets of Hon Hai Precision Industry Co., Ltd. and subsidiaries as of September 30, 2011 and 2010, and the related consolidated statements of income and of cash flows for the nine-month periods then ended appearing on the Market Observation Post System as provided by the Taiwan Stock Exchange Corporation. Our review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

In our review report dated November 8, 2011, we indicated that (a) the financial statements of certain consolidated subsidiaries and were not reviewed by independent accountants, (b) effective January 1, 2011, the Company adopted the R.O.C. Statement of Financial Accounting Standards No.34, "Accounting for Financial Instruments", and No.41, "Disclosure of Operating Segments". Based on our reviews, except for the effect of such adjustments mentioned in (a) above, if any, as might have been determined to be necessary had the financial statements of certain investee companies been audited or reviewed by independent accountants, we are not aware of any material modifications that should be made to the consolidated financial statements referred to above for them to be in conformity with the "Rules Governing the Preparation of Financial Statements by Securities Issuers" and generally accepted accounting principles in the Republic of China.

The condensed consolidated financial statements presented in the Market Observation Post System of the Taiwan Stock Exchange Corporation are fairly stated, in all material respects, in relation to the financial statements from which it has been derived.

PricewaterhouseCoopers, Taiwan

November 9, 2011

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.

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