

Consolidated Balance Sheet

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

Accounting Title	2012/09/30		2011/09/30	
	Amount	%	Amount	%
Assets				
Current Assets				
Cash and cash equivalents	565,131,191.00	29.30	358,157,218.00	20.33
Financial assets measured at fair value through profit or loss - current	51,402.00	0.00	239,029.00	0.01
Available-for-sale financial assets - current	751,071.00	0.04	829,086.00	0.05
Accounts receivable - net	429,904,973.00	22.29	360,435,256.00	20.46
Accounts receivable - related parties - net	22,194,321.00	1.15	19,226,590.00	1.09
Other receivables	38,988,108.00	2.02	34,321,092.00	1.95
Other financial assets - current	3,882,662.00	0.20	136,984,489.00	7.77
Inventories	394,431,997.00	20.45	402,067,061.00	22.82
Other prepayments	5,970,573.00	0.31	8,849,109.00	0.50
Other current assets	6,469,387.00	0.34	5,520,597.00	0.31
Current assets	1,467,775,685.00	76.09	1,326,629,527.00	75.29
Funds and Investments				
Financial assets measured at fair value through profit or loss - non current	200,000.00	0.01	0.00	0.00
Available-for-sale financial assets - non current	9,358,050.00	0.49	4,900,893.00	0.28
Financial assets carried at cost - non current	3,465,995.00	0.18	3,888,199.00	0.22
Equity investments under equity method	39,387,644.00	2.04	36,917,191.00	2.10
Prepayments for long-term investments	49,869.00	0.00	124,174.00	0.01
Investments	39,437,513.00	2.04	37,041,365.00	2.10
Other financial assets - non current	23,100.00	0.00	1,042,444.00	0.06
Funds and long-term investments	52,484,658.00	2.72	46,872,901.00	2.66
Fixed Assets				
Cost				
Land	4,194,950.00	0.22	4,195,857.00	0.24
Buildings and structures	157,443,974.00	8.16	147,011,749.00	8.34
Machinery and equipment	259,753,238.00	13.47	241,876,087.00	13.73
Molding equipment	2,998,201.00	0.16	5,003,974.00	0.28
Testing equipment	24,868,347.00	1.29	27,686,403.00	1.57
Office equipment	15,483,998.00	0.80	16,020,610.00	0.91
Maintenance equipment and tools	3,379,007.00	0.18	3,219,693.00	0.18
Other facilities	44,209,848.00	2.29	40,667,323.00	2.31
Fixed assets cost	512,331,563.00	26.56	485,681,696.00	27.56
Accumulated depreciation	-186,498,469.00	-9.67	-174,903,775.00	-9.93
Accumulated impairment - fixed assets	-5,347,809.00	-0.28	-4,591,168.00	-0.26
Construction in process and prepayment for equipments	45,874,371.00	2.38	41,133,499.00	2.33
Fixed assets	366,359,656.00	18.99	347,320,252.00	19.71
Intangible Assets				
Goodwill	508,421.00	0.03	215,474.00	0.01
Intangible assets	508,421.00	0.03	215,474.00	0.01
Other Assets				
Deferred charges	17,085,329.00	0.89	14,792,657.00	0.84
Other assets - other	24,738,234.00	1.28	26,215,607.00	1.49
Other assets	41,823,563.00	2.17	41,008,264.00	2.33
Assets	1,928,951,983.00	100.00	1,762,046,418.00	100.00
Liabilities and Stockholders' Equity				
Liabilities				
Current Liabilities				
Short-term borrowings	370,599,719.00	19.21	366,050,677.00	20.77
Short-term notes and bills payable	7,989,206.00	0.41	4,995,036.00	0.28
Financial liabilities measured at fair value through profit or loss - current	43,100.00	0.00	261,267.00	0.01
Accounts payable	510,197,105.00	26.45	495,467,168.00	28.12
Accounts payable - related parties	48,592,357.00	2.52	27,940,132.00	1.59
Income tax payable	12,851,691.00	0.67	13,723,484.00	0.78

Accrued expenses	107,973,933.00	5.60	72,027,664.00	4.09
Other payables	49,153,351.00	2.55	24,595,283.00	1.40
Advance receipts	23,242,407.00	1.20	5,336,838.00	0.30
Long-term liabilities - current portion	18,459,000.00	0.96	20,219,400.00	1.15
Other current liabilities	15,244,101.00	0.79	20,430,801.00	1.16
Current liabilities	1,164,345,970.00	60.36	1,051,047,750.00	59.65
Long term Liabilities				
Bonds payable	84,929,910.00	4.40	62,400,513.00	3.54
Long-term borrowings	33,077,367.00	1.71	61,844,523.00	3.51
Long-term liabilities	118,007,277.00	6.12	124,245,036.00	7.05
Reserves				
Other Liabilities				
Pension reserve / accrued pension liability	1,098,760.00	0.06	1,070,408.00	0.06
Deferred income tax liabilities	925,740.00	0.05	2,507,089.00	0.14
Other liabilities - other	4,286,727.00	0.22	3,739,075.00	0.21
Other liabilities	6,311,227.00	0.33	7,316,572.00	0.42
Liabilities	1,288,664,474.00	66.81	1,182,609,358.00	67.12
Stockholders' Equity				
Capital				
Common stock	118,358,665.00	6.14	106,890,967.00	6.07
Capital Surplus				
Capital surplus - additional paid-in capital	58,302,661.00	3.02	52,011,511.00	2.95
Capital surplus - long-term equity investments	14,866,527.00	0.77	14,982,057.00	0.85
Capital surplus - stock option	2,034,440.00	0.11	3,229,640.00	0.18
Capital surplus	75,203,628.00	3.90	70,223,208.00	3.99
Retained Earnings				
Legal reserve	59,980,502.00	3.11	51,821,402.00	2.94
Unappropriated retained earnings	348,408,180.00	18.06	290,470,580.00	16.48
Retained earnings	408,388,682.00	21.17	342,291,982.00	19.43
Stockholders' Equity and Other adjustmen				
Cumulative translation adjustments	1,368,665.00	0.07	20,925,620.00	1.19
Unrealized gains (losses) on financial instruments	2,133,497.00	0.11	2,728,088.00	0.15
Treasure stock	-18,901.00	0.00	-18,901.00	0.00
Equity adjustments	3,483,261.00	0.18	23,634,807.00	1.34
Minority interest	34,853,273.00	1.81	36,396,096.00	2.07
Stockholders' equity	640,287,509.00	33.19	579,437,060.00	32.88
Number of treasury stock acquired by the company and subsidiaries (unit: share)	1,302,812.00	0.07	1,184,375.00	0.07
	0.00	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	2012/09/30		2011/09/30	
	Amount	%	Amount	%
Sales	2,767,645,025.00	100.00	2,378,489,617.00	100.00
Sales	2,767,645,025.00	100.00	2,378,489,617.00	100.00
Operating income	2,767,645,025.00	100.00	2,378,489,617.00	100.00
Cost of sales	2,546,980,284.00	92.03	2,207,584,936.00	92.81
Operating costs	2,546,980,284.00	92.03	2,207,584,936.00	92.81
Gross profit (loss) from operations	220,664,741.00	7.97	170,904,681.00	7.19
Selling expense	70,360,223.00	2.54	43,683,301.00	1.84
General and administrative expenses	51,528,723.00	1.86	50,633,988.00	2.13
Research and development expenses	32,066,886.00	1.16	29,117,820.00	1.22
Operating expenses	153,955,832.00	5.56	123,435,109.00	5.19
Operating income (loss)	66,708,909.00	2.41	47,469,572.00	2.00
Non-Operating Income				
Interest income	9,903,538.00	0.36	4,547,467.00	0.19
Income from long-term equity investments under the equity method	1,248,862.00	0.05	1,827,779.00	0.08
Investment income	1,248,862.00	0.05	1,827,779.00	0.08
Gains on disposal of fixed assets	35,451.00	0.00	221,866.00	0.01
Gains on sale of investments	1,277,607.00	0.05	363,659.00	0.02
Foreign exchange gains	0.00	0.00	7,665,670.00	0.32
Revaluation gain on financial assets	193,623.00	0.01	34,925.00	0.00
Revaluation gain on financial liabilities	6,559.00	0.00	75,547.00	0.00
Miscellaneous income	4,239,201.00	0.15	3,581,243.00	0.15
Non-operating revenues and gains	16,904,841.00	0.61	18,318,156.00	0.77
Non-Operating Expenses				
Interest expense	7,110,282.00	0.26	4,058,949.00	0.17
Foreign exchange losses	2,948,611.00	0.11	0.00	0.00
Financial expense	147,374.00	0.01	297,182.00	0.01
Impairment loss on assets	1,790,341.00	0.06	0.00	0.00
Miscellaneous disbursements	652,949.00	0.02	441,154.00	0.02
Non-operating expenses and losses	12,649,557.00	0.46	4,797,285.00	0.20
Income from continuing operations before income tax	70,964,193.00	2.56	60,990,443.00	2.56
Income tax expense (benefit)	15,627,659.00	0.56	14,505,217.00	0.61
Income from continuing operations	55,336,534.00	2.00	46,485,226.00	1.95
Consolidated net income attributable to parent company	57,789,619.00	2.09	46,561,176.00	1.96
Minority interest income	-2,453,085.00	-0.09	-75,950.00	0.00
Consolidated net income	55,336,534.00	2.00	46,485,226.00	1.95
Primary Earnings per Share				
Income (loss) from continuing operations	4.69	0.00	3.95	0.00
Primary earnings per share of minority interest	0.21	0.00	0.01	0.00
Primary earnings per share	4.90	0.00	3.96	0.00
Diluted earnings per share				
Income (loss) from continuing operations	4.60	0.00	3.85	0.00
Diluted earnings per share of minority interest	0.20	0.00	0.01	0.00
Diluted earnings per share	4.80	0.00	3.86	0.00

Consolidated Statements of Cash Flows

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

HON HAI PRECISION IND. CO., LTD.
 CONSOLIDATED STATEMENTS OF CASH FLOWS
 Nine Months Ended September 30, 2012 AND 2011

(In Thousands of New Taiwan Dollars)
 2012 2011

	2012	2011
Cash Flows from Operating Activities - Indirect Method		
Consolidated Net Income (Loss)	\$55,336,534	\$46,485,226
Adjustments to Reconcile Net Income to Net Cash Provided by (Used in) Operating Activities		
Depreciation Expense	42,176,630	34,845,253
Amortization Expense	8,976,253	3,036,548
Provision (Reversal of Provision) for Bad Debt Expense	706,758	(1,183,157)
Amortization of Bonds Issue Cost	499,650	476,280
Loss (Gain) on Decline (Recovery) in Market Value, Scrap and Obsolescence of Inventories	(242,337)	4,591,029
Investment Loss (Income) Recognized under Equity Method	(1,248,862)	(1,827,779)
Cash Dividends Received from Investments Accounted for under Equity Method	629,643	563,399
Loss (Gain) on Disposal of Property, Plant and Equipment	(35,451)	(221,866)
Loss (Gain) on Disposal of Investments	(1,277,607)	(363,659)
Unrealized Revaluation Loss (Gain) on Financial Assets and Liabilities	17,290	35,263
Impairment Losses on Financial Asset	0	0
Impairment Loss on Non-Financial Assets	1,790,341	0
Changes in Operating Assets and Liabilities		
Decrease (Increase) in Financial Assets Held for Trading	(1,180)	1,975
Decrease (Increase) in Notes Receivable	(30,499)	6,611,029
Decrease (Increase) in Accounts Receivable	20,176,752	25,127,622
Decrease (Increase) in Accounts Receivable - Related Parties	3,097,490	(398,090)
Decrease (Increase) in Other Receivables	(2,997,396)	(3,427,807)
Decrease (Increase) in Inventories	(13,302,912)	(147,274,375)
Decrease (Increase) in Other Prepayments	1,149,346	(3,728,013)
Decrease (Increase) in Deferred Tax Assets	1,547,032	(1,486,354)
Increase (Decrease) in Accounts Payable	(9,527,997)	91,850,070
Increase (Decrease) in Accounts Payable - Related Parties	19,823,180	4,403,920
Increase (Decrease) in Income Tax Payable	(7,087,812)	(902,520)
Increase (Decrease) in Accrued Expenses	26,525,600	18,483,985
Increase (Decrease) in Other Payables	(743,726)	(878,117)
Increase (Decrease) in Receipts in Advance	17,657,626	(1,471,690)
Increase (Decrease) in Other Current Liabilities	(9,353,540)	5,503,180
Increase (Decrease) in Deferred Tax Liabilities	(868,007)	(346,910)
Increase (Decrease) in Accrued Pension Liabilities	34,460	(20,604)
Net Cash Provided by (Used in) Operating Activities	153,427,259	78,483,838
Cash Flows from Investing Activities		
Acquisition of Financial Assets as Fair Value through Profit or Loss	(405,917)	(112,185)
Acquisition of Available-for-sale Financial Assets	(7,719,647)	0
Proceeds from Disposal of Available-for-sale Financial Assets	4,690,874	464,710
Acquisition of Financial Assets Carried at Cost	(730,620)	(805,402)
Proceeds from Disposal of Financial Assets Carried at Cost	981,681	0
Acquisition of Long-term Investments under Equity Method	(914,768)	(689,995)
Proceeds from Disposal of Long-term Investments under Equity Method	2,104,878	0
Purchase of Property, Plant and Equipment	(41,657,836)	(73,359,747)
Proceeds from Disposal of Property, Plant and Equipment	3,381,352	1,384,214
Decrease (Increase) in Other Financial Assets	41,642,002	(79,707,813)
Decrease (Increase) in Other Assets	(12,226,083)	(10,580,475)
Net Cash Provided by (Used in) Investing Activities	(10,854,084)	(163,406,693)
Cash Flows from Financing Activities		
Increase (Decrease) in Short-term Loans	110,076,970	148,553,644
Increase (Decrease) in Short-term Notes and Bills Payable	(106)	(4,596,252)
Proceeds from Issuance of Bonds	23,000,000	18,000,000
Repayments of Bonds	(3,000,000)	0
Proceeds from Long-term Debt	6,206,100	22,272,500
Repayments of Long-term Debt	(6,687,000)	(3,783,000)
Increase (Decrease) in Other Liabilities	(452,247)	(842,052)
Cash Dividends Paid	(16,033,645)	(9,661,248)
Employee Bonus and Remunerations Paid to Directors and Supervisors	0	0
Changes in Minority Interest	118,562	1,701,988
Net Cash Provided by (Used in) Financing Activities	113,228,634	171,645,580
Effect of Exchange Rate Changes	(20,464,251)	17,193,170
Net Increase (Decrease) in Cash and Cash Equivalents	235,337,558	103,915,895
Cash and Cash Equivalents, Beginning of year	329,793,633	254,241,323
Cash and Cash Equivalents, End of year	\$565,131,191	\$358,157,218
Supplemental Cash Flow Information		
Interest Paid	\$6,605,218	\$3,234,991
Interest Paid- Excluding Capitalized Interest	\$6,605,218	\$3,234,991
Income Tax Paid	\$20,201,934	\$15,562,035
Non-cash Investing and Financing Activities		
Unrealized Valuation Gains or Losses on Financial Instruments	\$1,074,726	(\$9,040,305)
Unrealized Gains or Losses on Financial Instruments Recognized due to Equity Changes in Long-term Investments	(\$743,952)	(\$1,496,737)
Employee Bonus Payable and Compensation Due to Directors and Supervisors	\$5,874,552	\$5,555,128
Investing Activities Affecting Both Cash and Non-cash Items		
Cash Paid for Acquisition of Property, Plant and Equipment		
Increase in Property, Plant and Equipment	\$58,629,828	\$80,094,303
Increase (Decrease) in Payable for Equipment Purchased	(\$16,971,992)	(\$6,734,556)
Cash Paid for Acquisition of Property, Plant and Equipment	\$41,657,836	\$73,359,747

Consolidated Independent Auditors?? Report

Provided by: HON HAI PRECISION IND. CO., LTD.
Financial year: Yearly

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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: 1011112

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, 2012 and 2011, 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 12, 2012, we indicated that (a) the financial statements of certain consolidated subsidiaries and were not reviewed by independent accountants, (b) pursuant to the regulations of the Financial Supervisory Commission, Executive Yuan, R.O.C. (FSC) effective January 1, 2013, the Company should prepare consolidated financial statements in accordance with the International Financial Reporting Standards, International Accounting Standards, and relevant interpretations and interpretative bulletins (IFRSs) that are ratified by FSC and the "Rules Governing the Preparation of Financial Statements by Securities Issuers" that will be applied in 2013 and discloses in advance prior to the adoption of IFRSs under the requirements of Jin-Guan-Zheng-Shen-Zi Order No. 0990004943 of FSC, dated February 2, 2010, we issued a qualified conclusion on those consolidation financial statements. 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 12, 2012

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.